PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 441 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY-FOURTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-FOURTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2005–06

COMPRISING PERIOD
9 January—26 January 2006

Comm/Ref (06/07)

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OPERATIONS MANAGER—Robert Gibbs

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PRINCIPAL FLOOR MANAGER— Catherine Joyce

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9 January 2006

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FOURTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 11 MAY 2005]

FIFTY-FOURTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 441**

EIGHTH VOLUME OF SESSION 2005–2006

House of Commons

Monday 9 January 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

DEATH OF A MEMBER

Mr. Speaker: I regret to have to report to the House the death of Rachel Squire, Member for Dunfermline and West Fife. I am sure that Members on all sides of the House will join me in mourning the loss of a colleague and extending our sympathy to the hon. Member's family and friends.

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Inactive Benefits

1. **Steve McCabe** (Birmingham, Hall Green) (Lab): How many recipients of inactive benefits moved back to work in the last year for which figures are available. [40157]

The Secretary of State for Work and Pensions (Mr. John Hutton): In the year to May 2005, the number of people receiving inactive benefits has fallen by 76,000. The number of incapacity benefits recipients has fallen by 41,000 and the number of lone parents receiving benefits by 34,000.

Steve McCabe: I am sure that my right hon. Friend agrees that the best route out of poverty is a decently paid job for those who can work. In that context, will he share with us his latest thinking on what will happen to those on incapacity benefit who can work, as well as on safeguards for those who will not be able to work?

Mr. Hutton: My hon. Friend is right and I am sure that he speaks for the majority of Members when he says that, ultimately, that is the best type of welfare-to-work reform on which we can agree. I suspect that there will be a disagreement between us on the means to that end, but we remain convinced, building on the experience of the new deals—actively opposed by Opposition Members—that if we work with benefit recipients, develop their skills, capacities and capabilities and provide them with the appropriate level of support, that will be the best way of getting people out of benefits and into well-paid jobs. The proof of the pudding comes from the pathways to work pilot schemes that we have been testing up and down the country since 2003, which have produced positive results.

Tony Baldry (Banbury) (Con): In an area such as mine, most jobs require high skills. Those who have been out of work due to incapacity often require new skills, but the learning and skills councils and colleges of further education now seem to be focusing more and more on the 16 to 19 age group and less and less on providing skills and qualification training for adults. I do not believe that the learning and skills councils have got a grip on this. If people are to get the skills they need to get back into work, they will need some encouragement to acquire them, and the routing is not there.

Mr. Hutton: I am grateful to the hon. Gentleman and I agree that, wherever possible, we should make sure that there is proper co-ordination between Government

Departments that share a broadly similar agenda. Tackling worklessness is a shared responsibility between myself and my right hon. Friend the Secretary of State for Education and Skills. When we publish our proposals in the welfare reform Green Paper, we will set out how we promote better co-ordination between various Government agencies to produce the results that the hon. Gentleman and I would welcome.

Helen Goodman (Bishop Auckland) (Lab): I do not know whether my right hon. Friend is aware that, contrary to common understanding, the majority of people in the north-east on incapacity benefits are women. Also, a large number of people on incapacity benefit have mental health problems. How will he address their needs and help them get back into work?

Mr. Hutton: My hon. Friend is quite right to talk about some of the characteristics of incapacity benefit claimants. We shall soon be setting out a series of detailed proposals for reforming incapacity benefit and these will draw on our experiences to date from the pathways to work projects and take forward what we have learned from the new deals. I am sure that if we can provide the right help and support for people on incapacity benefit, we can make a significant contribution to tackling some of the levels of deprivation that can be seen in her constituency, in mine and in many others.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): In terms of the proposals in the welfare reform Green Paper to be published later this month, the Secretary of State has talked about the experience from the pathways to work areas. Will he assure the House that when the Green Paper is published, there will be sufficient funding behind the roll-out of the pathways to work schemes across the country to ensure that incapacity benefit recipients all over the UK can benefit from the scheme?

Mr. Hutton: Yes. We have £150 million of funding to facilitate the extension across the country of the pathways to work schemes, which have proved to be successful. The proposals that we shall bring forward in the Green Paper will of course be fully funded.

Mr. Frank Field (Birkenhead) (Lab): Are not the Secretary of State's constituency and mine similar to practically all constituencies represented in this House, in that for every one unemployed claimant, there are three incapacity benefit claimants? Most Jobcentre Pluses still spend most of their time helping the unemployed back into work. When he publishes the Green Paper, will he assure the House that all Jobcentre Pluses will give a disproportionate amount of time to those who form the largest part of the dole queues?

Mr. Hutton: My right hon. Friend is right to describe as he does the scale and depth of the problem that we need to tackle. As part of the reforms, which will be set out later this month, it will be very important that Jobcentre Plus supports the voluntary sector and some commercial and private sector providers, in order to provide a stronger and better menu of support for those of his constituents—and mine—who are claiming incapacity benefit. When he sees the Green Paper, I hope that he will give it his very strong support.

Mr. Julian Brazier (Canterbury) (Con): I welcome the last part of the Secretary of State's answer, but does he accept that voluntary organisations such as the Shaw Trust have a much greater success rate than the statutory sector? Can he say now what steps he will take to ensure that jobcentres do not keep in-house work that could be farmed out to such very successful organisations?

Mr. Hutton: I join the hon. Gentleman in paying tribute to the Shaw Trust, which is doing excellent work for us in a number of very important areas. Again, he will have to wait for the publication of the Green Paper, but a very important part of the reforms that we want to introduce is that we learn to draw on the expertise and skills of a wider variety of organisations that can help us to get people off benefit and back into work. The voluntary sector will have a very important role to play in helping us to do that.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): On benefits and welfare to work, does my right hon. Friend agree that one thing that would have given my friend the former Member for West Ham the most satisfaction—he worked very hard for the people of the east end for more than 20 years—was the work that his Labour Government did in taking so many people in the east end out of poverty?

Mr. Hutton: I agree very strongly with my hon. Friend and I am sure that I speak for every person in this House today when I say that we mourn the death of Tony Banks, who was an outstanding Member of Parliament. [HON. MEMBERS: "Hear, hear."] We will miss him very much.

Mr. Philip Hammond (Runnymede and Weybridge) (Con): First, I should like to associate myself and my colleagues with the Secretary of State's last remarks. We welcome his commitment to publishing the Green Paper on incapacity benefit reform before the end of this month, and provided that he stands firm in tackling the problems in the current system and does not allow himself to be deflected by potential rebels, we look forward to engaging in a constructive discussion with him on it. But why does he think that so many of his Labour colleagues appear to need so much convincing of the merits of a set of proposals designed to help people out of benefit dependency and into work?

Mr. Hutton: I first welcome the hon. Gentleman to his new responsibilities; it is a bit like old times for him and me. We spent many years—it felt like many years—debating care standards legislation in Standing Committee, so today brings back happy memories for me. [HON. MEMBERS: "Give details."] I could—believe me, I could; it is tattooed on my brain. It is not at all a case of having to convince my right hon. and hon. Friends on this issue. We see in our constituencies the failures of the current system, which, to give the hon. Gentleman credit, he fairly said last week has led to a culture of benefit dependency. Of course, it is a system that his Government set up, and it has spectacularly failed millions of people throughout the country. I am sure that I will have support on the Labour Benches for my proposals, and I point out to the hon. Gentleman—

as he probably expects me to—that I do not believe that he or his colleagues have anything to contribute to this debate, given their history in 18 years in government.

Mr. Hammond: I am grateful to the right hon. Gentleman for his words of welcome and it is indeed like old times, but we will take no lectures from him. His Government have been in office for nearly eight years and have done, in the words of his own Minister for Employment and Welfare Reform, sweet nothing to tackle this problem in that time. Given that the total number of incapacity benefit claimants is higher than in 1997, does he agree that the forthcoming Green Paper must address not only the flow of new claimants but the stock of existing ones, many of whom want to work and could do so if they were supported? Would it not be a betrayal of those currently trapped in dependency by this benefits system if he were to fail to address in the Green Paper the issue of current claimants?

Mr. Hutton: I agree, and that is why the Green Paper will also address the issue of what extra help and support we can provide for existing incapacity benefit claimants. The hon. Gentleman is wrong to say that we have done nothing to address the failures of the system that his party put in place, and the proof that we have done something is clear from the figures. For the first time for 25 years, the number claiming incapacity benefit has begun to fall, precisely because of the extra support and investment that we have made—all of which were opposed by him and his colleagues. He mentions the numbers, and it is true that since 1997 the total number claiming incapacity benefit has risen by 4 per cent., but last year saw the first fall. Between 1979 and 1997, the number claiming incapacity benefit rose by 232 per cent. That figure speaks volumes.

Child Support Agency

2. **Harry Cohen** (Leyton and Wanstead) (Lab): If he will make a statement on the Child Support Agency's policy towards those deemed to be the parent without care who claim they are not actually the parent. [40158]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): Where the parentage of a child is disputed, the agency can, in appropriate cases, arrange DNA tests. In five out of six cases, these prove that the alleged non-resident parent is the father of the child. There are categories of case, for example where the father is named on the birth certificate, where the agency can presume parentage without a test, but that can be disputed in the courts. If the court finds, or the DNA test shows, that a man is not the father of the child, the agency refunds the cost of the DNA test, refunds any maintenance paid and ceases action.

Harry Cohen: It was recently revealed that more than 3,000 men or one in six of those who took the DNA test were not the father of the child. Will my hon. Friend give an absolute assurance that all those men will be fully refunded, any arrears written off and the cost of the test reimbursed? If it is deemed that a woman acted maliciously in naming a man who proved not to be the father, should not the cost of the DNA test be transferred to her?

Mr. Plaskitt: My hon. Friend is correct to say that since the agency began to operate there have been 3,000 such cases. However, the number of tests commissioned each year is falling. In the first full year of the agency's operation there were more than 4,000 tests, but in the last complete year of operation there were fewer than 2,000. The percentage proving negative has been steady throughout, with just 300 such cases last year. I assure my hon. Friend that if a man is proved not to be the father, the cost of the DNA test is reimbursed as are any maintenance payments made. If a malicious claim is made by a mother, there are actions that the agency may take against her.

Mr. Desmond Swayne (New Forest, West) (Con): Does the Minister consider that there is sufficient incentive for the partner with care to identify the other parent?

Mr. Plaskitt: In most cases in which that becomes a matter of dispute, it is resolved long before maintenance comes into place. Disputes about parentage occur in various circumstances. Sometimes the dispute emerges early, with the claim being made by either party, but sometimes a dispute only arises once a man has been assessed as liable for maintenance. Then, and only then, does he dispute parentage, usually for vexatious reasons. That results in an investigation to establish whether he is in fact the father.

Public Sector Pensions

3. **Mr. Rob Wilson** (Reading, East) (Con): What role his Department has played in negotiations on the reform of public sector pensions. [40159]

The Minister for Pensions Reform (Mr. Stephen Timms): We have welcomed the savings to the Exchequer that will result from the negotiations. In April 2005, the Prime Minister asked the then Secretary of State for Work and Pensions to lead discussions with trade unions on the public sector schemes. My right hon. Friend took that responsibility with him to the Department of Trade and Industry. Ministers in this Department have not taken part in negotiations since then.

Mr. Wilson: I thank the Minister for his answer, but what action will he take to address the £800 billion public sector pension liability, or does he simply expect the private sector to pick up the tab?

Mr. Timms: Let me remind the hon. Gentleman what his party said during the election—[HON. MEMBERS: "Answer the question".] I can understand that he may not like to be reminded—

Mr. Speaker: Order. There is no need to remind the hon. Gentleman; the Minister should just give the answer.

Mr. Timms: The Conservatives told us that they had no plans to alter civil service pensions—

Mr. Speaker: Order. The Minister is out of order and he will resume his seat.

Mr. David Ruffley (Bury St. Edmunds) (Con): Rather surprisingly, the Chancellor of the Exchequer told the Treasury Committee, on 8 December 2005, that in regard to last October's public sector pension agreement "all things will be looked at in the sector by sector negotiations". In the interests of clarity, can the Minister confirm that as a result of those negotiations nobody who is at present a teacher, a worker in the national health service or a worker in the civil service will have to retire over the age of 60? Yes or no?

Mr. Timms: That would depend on what happens in the meantime: for example, if somebody is under the agreement that has been reached—there are of course further discussions to be had—and leaves one of the occupations that the hon. Gentleman described and later rejoins the pension scheme, they would re-enter on the basis of the new agreement, so the answer to his question is no.

John Robertson (Glasgow, North-West) (Lab): The Minister will be aware of the many attacks on pensions by companies throughout the country which are breaking their promises on almost a daily basis. Will he assure me that the promises we make to public sector workers will be kept and that he will ensure that they are kept?

Mr. Timms: I very much agree with my hon. Friend that it is important that the public sector should behave responsibly as an employer, as all employers should, and that major changes to pension schemes should be negotiated and properly consulted on. That will continue to be our practice.

Dr. Vincent Cable (Twickenham) (LD): Does the Minister have any plans to revisit—[HON. MEMBERS: "Brutus!"] Does the Minister have any plans to revisit the sum of £800 billion in the light of revelations this morning that private sector auditors have underestimated private sector liabilities by a factor of 200 per cent., failing to take account of growing longevity?

Mr. Timms: I did not catch all of that, but I will not ask the hon. Gentleman to write to me—*[Laughter.]* What I can say is that the approach we have taken to reforming public sector pensions is not unusual; changes will apply to new members and not existing ones, and the agreement that has been made will deliver substantial expenditure savings, precisely as we always intended that it would.

Pensions Commission

4. **James Duddridge** (Rochford and Southend, East) (Con): What assessment he has made of the Pensions Commission's second report. [40160]

The Secretary of State for Work and Pensions (Mr. John Hutton): The Government welcome the broad framework of the Pensions Commission proposals and options. I am particularly pleased that the report has recognised and endorsed the Government's approach to tackling the legacy of pensioner poverty that we inherited in 1997, through measures such as the pension credit. The Government will work towards the publication of a White Paper in the spring that will set out our full response.

James Duddridge: The Chancellor of the Exchequer has said that the Turner report recommendations may not be affordable. Is that still the case given the £10 billion that will be raised by equalising women's state pension age?

Mr. Hutton: We have always made it clear that the proposals have to be affordable. We will take no risks with public expenditure, or with the fiscal rules, and when we produce our White Paper we shall set out the proposals in detail, of course with the funding that is necessary to support them.

Ms Dari Taylor (Stockton, South) (Lab): Does my right hon. Friend accept that 70 per cent. of women do not receive the basic state pension, and that an even greater percentage are outside any private arrangement? Does he agree that to establish an effective pension system two characteristics must inform it? First, everyone must be included, carers as well as people earning an income, and secondly, the sums given must be adequate.

Mr. Hutton: Yes. I agree absolutely with what my hon. Friend has said. It is generally recognised that women fare particularly badly under the current basic state pension rules. In making my statement to the House in November, when Lord Turner published his proposals, I tried to emphasise the importance that we attach to ensuring that any long-term reform proposals are fair to women and carers, and I can give my hon. Friend that absolute assurance once again today.

Sir John Butterfill (Bournemouth, West) (Con): Does the Secretary of State agree that a study of an otherwise excellent report shows that it has only one deficiency: it does not seem to contain recommendations on incentives for existing employers to continue with final salary schemes? Does he not agree that it would be in the national interest to provide such incentives? Does he have any ideas on that subject?

Mr. Hutton: Clearly, we need to consider a range of issues in relation to the proposals that we put forward in the spring, and I am sure that that will be one of them. Of equal significance, however, to whether there are final salary schemes, career-average schemes or defined contribution schemes is the fundamental problem that not enough people are saving to provide an adequate retirement income for themselves. Lord Turner has done us all a great service in the House by drawing attention to that weakness in the current arrangements. He has made a series of specific proposals for a new national pension saving scheme to which we will give careful consideration. Of course, one of those issues should be the tax incentive arrangements to encourage savings—but that, as the hon. Gentleman knows, is a matter for my right hon. Friend the Chancellor of the Exchequer.

Mr. John McFall (West Dunbartonshire) (Lab/Co-op): The Secretary of State has mentioned a national pension savings scheme whereby workers who are not enrolled in a company pension scheme would be automatically enrolled in such a system. Does he agree that, at a stroke, that would help the low-paid workers who have been largely absent from the savings industry? Given that high costs have bedevilled the savings industry, does he not think that that pension scheme would be a catalyst to driving down provider charges?

Mr. Hutton: I can agree with my right hon. Friend. That is precisely what drove Lord Turner to make the recommendations that he made. The key to Lord Turner's proposals is auto-enrolment, so that everyone has the opportunity to participate in one of the low-cost pension savings schemes. That has obvious attractions, but we must look very carefully at the detail of Lord Turner's recommendations before we make our own detailed proposals in the spring.

Mr. David Laws (Yeovil) (LD): I should like to associate the Liberal Democrat party with the comments that the Secretary of State made earlier about former hon. Members who are respected and remembered on both sides of the House.

On pensions reform, has the Secretary of State made any progress in discussing the issue with the Chancellor of the Exchequer over Christmas? In addition, has the Chancellor of the Exchequer completed the Treasury inquiry into the leaking of his letter prior to the Turner report?

Mr. Denis MacShane (Rotherham) (Lab): The Ides of March.

Mr. Hutton: Indeed. I was not at all sure whether anyone would be sitting on the Liberal Democrat Front Bench to ask what we could call a series of questions today.

Leak inquiries are nothing whatever to do with the Department for Work and Pensions, and they are nothing to do with my responsibilities to the House as Secretary of State. On the specific question asked by the hon. Member for Yeovil (Mr. Laws), of course I continue to have friendly discussions with the Chancellor about the pensions reform proposals, and I am very confident that we will introduce a series of radical and far-reaching reforms for the pension system in this country that, I hope, will command cross-party consensus.

Child Support Agency

5. **Mr. Andrew Mackay** (Bracknell) (Con): What recent meetings he has had with the chief executive of the Child Support Agency. [40161]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): I and ministerial colleagues regularly meet the agency's chief executive, Stephen Geraghty. Those meetings have mostly focused on the review of the agency that he has been carrying out, the findings of which we are now considering.

Mr. Mackay: As every month more and more of my constituents come to me with legitimate complaints about the inefficiency and incompetence of the Child Support Agency, is it not strange that Ministers did not bring their reforms before the House before Christmas, as was promised? Why did they not do so? What is the problem?

Mr. Plaskitt: We asked Stephen Geraghty to undertake a very thorough review of the agency's workings. The agency's problems are well known to all hon. Members from our constituency casework, if through no other route, and the problems are deep-seated in the agency. It was therefore sensible to give Mr. Geraghty and his staff enough time to conclude their review. It is also appropriate that we should think about and reflect carefully on what he said, because we intend to produce proposals in due course to put the agency on a decent footing.

Mr. Eric Illsley (Barnsley, Central) (Lab): As part of that review, will the Government consider the complete abolition of the Child Support Agency, given the amount of uncollected maintenance, the problems of transferring to the new system and the problems that my hon. Friend says are well documented?

Mr. Plaskitt: As my hon. Friend suggests, we are all very familiar with the agency's problems. I understand the temptation for some people on both sides of the House to leap from that to the assumption that we should just scrap the agency. I point out to him, however, that although the agency has plenty of problems—that is precisely why the chief executive is now reviewing them—it has collected £4.5 billion of maintenance since it was established. Last year alone, it collected £600 million in maintenance, and it now collects more maintenance than it costs to run, which was not the case initially. Some 500,000 children are supported by child maintenance as a result of the agency's work. Simply scrapping it or closing it down might look attractive in terms of dealing with some of its problems, but it would only create another heap of problems that somebody else would have to pick up. It is, in fact, a simplistic solution to suggest that the only thing to do is shut it down.

Sir Patrick Cormack (South Staffordshire) (Con): Have the Government ruled out scrapping this extraordinary agency?

Mr. Plaskitt: I think that I just covered that point in answer to my hon. Friend the Member for Barnsley, Central (Mr. Illsley). It is important for us to focus on the primary purpose for which the agency was established: to secure a flow of maintenance for children and to ensure that parents live up to their responsibilities. As I have just said, the agency actually does that to a considerable extent. It has collected £4.5 billion of maintenance since it was established. For some parents and for some children, it works quite successfully; for far too many, it does not. The focus of the chief executive's efforts and our reflections is on dealing with the problems in the agency so that we can get it on to a stable footing.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I am sure that the Minister shares my concern that there are men who will refuse to pay for their children after they are born. Because of my increasing postbag from people trapped between a failing computer system and an absolutely sluggish clerical method of payment, my Christmas message to my constituents covered this issue, and I hope that this year we will somehow find a way to get them out of the trap that they are caught in by the CSA. How long will we have to wait for the Secretary of State's new year message of hope for these people?

Mr. Plaskitt: I can tell my hon. Friend that my right hon. Friend the Secretary of State intends to come to the House shortly to make a statement that will indicate to him and to all other hon. Members the conclusions that we have reached on the basis of the chief executive's review.

Miss Anne McIntosh (Vale of York) (Con): Is it not the case that the agency has been very effective at chasing those absent parents who have not been paying but less effective at chasing those parents who have yet to make a payment? Can the Minister confirm that he said to my right hon. Friend the Member for Bracknell (Mr. Mackay) that he has now received and is considering the findings of the review by the CSA's chief executive? Can the Minister give us a date when the House will have an opportunity to consider his reforms, and will the Secretary of State be minded to reform the agency—or does he share the Prime Minister's view that it is simply not fit for purpose?

Mr. Plaskitt: I can confirm that we have received the report from the chief executive and I can confirm that we are considering its findings. I can also confirm that my right hon. Friend the Secretary of State intends to make a statement to the House shortly.

As the hon. Lady joins the Opposition's Front-Bench team, I remind her of what the hon. Member for Wycombe (Mr. Goodman), who used to speak on this issue, said to *The Guardian* on 23 November. His conclusion was:

"There are no easy solutions for the CSA."

ASW Sheerness (Pension Scheme)

6. **Derek Wyatt** (Sittingbourne and Sheppey) (Lab): How many workers who were members of the failed pension scheme at ASW Sheerness have received compensation from the financial assistance scheme.

[40162]

The Minister for Pensions Reform (Mr. Stephen Timms): None as yet, although the first members of the ASW Cardiff scheme started to receive payments before Christmas. The ASW Sheerness scheme has not yet completed wind-up, and the scheme trustees have confirmed that they have no members aged 65 and over who would qualify for initial payments. My right hon. Friend the Secretary of State is looking forward to meeting my hon. Friend and former ASW employees later this week.

Derek Wyatt: I thank my hon. Friend for that reply. What will happen to the 80,000 or so people who are caught in this trap once the £400 million is spent? What is the Government's plan B on this issue?

Mr. Timms: We estimate that 15,000 will benefit from the financial assistance scheme as constructed. We have made it clear that we will review the scheme, including the amount of funding that is available for it, in the next spending review and, at that stage, decide whether it would be appropriate to change its details.

Mr. Nigel Waterson (Eastbourne) (Con): While it is good news for those at ASW Cardiff that they have finally received something, why has the process taken more than 18 months to achieve? When will the 249 other schemes that have already been notified to the FAS be likely to receive some compensation? Will the Minister urgently review the amounts payable, the conditions for eligibility and the patent inadequacy of the funds earmarked for the FAS?

Mr. Timms: Let me make it clear that payments to the first of the former ASW employees were indeed made on schedule—before Christmas. However, it will still take some time for all people in that and other schemes to receive the payments that are due to them. This has been a pretty major exercise. We are expecting some 15,000 people to benefit, and a lot of data must be assembled to make the payments. I pay tribute to the staff, who have worked extremely hard to get the scheme in place, for what they have achieved and for securing the timetable and deadline that we set for making the first payments before the end of 2005.

Mr. Denis MacShane (Rotherham) (Lab): My hon. Friend will be aware that the ASW workers are part of a broader network of people, especially steelworkers, who find that after decades of service to our country, they are without properly protected pension funds because for 18 years the Conservative party did not stand up to business and insist that adequate laws existed to protect such people. Will he acknowledge the work of trade unions such as Amicus and Community, and if and when this is needed, will he receive a delegation from them, because they know the real problems of these great workers, who we need to support as much as we can?

Mr. Timms: I agree with my right hon. Friend about the difficulties that many people have faced. I join him in paying tribute to the trade unions that have done a lot of work to draw attention to the problem. A large group of people—we have been especially concerned about those closest to retirement—faced the prospect of receiving almost nothing from a pension to which they contributed for many years. People who were within three years of their scheme pension age in May 2004 will be receiving assistance, in many cases, from the financial assistance scheme. I have had the opportunity to meet individuals from several trade unions and others who have made representations on the matter. As I said earlier, my right hon. Friend the Secretary of State will meet some people later this week, and I will certainly welcome the opportunity to talk to others in due course.

Pensioners (Benefits)

7. **Mr. Paul Burstow** (Sutton and Cheam) (LD): What estimate he has made of the average proportion of pensioners who will be eligible for means-tested benefits between 2005 and 2050. [40163]

The Minister for Pensions Reform (Mr. Stephen Timms): Including housing benefit and council tax benefit, the proportion of UK pensioners entitled to means-tested benefits last year was around 50 per cent. The Pensions Commission has estimated that if basic state pension was uprated every year in line with prices and the pension credit guarantee level uprated in line with earnings, in 45 years' time, the proportion could be about three quarters.

Mr. Burstow: I am grateful for that answer. The Pensions Commission also said that a significant growth in means-testing of the sort about which the Minister just talked would undermine voluntary pension saving, especially among those who are most vulnerable to retiring with an inadequate pension arrangement. Given that fact and the fact that, as the Minister said, one in three pensioners will be on means-tested benefits of one sort or another by 2050, is it not time to change the policy, so that we can ensure that everyone has a decent pension but is not reliant on means-testing?

Mr. Timms: Those were precisely the issues that were addressed in the Pensions Commission report that was published on 30 November. We are actively looking at its recommendations. The hon. Gentleman is right to make his point, but the Pensions Commission expressed concern about the large and rather unpredictable expansion of means-testing, rather than the current level of means-testing, which his question addressed. We want a system in which people can be confident that the decisions that they make now about saving for the future will still seem like the right decisions when they draw an income in retirement. I think that everyone in the House wants that, and I look forward to the hon. Gentleman contributing to the consensus that we hope will be achieved on the White Paper that will be published in the spring.

Huw Irranca-Davies (Ogmore) (Lab): Does my hon. Friend recognise that the two greatest contributory factors to lifting pensioners in my constituency out of absolute poverty have been the pension credit and the winter fuel allowance? Will he thus ensure that in any reform of pensions for those poorest pensioners we do not—if this is not mixing metaphors when talking about pensioners—throw the baby out with the bathwater?

Mr. Timms: My hon. Friend is absolutely right. We have achieved the almost unprecedented situation in which pensioners are no more likely to be poor than anyone else in the population. That has hardly ever been the case in the past, and it is a particularly remarkable achievement after the long period of steady economic growth that we have enjoyed over the past eight years and in which earnings have risen so sharply. Pensioners, particularly less well-off ones, have shared in rising prosperity over the past few years. My hon. Friend is right: we have to make sure that we do not throw away the benefits of that improvement.

Mr. Philip Dunne (Ludlow) (Con): Does not the Minister recognise that the level of savings in the population who have yet to become pensioners has halved under this Government as a direct result of the increase in means-testing? That complacency and the fact that the Government can accept a means-testing level of 40 per cent.—the proportion of pensioners receiving pension credit—is quite astonishing. Does not the Minister recognise that the Turner commission anticipates that the level will rise to 70 per cent. unless the pension credit system is changed?

Mr. Timms: The hon. Gentleman may be under a number of misapprehensions. I gave the current figure for the proportion of pensioners entitled to means-tested benefits in my earlier answer. The figure was about 40 per cent. in 1997, under the Government of whom the hon. Gentleman was a supporter. Because of pension credit we have been able to reduce pensioner poverty dramatically.

There is very little evidence that means-testing, under the previous Government or this Government, has reduced saving on the part of pensioners, but since 1997 there has been much greater confidence in the economy and in the future, which is largely what has led to the changes to which the hon. Gentleman refers. In 1992, when there was deep anxiety about the future of the economy, people saved more. Today they are more confident. *[Interruption.]* That is the reality. The greater prosperity and steady economic growth have been of immense benefit to everybody.

Pensioners (Benefits)

8. **Mr. Gordon Prentice** (Pendle) (Lab): What steps he is taking to ensure pensioners receive the benefits to which they are entitled. [40164]

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): We undertake a wide range of activities to ensure that pensioners receive the benefits to which they are entitled. This is done through direct mailings, leaflets and mass communications, such as press and TV advertising, as well as local take-up activity. In addition, since December 2005 customers who contact the pension credit application line to make an application for pension credit have been able to claim housing benefit and council tax benefit during the same call.

Mr. Prentice: That is a magnificent catalogue of things that we are doing, but I remind hon. Members that in 2003 the Public Accounts Committee told us that there was £2 billion in unclaimed pensioner benefits. I wonder whether the Minister, having reeled off that long list of achievements, can tell us what the figure is today.

Mrs. McGuire: I will give my hon. Friend the specific figures in writing later. Since the Public Accounts Committee's report, we have gone to great lengths to ensure that pensioners receive their entitlement, which I hope that people throughout the House accept they deserve. That includes making arrangements for filling in application forms and for turning round applications quickly so that the 4,638 householders in my hon. Friend's constituency who receive pension credit get it timeously and efficiently. The average award in the

constituency is £42.93. We are making great efforts, and I hark back to the answer given by my hon. Friend the Minister for Pensions Reform: what we have done in the last eight years has lifted millions of pensioners out of poverty.

Anne Milton (Guildford) (Con): Can the Minister tell me whether there has been any audit of the effectiveness of press and TV advertising? Does she have any idea of the cost?

Mrs. McGuire: The advertising is geared specifically to the target group. The pension credit take-up rate that we have achieved meets our targets and we are heading towards almost 3 million pensioners claiming pension credit. I ask the hon. Lady to accept that the difference between the present Government and the Government whom she supported is that we tell people to what they are entitled, whereas for 18 years the Conservative Government kept those things hidden.

Miss Anne Begg (Aberdeen, South) (Lab): The debate on this question and the previous one helps to explain why pensioners are often reluctant to apply for the benefits to which they are entitled: it is because the words "means-testing" have become dirty words. I and many other hon. Members know that means-testing is the very mechanism that has brought 1.9 million pensioners out of absolute poverty. As long as Opposition Members and the media decry means-testing and say that it is wrong rather than a good thing, it will be more difficult for pensioners to apply and feel that they are doing the right thing.

Mrs. McGuire: I thoroughly agree with my hon. Friend. Our aim in pensions and other benefits is to ensure that people know to what they are entitled. I, like many Labour Members, remember the days when people could not find out to what they were entitled from a social security system that was intended to disguise people's entitlement. The Conservatives made it very difficult for people to claim their entitlement. We have started to change that culture, and many pensioners in my hon. Friend's constituency and across the country now know that they can go in with dignity to the DWP—

Mr. Speaker: Order.

John Bercow (Buckingham) (Con): What is the increase in percentage terms in the take-up rate since the report of the Public Accounts Committee?

Mrs. McGuire: I will give the hon. Gentleman the details in writing after this Question Time.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): My hon. Friend will be aware that many pensioners throughout the country are extremely concerned about the forthcoming industrial action by the Public and Commercial Services union and the information issued by that trade union that the time taken to deal with people's applications for their entitlement could become even longer than they are experiencing now. Are pensioners' concerns misplaced?

Mrs. McGuire: On the particular matter of the PCS action, discussions are ongoing, so I think that it would be helpful to leave the matter there.

Child Poverty

9. **Mr. Wayne David** (Caerphilly) (Lab): What progress has been made in tackling child poverty since 1997. [40165]

The Minister for Employment and Welfare Reform (Margaret Hodge): Since 1997, the number of children living in relatively low income households, after housing costs, has fallen by 700,000. At the same time, the number of children living in workless households has fallen by 400,000. However, poverty is about more than low income—it is also about health, housing and the quality of the environment. The seventh annual "Opportunity for all" report, which we recently published, sets out the Government's strategy for tackling poverty and social exclusion and presents information on the indicators used to measure progress against this strategy.

Mr. David: I thank my right hon. Friend that reply. I am sure that Opposition Members are as impressed as I am by her answer. Does she agree that such policies could not be pursued if there was a tax-cutting agenda?

Margaret Hodge: I agree entirely with my hon. Friend's statement. If we are to deliver on child poverty, we have to ensure that the commitment is affordable and that we do not take risks with public finance. I suggest—reflecting on the future, not the past—that the Conservative party's honeymoon period will run out very quickly if it does not think about the public expenditure commitments in some of its promises.

Hywel Williams (Caernarfon) (PC): The fall in child poverty in Wales is especially welcome, given that it has been the second or third highest in the UK for many years. At the same time, however, in-work poverty has increased from about 30 per cent. in the mid-1990s to 40 per cent. today. The fact that 40 per cent. of people in work are still living in poverty is entirely unacceptable. What will the Government do about that, given that their efforts since the mid-1990s have clearly not worked?

Margaret Hodge: I am rather puzzled by the figures that the hon. Gentleman has given us and would be grateful if he would send them to me. I see that he is waving a piece of paper. Measures such as the introduction of the minimum wage are part of our strategy to ensure that work pays. Other measures such as the new deal, which the Conservative party attacked—I know that it was supported by the hon. Gentleman's party—are designed to ensure that not only the main earner in households but their partners work, so that families are lifted out of poverty through all those in the family contributing to family household incomes.

Mr. Stephen Hepburn (Jarrow) (Lab): Is my right hon. Friend aware that four out of every 10 children in south Tyneside have no parent in work? Does she agree that jobs are needed in the north-east and not back-to-work schemes?

Margaret Hodge: Clearly, a back-to-work scheme would not work if we did not have jobs. I challenge my

hon. Friend on his assumption that there are not job opportunities in the north-east. As for the Government's record on bringing people into work, it is those areas that suffered the most under the previous Government from closures and the loss of jobs that have benefited the most from this Government through the new deal and also the very good stewardship of the economy, which has created jobs.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): Did the Minister hear the Prime Minister claim yesterday that the Government had tackled child poverty? Does she think that that is an inappropriate use of language, given that one in three children still lacks adequate clothing, especially shoes and winter coats, and that the gap in educational achievement between the different socio-economic groups has, if anything, widened?

Margaret Hodge: I agree with my right hon. Friend the Prime Minister, and for this reason. I think that the most dreadful legacy that we inherited from the previous Government was the growth in child poverty, together with the growth in division between the rich and the poor. The record of which I am proudest as a member of this Government is the measures that we have put in place that have lifted so many children and so many families out of poverty. We need to build on that record, but it is a record of which I am particularly proud.

Drug Addicts (Benefits)

10. **John Mann** (Bassetlaw) (Lab): What estimate he has made of the number of drug addicts receiving incapacity benefit. [40166]

The Minister for Employment and Welfare Reform (Margaret Hodge): As at May 2005, there were 48,300 incapacity benefit and severe disability allowance claimants whose primary diagnosis was recorded as drug abuse.

John Mann: One question that my right hon. Friend might want to consider is the rather new tendency of those who are on incapacity benefit to be termed "depressed", and therefore to receive enhanced disability living allowance, for example, on the basis that they are depressed. Will my right hon. Friend take a specific look at this and consider whether it is a barrier to return to work for some individuals?

Margaret Hodge: I congratulate my hon. Friend on the extensive work that he has undertaken in the area of drug abuse. Having prepared for questions today and having seen his record, I know that he has added much to the information and knowledge that we have, and on which we can build our policies.

I agree with my hon. Friend, and the issue of mental illness and its link to incapacity benefit claimants is something that we are considering. The proportion of people who start an incapacity benefit claim because of mental illness has doubled in the past 10 years, and four out of 10 of those now coming on to incapacity benefit do so because of mental illness. It is my view that if we can get much stronger and earlier intervention and support through the health service so that people have access to appropriate counselling therapies, we could prevent many people from getting on to the route of being locked into benefit dependency. There is much sense in what my hon. Friend says, and we are exploring the issue in the development of our Green Paper proposals.

Mr. Henry Bellingham (North-West Norfolk) (Con): Does the Minister agree that to wean drug addicts off the benefit culture, it is vital to have the right treatment facilities in place? Is the right hon. Lady satisfied that we have the right number of facilities? Is she satisfied also that we have the right number of qualified doctors available to run those facilities?

Margaret Hodge: As I am not a Health Minister, I do not have the figures for treatment centres and facilities before me, but we have greatly increased their number. I accept, however, that there is much more to do and further to go. Efforts to look at job opportunities for drug misusers and relinking them to the labour market are a difficult policy area, but we must ensure that we achieve the co-operation of people who are misusing drugs if we are to support them into a positive lifestyle in which they contribute to their local communities.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): Does the Minister accept that many drug addicts follow a pattern of committing crime, going to prison, leaving prison and going on to benefit? While addicts are in prison and are a captive audience, we have an opportunity to give them proper education and support. Does she agree that much more needs to be spent in that area?

Margaret Hodge: I agree entirely, and my hon. Friend may be aware that just before Christmas we published a report that was the result of work between our Department, the Department for Education and Skills and the Home Office, which looked precisely at the issue of how we can improve the quality of support that we give people in prison to prevent them from returning there. That includes looking at drug misusers who, because of their habit, end up committing crime and therefore spending time in jail.

Pension Reform

11. **Adam Afriyie** (Windsor) (Con): If he will bring forward legislation to reform the pension system in the current Session of Parliament. [40167]

The Minister for Pensions Reform (Mr. Stephen Timms): We are planning for a White Paper in the spring in response to the report of the Pensions Commission. It will set out what legislation will be needed and a planned timetable for reforms. We are not planning to introduce pensions reform legislation before the summer recess.

Adam Afriyie: I continue to be concerned about more than 1 million pensioners who fail to receive pension credit or means-tested benefits, and I am sure that the Minister shares my concern. His Government, the Chancellor and his Department designed that complex tax and benefit system so, on their behalf, does he accept any responsibility whatsoever for the plight of the most needy and vulnerable in society because of the complexities of the pension system?

Mr. Timms: Let me start by agreeing with something that the hon. Gentleman said. I, too, think that it is important that people receive what they are entitled to, which is why we have been doing a great deal of work to increase the take-up of pension credit. A total of 2.7 million households now receive it, which is an increase of 900,000 over the minimum income guarantee and income support that preceded it. Between April and November, staff from the Pension Service carried out 600,000 home visits to help to make sure that people receive the benefits to which they are entitled. We are using direct mail, and are also doing a great deal of work to make sure that people receive what they are entitled to. I hope that the hon. Gentleman will support staff in the Pension Service in his constituency who are working to ensure that people receive what they are entitled to.

Andrew Miller (Ellesmere Port and Neston) (Lab): Before we move to the legislative phase, would my hon. Friend support a programme, which could take place around the country, to aid public education and discussion of the issues affecting pensions? It is vital that we help people approaching pension age to understand their options and, equally, that we encourage younger people to take pensions much more seriously.

Mr. Timms: My hon. Friend is right, and that will be an important part of a successful programme of pensions reform. It is one of the reasons why my right hon. Friend the Secretary of State will shortly announce details of an expanded national pensions debate in the next few months, to contribute toward reform proposals. It is important, too, that we do more about financial education to make people aware of the opportunities available to them.

Disability (Negative Stereotypes)

12. **Susan Kramer** (Richmond Park) (LD): What research he has conducted into the impact of negative stereotypes on people with disabilities. [40168]

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): The Prime Minister's strategy unit report, "Improving the Life Chances of Disabled People", published in January 2005, analysed the issues faced by disabled people in many areas of their lives, including prejudice and discrimination, and set all of us in Government the challenge of delivering substantive equality for disabled people within a generation.

Susan Kramer: Will the Minister therefore confirm that in the incapacity benefit Green Paper she and the Secretary of State will focus on the talents and potential of people with disabilities? To that end, can she confirm that in the Green Paper the level of benefit will not be cut, nor will a time limit be included, and nor will GPs who have written the largest number of sick notes be blacklisted—a very broad concern for the disability community?

Mrs. McGuire: I agree with the first part of the hon. Lady's question. I am sure that she would not expect me to go into any detail on the second part, as the Secretary of State has already made it clear that the Green Paper will be published shortly. On the general issue of images of disabled people, through my Department and across Government we have sought to ensure that looking at disabled people on the basis of what they cannot do is not acceptable. Indeed, we continually highlight the potential of disabled people and their skills and experience. That is the essence of our approach in our policies on disabled people.

Pathways to Work

13. **Mr. Jim Devine** (Livingston) (Lab): What assessment he has made of the impact of the pathways to work pilots; and if he will make a statement. [40169]

The Minister for Employment and Welfare Reform (Margaret Hodge): The early evidence from our pathways pilots is very positive and has delivered the best results for long-term sick and disabled people of any intervention that has been tried and tested in any part of the world. Almost 150,000 people have started on a pilot, including more than 11,000 existing claimants, and 19,500 have secured a job. That represents an eight percentage point increase in people leaving incapacity benefit after six months, compared with the rest of the country.

Mr. Devine: Unemployment in my constituency is 2 per cent; 9,000 new jobs have been created since 1997; and employment is at a record level— but we have 6,500 people on incapacity benefit. What advice can my right hon. Friend give to my constituents about the extension of the pilot?

Margaret Hodge: I confirm what my hon. Friend says. My right hon. Friend the Secretary of State wrote to him last week because his constituency is one of the 100 constituencies with the highest number of incapacity benefit claimants. I suggest that he tells his constituents that they should look forward to the publication of our proposals in the Green Paper and the consequent policy changes and legislation, because for the first time ever we will provide them with the support and opportunity to realise their potential and enjoy the security of having a job and playing a full part in their community.

Points of Order

3.32 pm

Hugh Robertson (Faversham and Mid-Kent) (Con): On a point of order, Mr. Speaker. Following a debate on elite athlete funding during the Report stage of the London Olympic Games and Paralympic Games Bill, the hon. Member for Loughborough (Mr. Reed) tabled a parliamentary written question that was answered by the Minister, saying that he had not received any funding submission from the British Olympic Association for elite sport in the run-up to the 2012 games. As soon as the British Olympic Association saw that answer, it said that it was incorrect, that it had had meetings with 23 out of the 26 sport national governing bodies and a series of meetings with the Department—and, most damagingly of all, that it had signed up to the UK Sport submission on the matter. Have you, Mr. Speaker, received any indication from the Minister that he wishes to correct the record?

Mr. Speaker: I have not, but if the answer was incorrect it should be corrected by the Department.

Mr. Andy Reed (Loughborough) (Lab/Co-op): Further to that point of order, Mr. Speaker. I thank the hon. Member for Faversham and Mid-Kent (Hugh Robertson) for giving me prior notice of his point of order. As the person who asked the question, I was pleased with the answer that I received. I urge the hon. Gentleman not to ask the Minister to come forward. For the benefit of the House, the question was intended to ask about UK Sport submitting a funding bid to the House. The answer that I received was accurate. When the Minister reads this exchange tomorrow, I want him to know that I was satisfied with the answer. I am disappointed that the Opposition and the hon. Gentleman, who is a well respected Front-Bench spokesperson and whom I know well and regard as a friend in sporting matters, is using the matter to start to break the cross-party consensus on the Olympics.

Mr. Speaker: Order. That all goes to show that the Speaker should not be drawn into these matters.

Orders of the Day

Government of Wales Bill

[Relevant document: The First Report from the Welsh Affairs Committee, Session 2005–06, on the Government White Paper: Better Governance for Wales, HC 551.]

Order for Second Reading read.—[Queen's Consent, on behalf of the Crown, signified.]

Mr. Speaker: I should inform the House that I have selected the amendment in the name of the Leader of the Opposition.

3.34 pm

The Secretary of State for Wales (Mr. Peter Hain): I beg to move, That the Bill be now read a Second time.

May I express the House's condolences to the family of Lord Merlyn-Rees, who sadly died recently? He was a proud Welshman and perhaps one of the leading Welsh parliamentarians of his generation. The House remembers him with great affection.

The House also remembers my friend and fellow Chelsea fan, Tony Banks, whose sparkle lit up public life. We express our sympathy to his wife, Sally, and share the anguish of his family and his many friends at his sudden and shocking death.

I am sure that hon. Members will join me in expressing our sympathy and condolences to the families of the cyclists involved in the appalling accident in Abergele, which left carnage on the roads. I have asked for a report from the chief constable, which many hon. Members want to see, too.

I welcome the hon. Member for Chesham and Amersham (Mrs. Gillan) to her new role as shadow Welsh Secretary. I last sparred with her across the Dispatch Box when I was at the Foreign Office, and I look forward to doing so again.

It is now more than eight years since the people of Wales voted to establish the National Assembly for Wales, and I was proud to help lead that referendum campaign to bring long-needed devolution to Wales. Despite predictions to the contrary from our opponents, devolution has proved a success. When the right hon. Member for Richmond, Yorks (Mr. Hague), who is now back on the Opposition Front Bench, was Secretary of State for Wales, he said that he did

"not think that it would do the people of Wales any favours to create separate and divisive constitutional arrangements."—[*Official Report*, 18 March 1996; Vol. 274, c. 12.]

When he was Leader of the Opposition, he declared the Conservative party to be

"one hundred per cent. against these disastrous ideas of having a Scottish Parliament and a Welsh Assembly."

In practice, however, devolution has strengthened the Union, not weakened it.

Indeed, separatism has waned in Wales since the Assembly was established. Welsh independence is now seen as outdated and eccentric, whereas without the prospect of devolutionary reform from 1997, it could have gained momentum in a backlash against the over-centralisation of successive Conservative Governments. Many of my hon. Friends will, like me, recall the intense reaction in Wales against what I call "Redwooditis",

[Mr. Peter Hain]

which helped to turn the 4:1 defeat for devolution in the 1979 referendum into a victory in 1997. If there had not been a change of Government and if devolution had not been instituted, it is quite possible that the flame of separatism could have become a conflagration, instead of which it has been snuffed out. Devolution is helping to generate a new maturity in Welsh politics in which decisions affecting Wales are made in Wales by elected representatives who are accountable to the people of Wales. Just blaming London for policy shortcomings or failures no longer holds water—since 1999 the buck has stopped in Cardiff bay.

David T. C. Davies (Monmouth) (Con): The Secretary of State appears to be telling us that devolution was not about giving more power to the people of Wales and that it was merely a cunning plan to defeat Welsh nationalism. Is that what he is really saying?

Mr. Hain: What I am really saying is that the false and specious charges made at that time by the Conservative party, including the hon. Gentleman, have proved groundless. The Conservatives said that devolution would result in the break-up of the United Kingdom and in independence and separatism gaining momentum. On the contrary, devolution has strengthened unity in the United Kingdom among the Welsh, the English and the Scots.

In introducing the Bill, I am proud to carry forward a Labour tradition that goes back to the days of our first Welsh Member, who was a founder of our party, our first leader and a passionate supporter of devolution—Keir Hardie. More than half a century later, it was Labour that first created the Cabinet post of Secretary of State for Wales in 1964 and started the process of extending the responsibilities of the then Welsh Office so that it gained more and more power over matters affecting Wales. It was Labour that was elected in 1997 on a manifesto commitment to give the people of Wales an opportunity to vote for a new democratic Assembly; Labour that led the yes campaign to victory in the 1997 referendum; and Labour, after two successive elections, that has successfully led the people of Wales under the new devolved settlement. Labour was always the real party of devolution, decentralisation and bringing decision making closer to the people. This Bill confirms that Labour still is that party.

Mr. Ben Wallace (Lancaster and Wyre) (Con): If it is good enough for the Welsh people to have devolution and power over their own decisions, and for Scottish people to have Members of the Scottish Parliament to make decisions on their behalf, why is it not good enough for people who live in England?

Mr. Hain: I have always favoured regional government in England, and I think that its time will come.

Instead of new conflicts predicted by Conservatives and other critics, devolution has brought Wales new confidence—anybody visiting Cardiff bay can sense that in the millennium centre and in the iconic new Assembly building, which will attract architectural interest worldwide. Global companies such as Airbus, General Dynamics and Logica CMG—all leaders in their sectors—have chosen Wales as their base over other British and European locations. That is testimony to the fact that Wales is no longer seen as a branch office for multinational companies. The Welsh economy has never been in better shape, with more jobs and prosperity than ever before and strong business growth. In an era of fierce global competition, Wales has been performing better than many economies across the world that have traditionally been our envy.

David Taylor (North-West Leicestershire) (Lab/Co-op): Part 5 of the Bill deals with financial aspects, including the creation of a Welsh Consolidated Fund. Would it not be wise, in the light of the immense progress that has been made as a result of our Government's policies on Wales, to find a way of equalising the treatment of regions in England that are comparable with Wales in relation to the Barnett formula? Nottinghamshire, Derbyshire and Leicestershire have almost identical populations to Wales, as well as a very similar social and economic mix, but our treatment as regards Government-distributed funds is less generous.

Mr. Hain: I applaud my hon. Friend for standing up for his constituents and vigorously making a case on their behalf. Nevertheless, the Barnett formula has served the whole United Kingdom very effectively, and the Government have no plans to change it.

Lembit Öpik (Montgomeryshire) (LD): The Minister will be aware that Lord Barnett, the instigator of the Barnett formula, feels embarrassed that it still bears his name and thinks that it should be changed. Why does he ignore the advice of the inventor of the formula that he seeks to defend, refuse to create a needs-based formula, and stick to an arcane formula that its inventor says is out of date?

Mr. Hain: The hon. Gentleman has quoted Lord Barnett accurately. However, the Government have taken a careful look at the whole matter, and no advantage would be gained by reopening the question of the Barnett formula.

Devolution has meant that people now feel a closer involvement in decisions—on education, the health service, housing, transport and business support—that affect their lives. People feel that Welsh Ministers are more accessible, because they are, and that their voice can be heard more directly by decision makers, because it is. The National Assembly for Wales has become an accepted part of the political landscape.

Huw Irranca-Davies (Ogmore) (Lab): It is undoubtedly true that one of the successes of the Welsh Assembly and the Welsh Assembly Government, for which they have been praised, has been the way in which they have listened to and consulted various parts of the community, particularly the voluntary and public sectors. That is as it should be. However, does my right hon. Friend accept that the Bill has a role to play in strengthening the voice of the private sector, because economic prosperity and improving standards of life for people in Wales also depend on the private sector pulling its weight and having its voice heard?

Mr. Hain: My hon. Friend is absolutely right about the crucial role of business and the private sector in Wales's economic success. The Assembly—I know this because I have discussed it with the First Minister—will want to maintain the closest co-operation and consultation. There is in the legislation, as there was uniquely in the previous Act—I was responsible for accepting an amendment that resulted in the clause—a duty to consult business. That duty remains. If my hon. Friend wishes to make any detailed points about strengthening it, I shall look at them sympathetically.

Mr. Nigel Evans (Ribble Valley) (Con): I am not here to fight old battles, but neither am I here to listen to history being rewritten. Why is the Secretary of State glorifying what he thinks are the Welsh Assembly's achievements when he knows that only one in four Welsh people voted for it in the referendum? He is talking about the voice of the people of Wales and their feeling closer to the Welsh Assembly, but he knows that at the last Assembly elections the turnout was miserable. What is he going to do to reconnect the Welsh Assembly with the Welsh people?

Mr. Hain: Unfortunately, as the hon. Gentleman knows, turnout in all elections in Britain has been falling over the past few years and, arguably, since the second world war, and that includes the elections for the Welsh Assembly. I am not clear from the earlier part of his question—perhaps the shadow Secretary of State will respond to this later—whether he is trying to turn back the clock. The Conservatives fought and lost that referendum.

Mr. Evans: Only just.

Mr. Hain: There speaks the true voice of the Tory party, and we see that from the reasoned amendment. The Tories have not really learned the lessons. They lost the argument on devolution, and they should accept that.

Mr. Andrew Turner (Isle of Wight) (Con): The right hon. Gentleman referred to Members of the Welsh Assembly being in close touch with their constituents. Why are Welsh health outcomes so much worse despite much more expenditure than in England?

Mr. Hain: The hon. Gentleman will know that levels of ill health and industrial disability as a result of our industrial legacy of mining and heavy industry, which are proportionately far higher in Wales than elsewhere, have been responsible for the problem that we have had to tackle. He will also know that performance right across the health service has been improving rapidly, especially over the past year, as waiting times have come down from their appalling levels and from the even more appalling levels that we inherited from the Conservatives.

John Bercow (Buckingham) (Con): Given that the Secretary of State has been celebrating the merits of devolution, how does he explain and justify clause 113, which gives him a power to intervene in certain cases with the introduction of secondary legislation? In those incidences, will such legislation be subject to the negative procedure or to its affirmative counterpart, and if it is the former, why?

Mr. Hain: I congratulate the hon. Gentleman on the impenetrable nature of that question. Fortunately, I understand it. I have kept that power in order to protect Parliament's interests. Prior to, and in some cases even subsequent to, the full devolution of primary powers which is provided for in the Bill subject to a referendum, it is important to ensure that what Parliament decides is carried out. If there were any attempt by the Assembly not to do that, I would have a residual power to check it.

Mr. Dominic Grieve (Beaconsfield) (Con): Very centralising.

Mr. Hain: The shadow Attorney-General mutters from a sedentary position that that is very centralising, but it is very much in tune with the settlement endorsed by the people of Wales, which puts Parliament in charge and allows the Assembly to have extra powers—

Mr. Grieve: Will the Secretary of State give way?

Mr. Hain: I am happy to give way, but I am not clear who is speaking for the Conservatives from the Front Bench. The shadow Welsh Secretary is welcome to intervene on me. If the shadow Attorney-General wants to do her job for her, I am happy to have him do it.

Mr. Grieve: The Secretary of State says that the proposal is in tune with the people of Wales and with democratic principles, but that is the very thing that the Bill is not, because it provides a mechanism for Government by Orders in Council, bypassing the scrutiny of this House and doing so without asking the Welsh people whether that is the system that they wish to have. Would he please address that issue, because it is fundamental?

Mr. Hain: I will do so with great enthusiasm. There is the Conservative party seeking to speak with a modern, consensual voice in the language and rhetoric of its new leader, but actually returning to the old anti-devolution, anti-Wales, anti-Welsh Assembly politics.

Let me respond to the hon. Gentleman's point by quoting the leader of the Welsh Conservatives, Nick Bourne. He said:

"I think we have at the moment an insecure settlement which cannot persist.

We either need to move forward to legislative powers or abolish the assembly and I think that's not an option. We've got to see how we can move things forward and that's got to mean legislative powers."

He was accepting the need for new powers, whereas it appears that Conservative Front Benchers do not want to do that.

Mr. Grieve: The Secretary of State clearly did not listen to what I said to him. I did not suggest that there was anything undemocratic about devolving further powers to the Welsh Assembly. If the Government wish to give the Welsh Assembly primary legislative

[Mr. Grieve]

functions—for which they provide in the Bill— they can do so, if they can secure the approval of the Welsh people by referendum. But that is not what the Government are trying to do in the Bill. The most important part of it is about bypassing, ultimately, both the Assembly and this place to govern by Order in Council. What is the democratic justification for such an extraordinary system?

Mr. Hain: I realise that the hon. Gentleman is not a Welsh Member of Parliament, but he clearly does not understand the Bill. The Bill provides for Parliament to be in charge, just as it is now. Instead of providing for the devolving of powers to the Assembly through primary legislation, it provides an opportunity to devolve powers to the Assembly through Orders in Council—subject, as I shall explain, to prior scrutiny. And Conservative Front Benchers propose a referendum on that! What a bizarre, astonishing idea, and one that would cost £7 million.

Can the hon. Gentleman imagine asking local people on their doorsteps, "Do you want to vote yes or no on whether measures should be decided through primary legislation or through Orders in Council?"? Can he imagine the response that he would receive?

Ian Lucas (Wrexham) (Lab): Does my right hon. Friend agree that one of the great successes of the devolution settlement since 2001 has been the development of consideration of legislation by means of pre-legislative scrutiny through joint committees of the Assembly and the House of Commons? We have heard no call from the Conservatives previously for a referendum to seek the consent of the people of Wales to the procedure that already operates.

Mr. Hain: My hon. Friend is absolutely right. That illustrates the absurdity of the Conservative party, whose Front Benchers have contrived to get into a lather about this issue while hiding their anti-devolution, anti-Welsh Assembly, anti-Wales position. They are still the same old Tories.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I think that we should look quite closely at what the Secretary of State proposes in the Bill. Lord Richard has said:

> "Let's be frank about it, it is a device to avoid having to come to Westminster and ask for primary powers to be formally devolved . . . you end up with . . . a situation in which Cardiff ends up with greater powers, Westminster can say they have not devolved primary legislative powers".

Is that not what the right hon. Gentleman is trying to do? He is trying to keep the Labour party happy at Westminster and the Labour party happy in the Welsh Assembly. He will end up appeasing neither, and cheating the people of Wales.

Mr. Hain: So there we have it: the first words spoken from the Dispatch Box by the hon. Lady, with her customary eloquence and courtesy. What did she say? She tried to construct a fantasy argument about Orders in Council versus Bills in the House, both of which are subject to the sovereign will of the House. If Parliament does not want to pass the Orders in Council, it does not have to. As my hon. Friend the Member for Wrexham (Ian Lucas) made clear, they will—I hope—be subject to a process of prior scrutiny very similar to that which has been applied so successfully to Welsh legislation in recent years.

Huw Irranca-Davies: Will my right hon. Friend note the words of the hon. Member for Chesham and Amersham (Mrs. Gillan), whom I, too, welcome to her new role? She was quoted in the *Western Mail* of 17 December as saying:

> "I have said I want to build on what has been achieved with the Assembly."

Does my right hon. Friend see anything in the Opposition's amendment that would build on what has been achieved by the Assembly, or does he suspect that the Opposition are tearing down the whole devolution process?

Mr. Hain: I suspect that it is exactly the latter. It is a wrecking amendment. The Conservatives, at the first opportunity, are asking us to kill the Bill. They could have achieved a debate, vote and decision on their concerns by tabling three new clauses on a referendum on bringing into force the part 3 Orders in Council, and an amendment to clause 7 on dual candidacy. If they were acting in the spirit of consensus promised by the Leader of the Opposition and echoed by the shadow Secretary of State, that is what they could have done. Instead, they have chosen to try to kill the Bill at the first opportunity; the same old anti-devolution, anti-Welsh conservatives.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): In agreeing with the Secretary of State, may I say that the reasoned amendment is the most unreasonable thing that I have seen in a long time and defies any scrutiny? It is absolute nonsense. On Orders in Council, will the Salisbury convention apply to proposed legislation by whoever governs in Cardiff? Were he, of his own volition, to say that he was not prepared to accept a measure from the National Assembly, should not there be some form of review or appellate procedure within the Bill?

Mr. Hain: The hon. Gentleman makes a good point in the first part of his question and asks a reasonable question to follow. If we were to see an unreasonable or anti-Welsh Secretary of State—*[Interruption.]* If we saw another Secretary of State of the kind that we had in the 1990s before 1997, clearly there could be some tension, but there could be tension now. Under the existing settlement, it is far worse. A Welsh Assembly Government seeking to get an agreement from Parliament to allow it to take extra powers would have to fight for space in the Queen's Speech, so there is a business management obstacle as well as a policy principle one. At least we will now have an hour and a half of debate in the House, providing a much better settlement.

I do not think that any appellate procedure is necessary because, as the hon. Gentleman will note, I have provided up to a maximum of 60 sitting days, including weekends, for a proper explanation to be

given by the Secretary of State if he or she is not proceeding with a request. That would be subject to judicial review, providing the necessary safeguards.

Mr. Llwyd: Far be it from me to take bread from the mouths of my fellow lawyers, but surely we should put within the Bill a procedure to avoid having to run back and forth to the High Court. Hitherto, the only assurance given in the White Paper is that the Secretary of State, or his successor, should not turn down legislation for a trivial reason. In two or three places in the Bill—clauses 98 and 101, I believe—there are references to the Supreme Court. Could we not put in a form of reference to the Supreme Court to see whether the reason given was reasonable? That would be quicker than going through judicial review and, in my view, far better.

Mr. Hain: I do not agree, but the hon. Gentleman makes an important point. I shall look closely at what he has said, but his proposal is not necessary. In the end, politics will win the arguments. If we had a Conservative Secretary of State—woe betide Wales were that to happen—and he or she consistently defied the Assembly, the Conservatives would be swept out of Wales at the following general election, as happened in 1997. Also, the hon. Gentleman strengthens my argument, with which I know he agrees. He makes the point that Parliament is in charge of the new procedure, prior to primary powers going following a referendum. The hon. Gentleman is reinforcing my arguments against the Conservatives and their opportunistic and specious attempt to attack the Orders in Council proposal.

Lembit Öpik: Is not the Secretary of State making the very point that is salient? He is allowing an anti-devolution Government—a Conservative one, say—to obstruct devolution in Wales. I do not see why the Government insist on providing that weakness in this Bill when they are quite happy to devolve in a one-way fashion in respect of Scotland. Can he explain why he wants the Secretary of State for Wales to be almost a viceroy over Welsh affairs, given that the Government did not feel that such a step was necessary when the Scottish Parliament was introduced?

Mr. Hain: The days of viceroys ended in 1997; since then, Secretaries of State for Wales have represented Wales and constituencies in Wales, and have spoken for Wales.

On the hon. Gentleman's substantive point, he is right to the extent that, under the first stage of giving extra powers, Parliament remains in charge; that is the point that Opposition Front Benchers wish to ignore, or do not understand. The Assembly gets extra powers—measure-making powers, as they are called in the Bill—only if the House so decides. This House is in charge, as is the House of Lords. The point is that the objective of introducing primary powers, which we share in common, has to be endorsed by a referendum. I know that many Liberal Democrats object to that principle, but it is such a fundamental change that a referendum is required; that way, if such a radical departure from the existing settlement were contemplated, it would be endorsed by the people of Wales. However, compared with primary legislation procedure, this Orders-in-Council procedure is not a radical departure from the existing settlement.

Mrs. Gillan: On one side of the argument, the Secretary of State wishes to minimise the changes and to say that the Orders in Council are very trivial; but on the other, he wants the powers to be substantial. Will he confirm that he received a letter from me, dated 21 December, in which I explained in words of one syllable that although I had tabled a reasoned amendment, it should not be interpreted as opposition to every element of the Bill, and that I reassured him that where we have common ground he could expect our support? I hope that he will acknowledge that he received that letter and that he is misrepresenting my position, because I have told him and have given him every indication that I will be supportive where I believe that we have common ground and can work constructively. Otherwise, I think that the Bill deserves detailed scrutiny at every stage.

Mr. Hain: I am sorry that the hon. Lady is wriggling and squirming in respect of her reasoned amendment. The truth is that, notwithstanding the letter that she wrote to me—it is a very nice letter—the amendment rejects the Bill. If the Conservatives were to get their way tonight and marshal enough votes for their amendment in the Aye Lobby, they would kill the Bill and there would be no prospect of extra powers for the Assembly. That is the policy of the new Tory party, the new Cameron Conservatives, in Wales: to kill devolution stone dead here today, Monday 9 January. That is a great shame and I expected more of the hon. Lady. I thought that she would display a pro-Welsh position, as she was at least born in Wales, which is better than her predecessor. *[Interruption.]* Well, I represent, and was elected by, a Welsh constituency, unlike the hon. Lady.

Mark Tami (Alyn and Deeside) (Lab): The amendment clearly says:

"declines to give a Second Reading".

That is as clear as it can be, is it not?

Mr. Hain: I realise that the hon. Lady has had a lot of trouble in her early days as shadow Welsh Secretary. She did not know who the Welsh national rugby coach was; she did not know the number of Assembly Members; she did not even know what Brain's beer was. Now, she does not know the terms of her own reasoned amendment, which, as my hon. Friend the Member for Alyn and Deeside (Mark Tami) suggests, would kill the Bill stone dead.

We need to make some progress in getting more powers for Wales. The Welsh Assembly Government may not be any more admired than any level of government ever is, but they have won widespread praise for introducing innovative and popular policies—the Children's Commissioner for Wales, the Welsh baccalaureate, free bus travel for the over-60s and free school breakfasts, for example—some of which have been emulated elsewhere in the United Kingdom. After six years of activity and two full elections, it is right that we should take stock of how the devolution settlement in Wales is working and bring forward practical, commonsense reforms to ensure that it continues to meet the needs of the people of Wales.

[Mr. Hain]

Much has changed since the House debated the original Government of Wales Bill. The budget of the National Assembly has nearly doubled, and the responsibilities of the Assembly have also increased. In the past 18 months alone, this House has resolved to transfer from Westminster to Cardiff bay a number of important new policy areas: animal welfare, the fire and rescue services, student support and more children's services.

Devolution has not stood still; it has evolved, and through the measures contained in this Bill it will evolve still further. But there is widespread acceptance of the need for reform. The Assembly's corporate status, modelled on local government, was an innovative idea in theory, which has proved less successful in practice. All parties accept the case for change, and the Bill will reform the internal architecture of the Assembly to provide for enhanced democratic accountability.

Albert Owen (Ynys Môn) (Lab): My right hon. Friend mentions democratic accountability. One of the reasons the Assembly was set up was to do away with the quango state. Does the Bill contain any provision that will aid that process? Under the present settlement, it is difficult for the Assembly to make Wales more democratic in that way.

Mr. Hain: As my hon. Friend knows, the Welsh Assembly Government have already put in train a series of measures abolishing the quangos and absorbing their functions into the Assembly, and they will be able to go further to the extent that the Order in Council procedure gives them more scope. However, they will not be able to do much more under the Bill.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): My right hon. Friend may not have been sufficiently bold on the question of democratic accountability. In the second ballot at the last elections, 310,658 Welsh voters voted Labour and got not a single candidate elected. Given that we have already heard that the turnout in the Welsh Assembly elections was low, does not that clearly demonstrate that proportional representation is unfair and has not worked?

Mr. Hain: You will know that my hon. Friend represents a Scottish constituency, Mr. Speaker, but I do not intend to draw you into the debate. What can I say in answer to that question?

Furthermore, there is widespread recognition throughout Wales that the Assembly needs a stronger and quicker mechanism for achieving its legislative priorities. That is why, in our general election manifesto, we pledged to deliver enhanced powers for the Assembly. Under the current devolution settlement, it is for Parliament to determine what additional powers the Assembly may require.

Over the past eight years, the system has worked well, with Parliament passing four Wales-only Bills—with two more being considered this Session—and 34 other Bills containing Welsh clauses. But it has still meant that proposals from the Assembly must compete for time with the Government's own legislative priorities. The Bill will therefore establish a mechanism to free the Assembly from the Westminster logjam by transferring legislative responsibility to Cardiff in relation to defined matters, approved on a case-by-case basis by Parliament. Those new powers will ensure that the Assembly gets the legislative tools it needs to do the job quicker and more easily than is possible at present, but Parliament will still be the arbiter over whether powers are transferred. So the provisions represent a development of the current settlement, and not a fundamental change.

Philip Davies (Shipley) (Con): Will the Secretary of State give way?

Mr. Hain: I wish to make a little progress and then I shall be happy to let the hon. Gentleman intervene.

The Bill also ensures that, for the first time ever, primary powers for Wales are on the statute book, subject to a referendum. Some have shouted "betrayal" because primary powers are not being delivered immediately, but such a fundamental change from the 1997 settlement, which was endorsed by a referendum, could be changed only by another referendum. To advocates of primary powers, I say, "Don't shout at the Government, but go out and win the argument. Make the case to the people of Wales. If you win the argument, this Bill provides a mechanism for delivery. The ball is now in your court."

An unwelcome development since the 1998 Act was passed has been the problem of defeated constituency candidates being elected through the backdoor on their party's regional list. Politicians are placing an each-way bet on constituency elections, with the electorate losing out. As a Government, we are determined to put the voters back in charge, restoring their democratic right to reject a constituency candidate. We have a clear manifesto commitment and will press the case for reform.

The Bill delivers a lasting settlement that will settle the constitutional argument in Wales for a generation or more. Instead of constantly revising and returning to the issue of its powers and electoral arrangements, the Assembly will now be able to focus on policy development and delivery, in education, health and all the other devolved fields. The constant demand "More powers" will be redundant: they will be on the statute book when the Bill receives Royal Assent, ready for implementation after a successful referendum. Instead of powers, the real question will be: are the Welsh Assembly Government delivering or not? What are the future policies necessary to build a world-class Wales? Political arguments over policies will replace political arguments over powers, so that Welsh political culture gains full maturity.

Adam Price (Carmarthen, East and Dinefwr) (PC): What is the Secretary of State's response to the Electoral Commission's view that the changes proposed for the voting system are perceived as politically partisan and could lead to less participation in the Assembly elections?

Mr. Hain: I think it is wrong and I shall cite alternative evidence later in my speech. The hon. Gentleman might consider experience across the world,

in Canada, New Zealand, Mexico, Thailand and a number of other places, where the issue has arisen but the abuse that has taken place in Wales has not occurred to the same extent. I shall come back to that point.

Mr. Grieve: The possibility of people both standing for a seat and being elected from the list when they were defeated was inherent in the system set up in 1998, and is an inevitable consequence of such a system of proportional representation. Indeed, it exists in other parts of the United Kingdom. So on what basis has the Secretary of State suddenly decided that Wales should not have that system, which is common throughout the world, even if it has come in for criticism? Why has he decided that Wales uniquely should not have it, and why has he done so in a manner of which the Electoral Commission has been very critical?

Mr. Hain: I was about to come to that point. The problem with being so generous in accepting interventions is that they come before the arguments have been made.

In 1997–98, I stood at the Dispatch Box with my colleagues and took the Bill through—indeed, the hon. Member for North-East Hertfordshire (Mr. Heald) was on the Opposition Front Bench at the time, opposing it, as Conservatives always oppose devolution progress in Wales—but none of us foresaw a situation in which the system would be so widely abused. People in Wales say to me, "If I want to defeat a constituency candidate because I don't like them, why should they pop up on the list?" That is the fundamental point. We are putting the voters back in charge. If they do not want to elect somebody, they do not have to do so. There should not be a situation where people can decide to place a both-way bet, stand in both categories and win even if they are kicked out by the electorate.

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): Does the Secretary of State concede that with first past the post somebody could be elected merely on 26 per cent. of the vote, with four parties? The list system compensates for the inequities of first past the post.

Mr. Hain: The hon. Gentleman has only just wandered into the debate and his point is rather wandering as well. All we are saying is that the list system will remain and people can make a choice. They can decide—as Labour Members are doing. As I shall explain later, half a dozen Labour Members will be faced with a tough choice. They face swings against them of less than 3 per cent. Going by the general election performance last year, their seats will be vulnerable in the next Assembly election. They have to face that choice; they do not have the lifebelt of being able to stand in the list, any more than candidates of any other party.

Mr. David Jones (Clwyd, West) (Con): Does not it operate to the advantage of those Labour constituency Members that a softer candidate will be standing against them on a first-past-the-post basis? The more able candidates will stand on the regional list rather than on first past the post. Is not that precisely what the Secretary of State is hoping for?

Mr. Hain: There we have it in its full glory—the real Conservative face of Wales exposed. Why have the hon. Gentleman and other Welsh Conservatives joined an unholy coalition on the issue with Plaid Cymru and the Liberal Democrats? Why are they so afraid of taking their choice to the people? Are they afraid that they will lose constituency elections and therefore opt for the lifebelt of the list? If so, they might as well not bother to stand in the constituencies in the first place. The hon. Gentleman represents the constituency of Clwyd, West, where at the last Assembly elections, three of the candidates who were defeated ended up winning on the lists. Three of the people in Clwyd, West who were booted out by the electorate ended up as Assembly Members, competing against the winning Assembly Member, Alun Pugh.

Mr. Llwyd: I am not in an unholy alliance with anyone, as far as I know—at least, I was not until just now—but all the extrinsic and academic evidence concludes that the proposal is partisan, in favour of new Labour. In coming to that formulation, did the Secretary of State take advice from President Leonid Kuchma of Ukraine?

Mr. Hain: No, but I studied what has happened in Mexico and Thailand, and in Canada in New Brunswick, among other provinces, and what is being done in New Zealand. I will quote alternative evidence later in my speech, including from a much more respected academic commentator on Wales than those who have been quoted.

Mrs. Gillan: Will the Secretary of State give way?

Mr. Hain: As I am in a charitable mood, of course I give way.

Mrs. Gillan: On this occasion, there could be a holy alliance between hon. Members because certainly some people have to think straight. The Secretary of State seems to be taking advice from people throughout the international arena, but I do not understand why he ignored the advice of the First Minister, Rhodri Morgan, who when giving evidence thought that the problems could be dealt with by using a protocol along Scottish lines. Why has the Secretary of State ignored the First Minister? Can we expect these electoral changes to be introduced in Scotland shortly?

Mr. Hain: I do not know where the hon. Lady has done her research, but the First Minister is fully signed up to this policy. At a special Welsh Labour conference on 11 September 2004, he voted for and backed the manifesto on which we stood in May last year that unanimously endorsed the policy. He is enthusiastically backing the policy and she should not take his name in vain in that way.

Although the proposals in the Bill were in Labour's manifesto for an historic third term, it is right to acknowledge the part that people from all parties have played in the debate on the future powers and electoral arrangements of the Assembly. Those people include Lord Richard of Ammanford and the members of his commission who submitted a detailed report to the Welsh Assembly Government in 2004. I pay tribute to

[Mr. Hain]

Lord Richard for the strength of his advocacy. He remains a tribune for Welsh reform, and we look forward to his contributions when the Bill reaches the House of Lords.

Members of the Select Committee on Welsh Affairs, under the chairmanship of my hon. Friend the Member for Aberavon (Dr. Francis), have provided expert analysis to inform the debate about the Bill, as have members of the Assembly Committee, chaired by the Presiding Officer, Lord Elis-Thomas.

The vast majority of clauses in this 165 clause Bill should have cross-party support. Ninety-three clauses re-enact, with only minor modifications, those from the 1998 Act. For example, clauses 145 to 147 on Welsh public records, which applied just to the Assembly as a corporate body under the old Act, have been modified to apply to the Welsh Assembly Government and the Assembly Commission separately.

A further 47 entirely new clauses have been incorporated into the Bill to establish a proper legislature to hold the Executive to account—something that all parties support. Many of those provisions draw directly from existing statutes, which provide a successful model for what we are trying to achieve in Wales. For example, the provisions establishing the Assembly Commission are drawn almost word for word from the provisions in the Scotland Act 1998, which set up the Scottish Parliamentary Corporate Body. I hope that those clauses, too, will prove uncontentious, so that the vast majority of clauses—at least 140 of the 165 clauses—will have cross-party support. Just 24 clauses concern extra powers—the real meat of the Bill—and one clause from the 1998 Act has been amended so as to ban candidates from simultaneously standing in both a constituency and for a region, whether as a list candidate or as an individual.

The Bill will set up the Welsh Assembly Government as an entity in its own right, rather than as an off-shoot of the National Assembly, as it is now. In future, it will be much clearer who is responsible for taking decisions and who should be accountable for them. Instead of an Assembly modelled on old local government lines, there will be a new Westminster-type structure with a clear distinction between the Welsh Assembly Government and the Assembly acting as a proper legislature, holding Ministers to account. This change has support from all parties in the Assembly and will make for better government and better public understanding of the differences between the responsibilities of Ministers on the one hand, and the role of Opposition parties and Back Benchers of all parties on the other.

Secondly, the Bill will give the Assembly enhanced powers to take decisions affecting the people of Wales in areas approved by Parliament on a case-by-case basis.

Philip Davies: Will the Secretary of State give way?

Mr. Hain: I will make progress, then take more interventions.

Through this new, streamlined procedure, the Assembly will be able to achieve its legislative priorities more quickly and easily, without getting caught up in the inevitable Westminster logjam. The Bill does that by building on the current devolution settlement, and this is the key point. Westminster will still be in charge, deciding on the principle of granting new powers to the Assembly, but the detailed work on policies affecting Wales will increasingly be carried out in Wales.

To achieve this, the Bill establishes a new Order-in-Council procedure that will enable Parliament to grant the Assembly the power to make its own laws over the specific matter set out in the Order in Council. The order will not be long and will not set out the detail of the policy that the Assembly wishes to implement, although that will be explained in an explanatory memorandum, because that will be a matter for the Assembly to determine. The order will simply define the scope of the powers being conferred on the Assembly and Parliament will vote on the principle of the Assembly acquiring those powers.

It may help the House if I briefly outline the main procedural stages where the Welsh Assembly Government have initiated a proposal for an Order in Council.

Mr. Roger Williams (Brecon and Radnorshire) (LD): Will the Secretary of State give way?

Mr. Hain: I would like to explain the procedure, then I will take an intervention from the hon. Gentleman.

First, a preliminary draft Order in Council would be prepared following discussion between the Welsh Assembly Government, relevant Whitehall Departments, and the Wales Office. Secondly, the preliminary draft would be submitted to pre-legislative scrutiny by Parliament and the Assembly. The precise nature of pre-legislative scrutiny would be a matter for the House and for the Assembly to determine. The processes are therefore not laid down in the Bill, but I hope that the successful model of the Welsh Affairs Committee scrutinising Wales-only Bills, such as the Transport (Wales) Bill, in tandem with the relevant Assembly Committee could be applied to Orders in Council, as my hon. Friend the Member for Wrexham (Ian Lucas) suggested.

That process of pre-scrutiny will give all Members of this House an opportunity to become involved if they wish in examining requests from the Assembly at an early stage, with the Secretary of State and the Assembly making modifications as appropriate in response to parliamentary recommendations. Parliament will therefore be an active player in shaping the future powers of the Assembly.

After pre-scrutiny has been completed, there would be a formal statutory process for agreeing the final text. Once the final text of a draft order had been approved by the Assembly, it would be sent to the Secretary of State who must, by the end of 60 sitting days, either have laid the draft Order in Council before both Houses of Parliament or have given the First Minister written reasons for not being prepared to do so. The 60-day deadline is needed principally to cover those occasions, which I believe will be infrequent, where there has not been consensual co-operation between the Welsh Assembly Government and the Wales Office in the development of the proposal.Once the order has been

laid by the Secretary of State, it would then have to be approved by both Houses of Parliament on an affirmative resolution.

Mr. Grieve: I want to understand a little more about the pre-legislative scrutiny. If I understand the Secretary of State's position, the scrutiny will be on not the details of the legislation, but the principles of the area that will be delegated for the Assembly to legislate on. Does that not require a considerable abdication of the responsibility of Members of this House, without the people of Wales endorsing that and saying that they would prefer the Assembly to do something, rather than hon. Members? How can the Secretary of State justify such a major constitutional shift without going to the people of Wales and asking them to endorse it by referendum?

Mr. Hain: Because, quite simply—I have dealt with this point before—it is not a major constitutional shift. Parliament will still be in charge. I am surprised that the hon. Gentleman is not opposing the NHS Redress Bill, which includes a framework clause to give the Assembly full powers to determine a ban on smoking in enclosed public spaces. I am surprised that he is not up in arms about that, although perhaps he will be now that I have suggested it.

Since 1999, legislation that has gone through the House has provided for the Assembly to take through regulations by secondary legislation to determine detailed policies. There is no difference in principle between that and a procedure through which the Assembly draws up Assembly measures by Orders in Council rather than primary legislation, because Parliament is still in charge. Each Order in Council will be accompanied by an explanatory memorandum that will explain the provision's purpose fully to all hon. Members—whether they are Welsh or not—so that they will be able to take a view on the matter.

Mr. Roger Williams: If Orders in Council are such a good idea, why did neither the Government nor the Labour party in Wales make that suggestion in evidence to the Richard commission so that it could give a verdict on it?

Mr. Hain: We have taken careful account of the Richard commission report and the debate that has taken place since its publication. The nub of the issue is this: the Liberal Democrats—the hon. Gentleman is not a bad fellow, so I am sorry that he has joined in this bad habit—have said that they want primary powers. I respect that and, in fact, agree with it as a matter of principle. However, they want those powers without a referendum. They want to jump straight to primary powers through the Bill, but it would not be acceptable to make such a fundamental change to the devolution settlement without a referendum, which is what it would be because Parliament would be no longer in charge, although it is of course sovereign in every respect in the United Kingdom in a theoretical and actual fashion. We will make more progress to overcome some of the problems that the Assembly has had in recent years by giving it greater discretion while Parliament remains in charge. That is the point of the Bill and the new first stage involving Orders in Council, which I would have thought that the hon. Gentleman would welcome.

Philip Davies: Given the narrow result of the referendum that set up the National Assembly for Wales in the first place, and the low turnout, what evidence does the Secretary of State have that people in Wales want the Assembly to have more powers?

Mr. Hain: I do not know the hon. Gentleman's majority, but a victory is a victory under our democracy. If one wins the vote, one wins. The Welsh people voted, although, admittedly, the result was uncomfortably narrow, as I remember well. These repeated attacks—the hon. Member for Monmouth (David T.C. Davies) made one in his best Rottweiler fashion—on the verdict of the Welsh people show that the Welsh Conservatives have never accepted the devolution settlement.

David T.C. Davies: Will the Secretary of State give way?

Mr. Hain: No. I am sorry, but I need to make progress and have already given way to the hon. Gentleman.

If Parliament agrees that enhanced powers on a particular matter should be conferred on the Assembly, and once the Order in Council has been made, the Assembly can deliver new made-in-Wales legislation in relation to that matter. The new laws will be called Assembly measures, and the Assembly's arrangements for scrutinising and approving measures will closely follow the procedures used in this House for considering primary legislation. Although the detail will be a matter for the Assembly itself to determine, the Bill requires that the Assembly provides for three stages of consideration on the principle, detail and the final text of proposed measures, which are analogous to Second Reading, Committee and Third Reading. That reflects an important principle underlying the Order-in-Council procedure. The proposed powers to be conferred would be bestowed by Parliament not on individual Ministers—not on the Executive—but on an elected legislature, with its own rigorous procedures for scrutiny both of the Executive and of legislative measures.

I have discussed this matter with the Chairs of both the Delegated Powers and Regulatory Reform Committee and the Constitution Committee of the House of Lords. They agree that there is an important distinction to be made between powers conferred on an elected legislature and those delegated to a Secretary of State. There should therefore not be the same concerns expressed over powers conferred on an elected, accountable law-making body such as the Assembly, with its own scrutiny processes, as have been expressed over powers delegated to Ministers.

The Government believe that this new procedure will be of immense benefit to the Assembly Government in enabling them to carry out their functions in the devolved fields of responsibilities. Of the bids for legislation that the Assembly has made over the past six years, the vast majority have been on matters that have excited little or no parliamentary controversy, such as the Public Services Ombudsman (Wales) Bill and the Public Audit (Wales) Bill, and all but two of them could

[Mr. Hain]

have been accommodated under the new streamlined process provided for in this Bill. The exceptions are the demands for the Assembly to have the power to ban hunting and to have control over shop opening times. An additional one may be the request for St. David's day to be a bank holiday. Those could not be delivered under the Order-in-Council process, as they lie outside the existing devolved settlement.

The procedure will give the Assembly much wider flexibility and discretion, while preserving the key pillar of the existing devolution settlement: it is Parliament that will determine the new powers that the Assembly will acquire. Parliament, as ever, remains sovereign. The procedure will also relieve pressures on parliamentary business managers from Assembly bids for Bills.

As we have heard, the Opposition suggest that the new Order-in-Council procedure might be used to give the Assembly primary powers through the back door. That is simply not the case, as clause 94 makes abundantly clear. If the Assembly ever attempted to acquire such powers by the back door, I as Secretary of State would block it, so would this House and so would the Lords. It is inconceivable because there is a triple lock to prevent it. Parliament remains in charge.

The additional powers offering a more streamlined route for Assembly decision making fall within the settlement endorsed in the 1997 referendum. However, it may prove at some time that even they are still insufficient to address the needs of the people of Wales. The Bill therefore makes provision to confer full primary powers on the Assembly, subject to a referendum. I am proud to be the first Secretary of State for Wales to seek to place primary powers on the statute book. But, as I have explained, it is essential that such a fundamental change to the devolution settlement should first be approved by the people of Wales through a referendum, and it would be hugely damaging to the cause of devolution to move to that stage before there was widespread agreement in Wales. For that reason, the Bill includes a number of safeguards to ensure that there is no premature move towards primary powers.

First, the Bill ensures that a referendum would be triggered only if supported by two thirds of all Assembly Members. Secondly, the Bill places a responsibility on the Secretary of State to ensure that a referendum could take place only after adequate public consultation. Finally, a referendum order would require the approval of both Houses of Parliament by affirmative motion and two thirds of all Assembly Members before it could proceed. Taken together, these safeguards will ensure that a strong, multi-party consensus must exist before a referendum can be called—something that is not likely to happen in the near future.

These provisions are vital to settle the constitutional debate in Wales. By legislating for primary powers now, we avoid the need for a further Government of Wales Bill. Instead of the constant distraction of endless constitutional argument, this Bill puts primary powers on the statute book awaiting the verdict of the electorate. Instead of being the domain of political and constitutional anoraks, the question of the Assembly's powers will be in the hands of the Welsh people. Instead of sniping from the sidelines, proponents of primary powers will have to win the argument.

Those leading the calls for an early referendum are doing a disservice to the cause of devolution in Wales. To call a referendum on primary powers now, when we know that it would fail, would not only destroy the chance of enhancing the Assembly's powers, but do terrible damage to devolution itself. Just look at the aftermath of the no vote in 1979, when the prospect of devolution was taken off the agenda for nearly 20 years—a generation. I know that some will say that certain opinion polls show a majority in favour of a Scottish-style Parliament, but I caution them to remember the opinion polls prior to the referendum in 1997, which predicted an overwhelming victory for the yes campaign. The votes did not reflect the headlines in the end, and I believe that the same would be true today.

Let me now deal with our proposals to reform the electoral system for the Assembly. In 1998, the Labour Government established the additional member system for elections to the Assembly. Broadly speaking, that electoral system has been a success: it has preserved the strong tradition of individual constituency representation that is fundamental to our democracy while delivering a system of fair votes that has improved democratic accountability in Wales. It has even thrown a life belt to the Welsh Conservative party, although that is not something that I would celebrate. However, although it has worked well in ensuring fair representation in the Assembly, I, as one of the Ministers who took the Bill through the Commons, never imagined the abuses that have resulted.

The system as it has operated in Wales has a major weakness. A widespread practice since the Assembly was established has been that candidates who are rejected by a particular constituency have secured backdoor election as Assembly Members through the regional list and so have been able to claim to represent the constituency that rejected them. In Clwyd, West in 2003, three of the four defeated candidates were subsequently elected to the Assembly through the regional list. That practice clouds political accountability and denies the voters their right to reject a particular candidate at the ballot box. The change made by the Bill—requiring candidates to choose whether to stand for a constituency or a regional list—will put the voters in charge.

Mr. Andrew Pelling (Croydon, Central) (Con): Is the Secretary of State saying that that abuse is peculiar to the Welsh political culture or that dual candidacies per se are bad news? Do the Government believe that the practice should be ruled out in, for example, London assembly elections?

Mr. Hain: The Bill is about Wales. One of the things that Conservatives find difficult to understand is that devolution allows different parts of the United Kingdom to operate in different ways. Circumstances have arisen in Wales that have allowed widespread abuse and we are correcting that.

Mrs. Gillan: Is the Secretary of State prepared to place in the Library details of all the objections and problems that have arisen from the present electoral system? He constantly refers to a body of evidence that appears not to exist. I do not know how many letters he has had, but academics and those who have examined the system, including the Electoral Commission, say

that there is no great body of evidence to justify the changes that he is proposing. Is he prepared to put the evidence in the Library and show us how overwhelming the demand for change is?

Mr. Hain: I shall certainly reflect on the hon. Lady's request, but I am about to explain the circumstances that justify the policy set out in the Bill.

It cannot be right for losers to become winners through the back door, despite having been rejected by the voters. That is an abuse of democracy, as is the practice adopted by 15 of the 20 list AMs of using taxpayers' money to open constituency offices in the seats in which they were defeated and targeting those seats to win next time by cherry-picking local issues against the constituency AMs who beat them.

The hon. Lady asks for evidence. Criticism of the existing system has been widespread. Lord Richard recently told the Welsh Affairs Committee:

"There is something wrong in a situation in which five people can stand in Clwyd, none of them can be elected, and then they all get into the Assembly. On the face of it that does not make sense. I think that a lot of people in Wales find that it does not."

The hon. Lady asked for evidence and I am now about to give it to her. The eminent Welsh academic, Dr. Denis Balsom, said in evidence to the Richard commission:

"Candidates use the list as an insurance against failing to win a constituency contest. This dual candidacy can also confuse the electorate, who may wish to consciously reject a particular candidate only to find them elected via the list. It should remain a basic democratic right not to elect a particular candidate or to be able to vote a Member out."

Lord Carlile, the former Welsh Liberal Democrat—*[Interruption.]* This is not against a list system. It is saying to candidates, "Make a choice." Why are they so afraid of making a choice? Stand and face the verdict of the people in the constituency or stand on the list, whichever they wish. It is—*[Interruption.]* I have been asked for evidence and I have taken up a great deal of time in interventions.

Lord Carlile, the former Welsh Liberal Democrat leader, has said:

"many in Wales will welcome . . . the removal of the absurd dual candidacy opportunity."—[*Official Report, House of Lords*, 15 June 2005; Vol. 672, c. 1217.]

The former Conservative Secretary of State for Wales, Lord Crickhowell—the Conservatives want evidence—has said that the

"present arrangements are really pretty indefensible."—[*Official Report, House of Lords*, 15 June 2005, Vol. 672, c. 1216.]

In the consultation on the White Paper, I received only one formal response from the Conservative party, but it was a most significant one. It was from the Preseli Pembrokeshire Conservative association. The hon. Member for Preseli Pembrokeshire (Mr. Crabb) is swelling with pride as the association's representative. It said:

"We agree with the proposal to prevent individuals from simultaneously being candidates in constituency elections and being eligible for election from party lists."

Game, set and match.

Mr. Grieve: Will the Secretary of State give way?

Mr. Hain: I will give way for the shadow Attorney-General to disagree with the Preseli Pembrokeshire Conservative association.

Mr. Grieve: Given the importance that the Secretary of State attached to this issue as a matter of principle, when will we have a statement from the Prime Minister that the other systems of proportional representation in the United Kingdom that the Government have set up will be altered? Does the Secretary of State understand that asking the House to treat something in isolation can be perceived, however great his vehemence, as gerrymandering? We are not prepared to tolerate that. If he wishes to change the system, it should be changed as an issue of principle throughout the country and not for the convenience of the Welsh Labour party.

Mr. Hain: I am glad that I took that intervention. That is because I have further evidence explaining exactly why it is not in any sense gerrymandering or partisan. The hon. Gentleman asks why there should not be a statement by my right hon. Friend the Prime Minister. The abuse has happened in Wales and we are correcting it in Wales. The Bill is about Wales. I know of no similar complaints about London. Indeed, I know of no similar complaints on an equivalent scale anywhere else to those that have existed in Wales.

Huw Irranca-Davies: Does the Secretary of State share my immense regret that we have to discuss these matters today? We do so with deep regret because those of us, with the best intentions, who supported the Government of Wales Act 1998, did not foresee the level of abuse that we have had. I would welcome a strong Liberal Democrat presence in my constituency to bring the fight to me, but regrettably that presence in adverts, local constituency offices and surgeries is in the target seats that the Liberal Democrats hope to win in the first-past-the-post system.

Mr. Hain: Exactly.

The comments that I quoted earlier from Conservatives, Liberal Democrats, independents, academics and even from the Preseli Pembrokeshire Conservative association, a fountain of wisdom in the Conservative party alone on this matter, show that there is a body of evidence, and there is much more, putting the case for—

Mr. Roger Williams: Perhaps the Secretary of State will help us on Northern Ireland. Is dual candidacy a feature of the Northern Ireland election system, and has he any views on that?

Mr. Hain: Different parts of the United Kingdom have different—*[Interruption.]* I expect the Conservatives to scoff at devolution. That is what they have done all along and they always will do, as they are doing today. They are seeking to kill the Bill. However, I do not expect the Liberal Democrats to deny that different parts of the United Kingdom can develop in different ways—indeed, that is the purpose of devolution—and embrace different practices.

Hywel Williams (Caernarfon) (PC): The Secretary of State cited as an abuse that he wishes to remedy the fact

[Hywel Williams]

that list Members set up constituency offices. How would his proposal stop them doing so in constituencies in which they intend to stand?

Mr. Hain: It would not stop them setting up constituency offices. However, I think that the Assembly may make a decision in its standing orders to stop that practice, and I hope that it does so. I am glad that a member of Plaid Cymru has asked me about this, because only today I received a press release from Helen Mary Jones, in which she describes herself as the "Llanelli-based Assembly Member". She complains about money spent on a hospital in Carmarthen instead of one in Llanelli. However, as a list Member, she represents both areas, and is the Member for Mid and West Wales. Yet again, a member of Plaid Cymru has been caught red-handed. Of all the parts of the list area that she represents, she targets the one place where she narrowly lost last time, and describes herself as the Llanelli-based Assembly Member. The Bill will stop her describing herself as the Assembly Member for Llanelli in future, because she was defeated there by Catherine Thomas in 2003.

Mr. Llwyd: Surely the right hon. Gentleman understands that Helen Mary Jones is saying that she is Llanelli-based. She lives there—she does not say that she is the Member for Llanelli. If that were the case, he would have ground for complaint. Perhaps more importantly, the right hon. Gentleman says that the point made by my hon. Friend the Member for Caernarfon (Hywel Williams) may be addressed by standing orders in the National Assembly. Will he oversee those orders, or will he allow the Assembly to deal with them itself?

Mr. Hain: The standing orders will be drawn up by the National Assembly itself. In his party's interests, may I discourage the hon. Gentleman from making such interventions, as he has provoked me to produce even more evidence? I have it on good authority from my hon. Friend the Member for Cardiff, West (Kevin Brennan) that Helen Mary Jones lives in his constituency and is one of his constituents. We have a leaked memorandum—*[Interruption.]* I can see Plaid Cymru Members writhing—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I apologise for interrupting the right hon. Gentleman, but we must not have continual sedentary interventions. That applies across the House. There is a long list of Members who wish to speak in the debate, and they may be sacrificing their chances of being called.

Mr. Hain: I will take that as an instruction to make progress, Mr. Deputy Speaker.

It is significant, however, that Plaid Cymru Members are writhing in embarrassment, along with many other Opposition Members. I am not surprised, given the statement made in a memorandum by Leanne Wood, another Assembly Member. I could read out the entire statement, but I am pressed for time.

Chris Ruane (Vale of Clwyd) (Lab): Go on.

Mr. Hain: My hon. Friend may wish to know that, yet again, a member of Plaid Cymru has been caught red-handed, and advocates the targeting of Assembly office budgets in target seats. She says that her party's list Members will only do case work where it will benefit Plaid Cymru in those seats and will only attend civic and other events in the constituency if they think that there are votes in it. What a terrible advertisement for a Plaid Cymru Assembly Member.

The comments and evidence that I have cited demonstrate that the claim that the measure is partisan is entirely without foundation. I shall explain why. I remind the House that there are six Labour Assembly Members, including three Ministers, who would be defeated by a swing of 3 per cent. against them—a very small swing. They will no longer have the safety net of the regional list. This reform will affect Labour candidates, just as it applies to candidates of other parties. Candidates must make their choice, then the voters will make theirs.

The Bill marks an important step forward for the Assembly and an important step forward for Wales. I therefore hope that it will command broad cross-party support as it goes through both Houses. We all have our different views on which party should be in power in Cardiff bay, but we should all be able to unite to ensure that the Assembly works effectively as a democratically elected body for the good of Wales. There should be a cross-party consensus on putting Wales first.

I was encouraged when the new Leader of the Opposition said that he wanted to make a break from past Tory opposition to devolution and instead make it work for the people of Wales. He told *The Western Mail* that the Tories would no longer pursue the option of a referendum to abolish the Assembly. I had hoped, therefore, that the hon. Member for Chesham and Amersham would adopt a similarly constructive approach to devolution and abandon the anti-Welsh and anti-Assembly stance of her predecessor as shadow Secretary of State for Wales, the hon. Member for Leominster (Bill Wiggin). However, it is hard to see how the new consensus approach to Wales signalled by the Leader of the Opposition fits with the reasoned amendment tabled in his name and that of the hon. Lady, which seeks to block even a modest extension of powers to the Assembly by a ridiculous and ritualistic demand for a referendum.

The idea that the people of Wales would be galvanised by a referendum on the Assembly being authorised to legislate via parliamentary Orders in Council in future, rather than by parliamentary Bills as now, is absurd. What on earth would the question be? Even more to the point, what would the turnout be? The amendment calls for a referendum on enhanced legislative powers for the Assembly. Perhaps she could tell the House how she would campaign in such a referendum—for or against? Does she agree with Nick Bourne, her party's leader in the Assembly, who said that

"all parties agree the present situation is not sustainable in the long term"?

If the hon. Lady continues to pursue her opposition to even these modest additional powers for Wales, she will have squandered an historic opportunity to redefine the position of the Conservative party in Wales. Instead of consigning to the past the Tories' reputation as an anti-devolution party, she will have cemented it. A referendum is called for when the 1997 settlement is

fundamentally changed, as the Bill proposes with regard to primary powers. There is no case at all for a referendum that merely adapts the current settlement, with Parliament remaining in charge, as has been the case so far. What she is recommending is a recipe for obstruction and paralysis. It is nothing more than another Tory attempt to thwart the development of the Assembly.

The Bill represents a crucial test for the Welsh Conservatives and they have already failed it. It is in the national interest of Wales for all parties to bury the arguments of the past and accept that the Assembly is here to stay, and to concentrate instead on making devolution work better. Instead, the Tories have stuck by their rejectionist policies of the past. So much for the Leader of the Opposition's new consensus approach to policy-making. It clearly excludes Wales.

Wales will have to move on without the Tories, and today we begin to do that, in a new dawn for devolution like that famous one in September 1997. Wales has made great progress over the past eight years. We now have the opportunity to settle for a long time the constitutional status of Wales, first by devolving further powers to the Assembly, and secondly by the prospect of primary powers at some time in the future, if the people of Wales vote for that option in a referendum. By equipping the Assembly to face the challenges of the 21st century, we will help to achieve our objective of a Wales that is world-class, both economically competitive and with high quality public services. For the good of the people of Wales, I call on all parties in the House to support the Bill.

4.53 pm

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I beg to move,

"That this House declines to give a Second Reading to the Government of Wales Bill because there has been inadequate consultation about the electoral arrangements proposed in the Bill; and because the Bill fails to provide for a referendum on the introduction of the Orders in Council mechanisms for conferring enhanced legislative powers on the National Assembly for Wales."

I join the Secretary of State in the tributes paid to Merlyn Rees and to Lord Stratford. In Merlyn Rees we have lost a man who was admired across all parts of the political spectrum, and in Lord Stratford we have lost a parliamentarian who gave us much pleasure and amusement over the years while pursuing some very serious policies in which he believed.

I also welcome the Secretary of State's ordering an investigation into the tragic deaths of Maurice Broadbent, David Horrocks, Wayne Wilkes and 14-year-old Thomas Harland. It seems that valuable lives have been wasted in a tragic accident, and I shall carefully consider the outcome of any investigation.

I thank the right hon. Gentleman for his generous welcome to my new post. He began by trying to misrepresent my position, but I hope that I can put the record straight in the course of my brief remarks about the Bill and disabuse people about the position in which the right hon. Gentleman has sought to place me, my hon. Friends and my party.

Albert Owen: Will the hon. Lady be as clear with the House as her predecessor, who favoured a referendum on abolishing the National Assembly for Wales?

Mrs. Gillan: The hon. Gentleman's extraordinary intervention is premature. If he contains his enthusiasm, I will set out my party's position.

I am grateful to the Secretary of State for setting out the Bill's context and main provisions. The legislation is highly significant not only for the future governance of Wales, but for the constitutional position of the United Kingdom as a whole. Under my hon. Friend the Member for Witney (Mr. Cameron), the Conservative party is a party of localism and devolution. On his first visit to Wales as Leader of the Opposition just before Christmas, my right hon. Friend made it clear that devolution and the National Assembly are now established features of the Welsh political landscape. I hope that the Secretary of State will resist the temptation to revisit past battles over devolution and misrepresent our position. A future Conservative Government will seek a constructive relationship with the Assembly, whichever party or parties form the Welsh Assembly Government. We do not, however, believe that the Assembly discharges its functions in every respect either effectively or efficiently, which is something that we will seek to remedy.

Lembit Öpik: Although I am impressed by Conservative Front Benchers' apparent change of heart, will the hon. Lady describe what sanctions exist to punish errant young chaps on the Conservative Back Benches—*[Interruption.]* sorry; I meant to say honourable young chaps—who have on occasion described the Assembly as a waste of space that should be abolished?

Mrs. Gillan: I would have expected the hon. Gentleman to look forwards rather than backwards, because he will run for office in his party at some stage. If he does not run for office, perhaps he will run to become president of the Liberal Democrats. *[Interruption.]* Conservatives are always ahead of the game. I shall keep looking forwards and seek not to be drawn into old arguments.

The debate is about the future structure and powers of the Assembly to allow it to perform what all hon. Members agree is its primary function—delivering a better quality of life for people in Wales. We can also agree on some of the changes that will result from the Bill, if it becomes law. I have made it clear to the Secretary of State in private meetings outside this House and in my interventions today that the Opposition believe that the Bill contains some good elements as well as some unacceptable elements.

First, let me set out the areas where we are supportive of the Bill. The decision formally to separate the Executive and legislative arms of the National Assembly is long overdue. There is almost unanimous agreement that the existing corporate Assembly structure has created confusion and misunderstanding as to where real power and decision making lie. That view was endorsed by the Richard commission, the Government's own White Paper in June, and most recently by the Select Committee on Welsh Affairs. From the outset, the Assembly has evolved beyond the limits of the Government of Wales Act 1998 so that there is now a much clearer separation between the Assembly Government and other Assembly Members. That should be recognised.

[Mrs. Gillan]

In February 2002, the Assembly agreed unanimously on as clear as possible a separation between the work of its executive and legislative arms. In response to Richard, it called for legislation to bring about a formal separation. We broadly believe that the proposals in part 2 are a step in the right direction, but we hope to look at the detail of their implementation in Committee. According to the Secretary of State's programme motion, he intends to allow three days on the Floor of the House for the Committee stage and two days on Report and Third Reading. We will support that.

If that were all that the Bill set out to do, we would have no hesitation in supporting it on Second Reading, but regrettably that is not the case. For the reasons set out in our much-criticised reasoned amendment, I invite right hon. and hon. Members to support our position by joining us in the Lobby tonight.

Mr. Wayne David (Caerphilly) (Lab): So that we have absolute clarity on the hon. Lady's exact position, will she say whether she agrees with the hon. Members for Monmouth (David T.C. Davies), for Clwyd, West (Mr. Jones) and for Preseli Pembrokeshire (Mr. Crabb) that health service powers should be taken from the Assembly and brought back to Westminster?

Mrs. Gillan: The hon. Gentleman will not take me down that route. *[Interruption.]* The hon. Member for Vale of Clwyd (Chris Ruane) may well laugh. It would perfectly suit the purposes of Labour Members to rerun old battles and take the focus away from the Bill, but I intend to discuss its provisions and ensure that people understand exactly what they mean.

Mr. Hain: The point is that the three Welsh Members sitting behind the hon. Lady have advocated returning health service powers to Westminster. Does she agree with her three musketeers, or not?

Mrs. Gillan: Before you rule the Secretary of State out of order, Mr. Deputy Speaker, I suggest that his real problem is that there are three Welsh Conservative Members of Parliament, as well as Conservative Members in the Assembly. If Labour Assembly Members had the same reputation for hard work as our Conservative MPs and AMs, they would do extremely well.

The Bill suffers from two fatal flaws. First, there is a lack of any proper consultation with the people of Wales through a referendum on the implications of the changes in part 3. Our argument is not that the Assembly should not gain additional powers but that, consistent with our approach to devolution, we need to give the people of Wales their say. We need to give them the opportunity to understand the proposals in the Bill and to express their views on what they want. However, although the Government are prepared to concede a referendum, at some point in the future, on the primary law-making powers set out in part 4, they do not provide for one on the new legislative procedures in part 3. That is inconsistent and wrong, and we will seek to persuade the Secretary of State to provide for an earlier referendum on the proposals for the two-stage process. *[Interruption.]* The hon. Member for Rhondda (Chris Bryant) says that I should not waste too much time doing that. In the spirit of consensus, however, I am going to try to make the Secretary of State see sense. He has described the procedures in part 3 as a mechanism to "streamline" or "fast-track" Welsh legislation. In fact, they represent a fundamental change to the 1998 settlement, not least evidenced by the extent of the repeals in the last schedule to the Bill.

The Government are proposing, without asking the people of Wales, to substitute the detailed scrutiny that Parliament gives to Welsh primary legislation with a procedure by which legislative competence is transferred to the Assembly through unamendable Orders in Council following a debate for one and a half hours. That procedure risks disfranchising Welsh Members of Parliament, who will no longer be able to carry out the job of work for which their constituents send them here, and at the same time it will disfranchise the Welsh electors who returned Members to this House in the expectation that they would represent their interests by properly scrutinising legislation—a function that will be diminished if the Bill is passed in its present form. It also risks placing the Assembly and Parliament on a clear constitutional collision course.

No convincing answers have so far been given to legitimate concerns over what would happen if Westminster rejects an application by the Assembly to legislate in a certain area or what would happen if the Secretary of State uses his pro-consular powers to block an application. If the Government envisage that the role of Parliament is simply to rubber-stamp applications, why involve us at all? Why should we go through that interim process and not go straight for full legislative powers? It is little wonder that Lord Richard concluded that

> "There is very considerable lack of clarity in the way in which this interim stage would be managed and effected."

The Secretary of State has said that the interim stage would be a test of the robustness of the devolution settlement. The people of Wales and this Parliament deserve better than that.

We are entitled to ask where the demand for the proposed procedure has come from. The Secretary of State says that it will mean that Wales will no longer have to jostle each year to get legislation into the Queen's Speech. If that is so, it would be useful for the House to know precisely how many requests for pressing pieces of legislation have been made by the Assembly that the Government have turned down.

Mr. Hain: I am happy to say to the hon. Lady, as she has asked me, that there are a number of outstanding bids for legislation that the Assembly would have liked to have got on to the statute book. Actually, we have done quite well; we have two extra Bills this year, besides this one. She has invited me to clarify a point that is likely to arise in future. As I explained in some detail, there is a process of pre-scrutiny in which every Member of the House—not just Welsh Members—can take part. Such matters will not be rushed through in an hour and a half debate. There will be proper pre-scrutiny during which orders can be amended appropriately.

Mrs. Gillan: I do not think that the Secretary of State understands. He told us that the precise nature of

pre-legislative parliamentary scrutiny will not be laid down in the Bill and will be subject to his whim and desires later. We do not have the detail.

Mr. Hain: As a Cabinet Minister, I cannot determine the House's procedures—and nor should I. That is a matter for the House. I have asked the Welsh Affairs Committee, which has come up with some interesting ideas, to be the fulcrum for the pre-legislative scrutiny process, but that is for the House to determine. It is entirely inappropriate for that process to be set out in the Bill, as I am sure on reflection the hon. Lady will agree.

Mrs. Gillan: The point is that it is pre-legislative scrutiny. We will not have the document; it could change. It was the right hon. Gentleman, I believe, who said that he did not think that the Orders in Council would trouble the legislative programme to any great extent:

"It is an hour-and-a-half debate on the floor of the House compared with going through all the stages of . . . legislation."

He is damned by his own words in showing that there will be a downgrading of the role of the House. There was no demand for such a move. It was not proposed by Lord Richard. No other party has put it forward. It is simply a compromise to try to keep the anti-devolution and pro-devolution wings of the Labour party together, although in the long run I suspect that it will satisfy neither.

There is a straightforward solution. If the Secretary of State is so confident that this move is right for the people of Wales, he should let them have their say. Instead, he is offering the people of Wales a referendum on proposals in the Bill on which he admits that there is no consensus, which he does not expect to call for many years—all because, in his own words,

"Rhodri"

—the First Minister—

"and I and Welsh Labour are not in the business of calling referendums we are going to lose".

That is the honest truth of the matter. We have proceeded from a pre-legislative referendum in 1997 to a post-legislative referendum in the Bill.

Ian Lucas: Will the hon. Lady give way?

Mrs. Gillan: I want to make a little progress. I will let the hon. Gentleman know when I am going to give way to him.

No matter what the Secretary of State says, the changes in part 3 are not minor matters. They fundamentally alter the relationship between Parliament and the Assembly, and the people of Wales should be given a vote on them. Now I will give way to the hon. Gentleman.

Ian Lucas: I thank the hon. Lady and welcome her to her post.

The people of Wales did have a vote, in May 2005, when they returned 29 Labour Members of Parliament in Wales. In the manifesto on which we all stood, we made clear that we would present proposals for the Assembly to be given enhanced legislative powers. There have been occasions on which I have been less than enthusiastic about more powers for the Assembly, but that was the manifesto on which I stood. Does the hon. Lady believe that that carries any weight at all?

Mrs. Gillan: I think that the hon. Gentleman will be the first to volunteer to give up his seat in the House so that there can be more Welsh Assembly Members, should more powers be devolved to the Assembly.

The detail in the hon. Gentleman's manifesto simply is not there. Orders in Council were certainly not envisaged at that stage. It is a clever idea, but it is a Johnny-come-lately idea. If it is such a marvellous idea, what is the problem with giving the people of Wales a vote on it?

Huw Irranca-Davies: I have already welcomed the hon. Lady to Wales and to our debate. Does she agree that one of the great successes of the last couple of years is the quality and extent of pre-legislative scrutiny applying to Wales? She is new to her post, but if she does agree, does she consider such scrutiny to be a good model to apply in this instance?

Mrs. Gillan: It is not a question of the merits or otherwise of pre-legislative scrutiny. It is a question of what is proposed in the Bill, and what is currently proposed in it is singularly unclear. We shall seek clarification throughout the Committee stage, and we shall re-examine these very points. I hope that the hon. Gentleman will join me in examining the detail that we trust the Secretary of State will provide. Orders in Council were not envisaged in the Richard report, and have caused a great deal of consternation not just in this House but in another place, and it is important for us to be allowed three days of scrutiny on the Floor of the House.

The second major flaw in the Bill is the blatant alteration of the electoral system in part 1 to favour the Welsh Labour party.

Chris Bryant (Rhondda) (Lab): May I say something before the hon. Lady leaves the subject of powers? She will know that differences of view between the Assembly and Westminster are reconciled through the judicial committee of the Privy Council—which, as I am sure she will agree, is not the most open and transparent body in the British constitution. Can she suggest a way in which the process might be changed in the future?

Mrs. Gillan: I am grateful to the hon. Gentleman for treating me as if I were in the Government. Perhaps he would like to ask me that question if I were Secretary of State for Wales, but I think that it should be put to the current Secretary of State.

At the moment, I am convinced that our problems with the legislation are summed up by what the right hon. Gentleman said on 10 December. He said

"you could get on with the job in the meantime and give substantial powers, as Rhodri said, to the Assembly through Orders in Council between 2007 and 2011".

That is what we must examine. It is a way of passing—almost—a concealed grant of direct legislative competence to Cardiff, and we need to examine it in

[Mrs. Gillan]

detail. However, I am sure that the right hon. Gentleman will be able to answer the hon. Gentleman's question, as he is currently the Secretary of State.

Chris Bryant: The hon. Lady just does not know.

Mr. Deputy Speaker: Order. The hon. Gentleman must keep quiet.

Mrs. Gillan: Thank you, Mr. Deputy Speaker.

The proposed rigging of the electoral system will, despite the protestations of the Secretary of State, prevent candidates who stand in one of the 40 single Member constituencies and who fail to be elected from also standing on the regional top-up lists in any of the regional constituency areas.

Nia Griffith (Llanelli) (Lab): Will the hon. Lady give way?

Mrs. Gillan: Let me make a little progress, please.

The prime motivation for this appears to be the political interests of the Labour party in Wales. The Secretary of State and the First Minister have both said that, in respect of full law-making powers, we have to wait for the consensus. That is fine, but clearly there is no consensus whatever for the proposed change to the electoral system.

Mr. David: It was in the manifesto.

Mrs. Gillan: I do not believe that the changes to the electoral system for all elections throughout the UK were featured in the manifesto. Or did it apply only to Wales? This is an issue on which the Welsh Affairs Committee divided on party lines.

Mr. Hain: It was in the Welsh manifesto.

Mrs. Gillan: It may have been in the Welsh manifesto, but it was not in the Scottish Parliament and London Assembly manifestos.

The Electoral Reform Society has spoken out about its profound doubts on this change, saying:

"There is no evidence at all to back up this proposal and therefore we come to the conclusion that we do not think that the case for change has been made".

The commission also made the point that such a change needed to be considered in a UK rather than just a Welsh context. Perhaps the Secretary of State could tell the House when he expects his right hon. Friend the Secretary of State for Scotland to adopt the same procedures for elections to the Scottish Parliament. Why did such changes not form part of the Scottish Parliament (Constituencies) Act 2004?

Mr. Hain: As the hon. Lady has raised the issue, I shall tell her that the measure appeared in the UK manifesto. A more extensive description appeared in the Welsh manifesto, but the specific commitment appeared in Labour's UK manifesto, which was fought on by every candidate throughout the UK.

Mrs. Gillan: Does that mean that the Government will apply the measure to Scotland, in which case why did it not form part of the Labour party's representation to the Arbuthnot commission? If it is a principle, which the Secretary of State has said it is, it should apply right across the UK.

The truth is that this is a spiteful and anti-democratic measure that should have no place in a Government of Wales Bill and may not even survive a challenge under human rights legislation. In December, the Secretary of State boldly asserted that, in his view, the Bill would settle the constitutional question in Wales. In his own words:

"What I hope this will do is settle for a generation—if not more—the whole constitutional obsession we have in Wales about the powers and status of the Assembly".

He knows that the Bill as drafted will do no such thing. Rather than settle the constitutional question, it simply leaves it wide open.

The Bill offers little prospect of long-term constitutional stability. It proposes a hybrid system of enhanced legislative powers that weakens Parliament and the role of Welsh MPs, while fundamentally changing the 1998 devolution settlement without giving the people of Wales a vote or a voice. Further, it seeks to rig the electoral system to the partisan advantage of the Labour Party.

If the Government thought that the time has come to make further devolution to Wales, the honest way of going about it would be to consult the people of Wales now, through a referendum, and not wait until some intermediate point along the path, by which time important changes will have been introduced under the guise of this Bill. The Secretary of State had the opportunity to improve the operations of the Assembly simply by separating the Assembly Government from the Assembly Members. Instead, I am afraid that he has chosen to pursue his political interests at the same time, jeopardising the legislation and compromising the people of Wales by adding provisions for partisan, party purposes. I am sorry that he has made that choice.

We have had no choice but to table a reasoned amendment, and I ask the House to support it in the Lobby tonight. I will not vote against Second Reading if a vote is called because there are elements of the Bill that we Conservatives support, but because the Secretary of State has chosen to include partisan, party proposals, I had no choice but to table a reasoned amendment and to include it in the Order Paper. I ask my hon. Friends to vote with me on it.

5.20 pm

Mr. Alan Williams (Swansea, West) (Lab): Given that many Members want to speak in this debate, and that I intend to construct my contribution around a series of questions, may I suggest to the Secretary of State that he resists the temptation to try to answer them as we go along? I am happy to wait and to hear his answers—hopefully—in the winding-up speech.

The Secretary of State may be a little surprised to hear me start with a welcome, albeit a limited one, for the introduction of a referendum process, which is at least preferable to what was proposed by the Richard commission. What worries me is that the Bill as drafted allows for repeated referendums, until a majority of at least one is eventually achieved. That could conceivably be open to exploitation for political expediency—there

could be a campaign of attrition until a majority is won. So why has the Secretary of State ignored the recommendation of the Welsh Affairs Committee that there be a minimum interval between referendums of at least two terms of the Assembly, which is eight years? Also, why has he ignored the First Minister's observation, in answer to question 226 in the Select Committee's report, that the interval would probably be a minimum of one generation, which is 20 years? Why has he even ignored his own contribution in that same question, in which he said that the proposal

"would be off the agenda for a very long time"?

I must admit that if there were a vote on Second Reading, I would be unable to support the Bill—I would not actually oppose it—because of the absence of such a provision.

Is it technically possible—I emphasise the word "technically"; I am not asking whether this is the intention—that under the Bill as drafted, which provides for a succession of orders, the full legislative objective could be achieved without a referendum? As I understand it, it could. It might take a long time, but a succession of orders could achieve that objective. If they could achieve that objective—I may be wrong—would there be any effect if there were a referendum and it returned a no vote, or would we go back to a system of orders and the inevitable chipping away at the devolution process?

I am also concerned about what I call the Trojan horse clause. Page 20 of the Wales Office's guide to the Bill points out that if just one non-controversial, innocuous order is passed, a policy area is opened. Once that happens, the Assembly is free to introduce new measures with different policy objectives, without having to go for a further order. It is a form of creeping devolution.

In view of that, and because that is a result of the order process proposed, it is important that we examine how thorough and efficient are the safeguards provided under the order process, in both the Lords and the Commons. My right hon. Friend knows, as I and every other Member of this House know, that a one and a half hour order cannot be amended. By the time that the Front Bench speeches have finished, there is hardly any time for any alternative opinion. Indeed, by the nature of the House of Commons, it is improbable that the House would be packed with English Members who were gasping to hear the detailed reasons why the order should not be introduced.

My right hon. Friend said that the answer would be in the draft Bill. I am a great enthusiast, as is the Liaison Committee which I chair, for the draft Bill process, but it is clear constitutionally that the draft Bill process recommendations are not binding on the Secretary of State. It is up to his whim whether he accepts them. I do not disagree that the Bill is a fair representation of his opinions but, as he told the Committee, he is an enthusiastic supporter of devolution of the full legislative process. We are therefore left with some scepticism about the effectiveness of the draft process.

In addition, I agree with my right hon. Friend that it is up to the House to decide the form of draft Committee. I can see the case for a Joint Committee between the House and the Assembly, as has happened on other issues. However, as I shall suggest to the Liaison Committee, another element is necessary, otherwise the two groups that make up the Select Committee would both be predominantly in favour of devolution going as far as possible. Therefore, the Joint Committee needs an element that would look after the interests of the House of Commons and consider the constitutional impact of the propositions outside Wales. My colleagues on the Liaison Committee and I will consider the possibility of the Constitutional Affairs Committee also being represented.

Now we come to the Lords end. As I understand the evidence that my right hon. Friend gave to the Select Committee, he clearly envisages that what is in effect the Parliament Act process would apply if the Lords rejected the order. So we have a process in the Commons that will be meaningless and a whipped majority will drift the provisions through. In the Lords, my right hon. Friend has cut the legs from under what is intended as a process of scrutiny on behalf of Parliament. It would be interesting to hear my right hon. Friend's evidence on whether the Parliament Act would be appropriate. The propositions before us certainly appeared in the White Paper that was published in June, after the election. They were embodied in a Bill that appeared six months after the election, in December.

My right hon. Friend says that there was pre-election consultation but, as far as we can gather, that consultation was on the Richard commission, which the Bill and the White Paper effectively reject. My right hon. Friend was asked by my hon. Friend the Member for Clwyd, South (Mr. Jones), in question 195:

"Have the people of Wales ever been consulted over the Order in Council procedure?"

That is not in Richard, which was part of the consultation; it is a clear and specific question. My right hon. Friend answered:

"There was a widespread process of consultation following the Richard Commission, in which both Rhodri and I were in exactly the same position, that we wanted to see the Assembly get on with its task of having greater powers following 2007 and did not want to wait another four years, as Richard proposed."

That is fascinating, but it is less than precise about what consultation there was with the public, so will my right hon. Friend put in the Library all the consultation documents that he released during the election that outline the procedures covered in the Bill?

I am not surprised that my right hon. Friend suggested 2007, although Richard proposed 2011. Most people are not thinking that far ahead, but I have my retirement to think about and 2011 will be after I have retired, which is not to say that my retirement is relevant, but that the process would take place after the general election. The measure is an insurance policy—a just-in-case provision. While a Labour Government are in office my right hon. Friend wants to get as much slammed through under the order process as he can get away with.

Mrs. Gillan: I agree with much of what the right hon. Gentleman says. Is it not fair to say that as the First Minister plans to retire in 2009, the measure could be an attempt to put on the statute book something that will act as a memorial and a tribute both to the Secretary of

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State, as he moves on and a Conservative Government take over, and to the First Minister in Wales? It would grant more powers to the Assembly by the back door.

Mr. Alan Williams: That suggests a degree of egocentricity on the part of my right hon. Friend that no one would associate with him. In fact, he has introduced a salami-slicing provision—a series of orders that one by one will chip away at the powers of the House and give them to the Assembly. We are still not clear what the consultation was about.

I conclude on a point that has been touched on and which is profoundly important. The House of Commons is sleepwalking and does not quite understand what the devolution process is about, and I suspect that many of my English colleagues have not understood what it might mean for them. Scotland already has its devolution. As Wales spreads its devolutionary catchment, increasingly larger parts of the legislation going through the House of Commons will be England-only. It will not apply in Wales or in Scotland.

I abstained on tuition charges because I felt that I should not vote on them, but we have an anomalous situation whereby Scottish and Welsh Members, who are not answerable to English constituencies, will vote to impose on them measures that will not apply in Scotland or Wales. That affronts my concept of the democratic accountability that I thought existed in our country.

In the atmosphere that has been partially created by the act of devolution—making the Welsh more Welsh and the Scots more Scottish—there is a seeping effect of making the English more English. I suspect that there is a limit to how long the English electorate will put up with a situation where Welsh and Scottish votes determine what they get, especially if there was a Government with an overall UK majority but only a minority of votes in England. I do not think that the Government have even considered the possible repercussions for my party in the future, when the English rumble the effect of what we are putting through the House. There will be a backlash, and at some stage the issue and the policy will come back to bite us.

5.35 pm

Lembit Öpik (Montgomeryshire) (LD): I welcome the hon. Member for Chesham and Amersham (Mrs. Gillan) to her new Front-Bench role on Welsh matters. The early indications are that she will, indeed, be truly inclusive and take a positive approach. That will certainly endear her to her three Conservative Members from Wales.

I also pay tribute to Merlyn Rees, who made a tremendous contribution to Northern Ireland affairs—he will be considerably missed in the other place, where he was active until December—and to Tony Banks, with whom I had considerable interactions, particularly on the vexatious issue of fox hunting. Irrespective of whether I agreed with him, I think that the House can agree that he made a difference and left an indelible mark on parliamentary matters, and to that extent, British politics will be worse off without him.

I apologise to the House on account of the fact that, on this occasion, I may have to be a little rude and leave at about four minutes to 6, as I am chairing an important meeting concerning the local difficulties facing my party. Although I pay tribute, as leader of the Welsh Liberal Democrats, to the loyalty of my hon. Friends the Members for Brecon and Radnorshire (Mr. Williams), for Cardiff, Central (Jenny Willott) and for Ceredigion (Mark Williams), I recognise that my absence may give them the opportunity to call for my resignation. I intend to fight on and consider my position to be tenable.

The hon. Member for Chesham and Amersham suggested that I was standing for the presidency of my party. I can tell her that no vacancy currently exists for the presidency. However, if called upon to serve humanity in that way, I may allow my name to go forward. I thank the hon. Lady for her offer of support.

As is the fashion at the moment among young Opposition MPs, it is necessary to pay tribute to the Government. Labour deserve some credit for grasping the nettle in 1998 and kick-starting the devolution process in 1997. The Bill that the Government presented then was a cautious one; it created the Welsh Assembly, but it kept the Assembly's powers firmly in check. In effect, Westminster still ran a large part of the show. The Government now have a mandate to give Wales the deal that it deserves—an Assembly with primary powers.

Polls suggest that the Welsh public support such a move, and all but one of the major parties seem wholly to support moves toward primary powers. The Richard commission set out a clear path for a proper devolution settlement. Having surveyed all the issues in unique detail, Lord Richard and his colleagues concluded that the best way forward for Wales was, first, to create an 80-Member Assembly, with primary law-making powers, elected by a single-transferable-vote system.

Ian Lucas: The hon. Gentleman suggests that the Richard commission gave detailed consideration to relevant matters in Wales. A very important issue for his constituency and mine is the provision of public services from England to Welsh constituents. The Richard commission did not cover that in any detail at all—or can he perhaps enlighten me and tell me where in the Richard commission report it was?

Lembit Öpik: The hon. Gentleman is right, but in many ways that is a tactical matter. The way in which the Assembly exercises those powers is a strategic question. He and I and, indeed, my hon. Friend the Member for Brecon and Radnorshire all have issues about health and other provision across the border, but it is probably more appropriate for us to discuss those specific matters in a debate other than one that deals with these weighty constitutional matters, although the hon. Gentleman may want to discuss that issue in more detail in his own contribution.

The Richard commission also said that law-making powers would be more effectively dispatched by an 80-Member Assembly. That is the model that Welsh Liberal Democrats want to see put in place. Not only would it create a powerful and professional Welsh senate and a proportional political body with the responsibilities and capacity to move Wales forward,

but it would also resolve the issues that the Secretary of State for Wales was trying to grapple with in terms of the frictions that he observes between list Members and constituency Members of the Assembly.

Unfortunately, the Bill comes nowhere near what Lord Richard advocated and what the Welsh Liberal Democrats and, in my judgment, a very large proportion of the people of Wales would like. In its current form, the Bill is flawed, patronising and limited. Its main problem is that it concentrates great power in the figure of the Secretary of State for Wales and, in doing so, could thrust the devolution process into complete limbo for decades. I give considerable praise to the current Secretary of State, who I believe is genuinely committed to devolution, but there is no guarantee that his successors will share his enthusiasm. In fact, he highlighted a possible risk whereby a Secretary of State for Wales might decide to stamp on the requests of the Assembly and therefore thwart devolution.

Mr. Grieve: The hon. Gentleman makes an important point. He may agree that it is not a question of whether the Secretary of State decides to stamp on the Assembly. The fact that he has these draconian Executive powers places the Assembly under his administrative tutelage. That is the reality of the arrangement that is being sold to the Welsh people, as though the Assembly were getting a proper legislative function, which it is not.

Lembit Öpik: The hon. Gentleman makes an insightful point. Although he and his party may be coming at the issue from a different direction from my party and, I suspect, Plaid Cymru, the inference is nevertheless the same. If the Secretary of State decided not to grant additional powers in the context of the Bill, he or she could literally prevent those powers from being passed.

Mr. Hain: That exists now. Under existing procedures, a Secretary of State, myself included, could decide not to introduce a Bill requested by the Assembly. Ironically, the hon. Gentleman and the shadow Attorney-General are endorsing my argument that Parliament remains in charge and that the first stage of a modest increase in powers does not change the settlement at all. That is the reality. If that does not work, a move to primary powers could take place subject to a referendum. That is the point.

Lembit Öpik: Although I suspect that it has happened by accident, we violently agree. The Secretary of State appears to be trying to mollify not necessarily those on the Conservative Front Bench but the troublesome trio who sit behind them and who want to be reassured that there is no substantial change to the settlement. However, that does not work for the Liberal Democrats or, I imagine, for Plaid Cymru, as we believe that the Bill presents an opportunity to devolve primary powers in a fashion that is similar to the Scottish model rather than maintaining so much influence in the hands of the Secretary of State for Wales that, ultimately, an anti-devolution Secretary of State could postpone things.

Mr. Evans: Does the hon. Gentleman accept that the current settlement was endorsed by the people of Wales in a referendum and that we are now looking to give greater powers to the Welsh Assembly? Irrespective of whether we move to primary powers for which there would be a referendum, does he agree that the people of Wales must be trusted? They voted once for what we have now and they must be allowed to vote again for a change in the settlement.

Lembit Öpik: I shall come to the question of referendums shortly.

Kevin Brennan (Cardiff, West) (Lab): The hon. Gentleman has not got much time.

Lembit Öpik: Very shortly.

I shall finish on this point. Ironically, the Secretary of State and the Conservatives are trying to resist what the Liberal Democrats want—for trust to be placed in the Assembly to dispatch primary powers in a fashion similar to the Scottish Parliament and for trust to be placed in the Welsh people, through the electoral process, to elect Assembly Members whom they trust with those responsibilities. As it is at the moment, the Secretary of State's office has the enormous power to run with or kill legislation.

We have seen the taming of the three Welsh Conservative Members. It is a delight to note the influence that the hon. Member for Chesham and Amersham has already had, but I am more than a little surprised by their mouse-like silence. The guns of Monmouth have been silenced, and the hon. Member for Monmouth (David T.C. Davies) has been tamed by the new shadow Secretary of State for Wales. However, I suspect that underneath their docile façade, those three hon. Members are still the same people whom we knew and loved before. I would counsel the hon. Member for Witney (Mr. Cameron) that, as the Liberal Democrats know all too well, a revolution can start with a whisper. If the hon. Member for Chesham and Amersham wishes to lead her Back-Bench colleagues through the Lobby, she must explain what the transformation on the road to Damascus has been framed on. If the Conservatives really want to reassure us that they are pro-devolution, they must explain why, as the Secretary of State pointed out, they have tabled a reasoned amendment that would abolish the Bill before it had received its Second Reading—that is the nature of the vote. I have heard the words of the hon. Lady and her boss, but it will take more than words to convince me that there has been such a transformation and that a Conservative Government would be committed to devolution in the way in which I have described.

Mrs. Gillan: I am grateful to the hon. Gentleman for giving way because the policy line that we are taking is obviously deeply upsetting to him. My three colleagues who represent Welsh constituencies and I are firmly wedded to giving the people of Wales a choice and trusting them. If we have a situation under this legislation in which Cardiff ends up with greater powers while Labour Members in Westminster say that they have not devolved primary legislative powers, we are seeing an act of political prestidigitation from the Secretary of State that would make Paul Daniels look like an amateur. If I can make common cause with the leader of my party and my three colleagues who

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represent Wales to give the people of Wales a choice, I shall do so. I hope that the hon. Member for Montgomeryshire (Lembit Öpik) will agree with me on that.

Lembit Öpik: Let us move on to that point. We should remember that the Welsh Affairs Committee was unequivocal in saying that

"the Secretary of State's powers should be limited to refusing Orders in Council on the basis of procedure, and not on the merits of the policy aspiration."

The Committee did not ask for a referendum. Although the hon. Lady is perfectly entitled to call for a referendum, that is a matter of judgment, and I do not think that it would be appropriate to hold such a referendum.

It is the same story with the Government—this is where I respond to the hon. Member for Ribble Valley (Mr. Evans). Lord Richard called the Bill a "tortuous route" towards primary powers. We think that part of that tortuous route is putting a referendum between us and equivalence with Scotland. Hon. Members who feel that they cannot trust the Welsh Assembly, or trust the Welsh people to elect a competent Assembly, might want to support a referendum, but those of us who think that devolution means exactly that believe that the House has the authority and the duty to give the Welsh Assembly responsibilities comparable with those in Scotland.

Jenny Willott (Cardiff, Central) (LD): My hon. Friend mentioned the Richard commission, the report of which was well researched and clear. Does he agree that it is now the Government's responsibility to explain why they commissioned the work, but completely ignored what was said?

Lembit Öpik: As my hon. Friend rightly points out, those in government in Wales commissioned the report. It is interesting to note how quickly Labour Members want to distance themselves from those in government in the Cardiff Assembly. As my hon. Friend says, Lord Richard makes a serious and insightful contribution to devolution. The document shows that if an anti-devolution party were to come to power in Westminster, it could halt the devolution process indefinitely. Under the Bill, the scenario could occur whereby 90 per cent. of the Welsh public and 90 per cent. of the Assembly Members want primary powers and the Secretary of State could simply say no. Lord Richard was right to highlight the dangers, as is my hon. Friend.

The Bill was meant to tip the balance of power from Westminster to Cardiff, but instead it strengthens the Secretary of State's grip. On Orders in Council, primary powers and future referendums, he holds all the aces. The Welsh Assembly has to pull off a five-card trick to guarantee that it will get anywhere at all. If Labour were really pro-devolution, would it present us with this convoluted process, riddled with caveats and clauses, which could threaten the whole devolution process? At best, the impression is one of compromise. It seems as though the Government have conceded considerable ground to their own anti-devolution elements.

That perhaps explains the evident friction between what Labour Ministers say in this House and what Labour Assembly Members say at the other end of the M4, in Cardiff. That transparently seems to be the case on the issue of dual candidacy, on which there is commonality among all the Opposition parties. The issue has attracted considerable attention and will, I am sure, be discussed in Committee. Labour's policy of banning dual candidacy does not put our Secretary of State on quite the same moral level as Robert Mugabe, as somebody suggested, but there is little evidence that the measure is anything other than politically motivated.

Academics and non-partisan organisations, such as the Electoral Reform Society and the Electoral Commission, have all condemned the Government's proposals. Such people have found no evidence that dual candidacy, in the words of the Secretary of State,

"devalues the integrity of the electoral system"

or

"acts as a disincentive to voting in constituency elections"—[*Official Report*, 15 June 2005; Vol. 435, c. 264.]

Mark Tami: Would the hon. Gentleman describe the Electoral Reform Society as a non-partisan organisation or does he think that it has a certain agenda to pursue?

Lembit Öpik: Anybody who believes themselves to be a democrat and to be passionate about free speech will view that organisation as independent. Hon. Members can draw their own conclusions.

Mr. Evans: The hon. Gentleman has just referred to himself as a democrat, so I must drag him back to the issue of giving the people of Wales a choice. Had it been left up to him, the people of the north-east would have had their regional tier of government. The fact is that they were given a referendum and they voted overwhelmingly against. What is he afraid of? Let us give the people a choice.

Lembit Öpik: As I said, the Liberal Democrats feel that, in essence, the Welsh Assembly deserves the same powers as the Scottish Parliament. We asked the people in Wales and we doubled the number of seats in Parliament. We increased our share of the vote and we anticipate that we will do well in the Welsh Assembly elections. Let us not dwell on the matter, which is a matter of judgment; the Liberal Democrats and, I suspect, Plaid Cymru believe that we do not need a referendum to move forward.

The main issue on the Bill is devolution and the extent of the powers available to the Welsh Assembly. We have an historic opportunity to give Wales what it deserves: a proper law-making senate, just like the Scottish Parliament. If Labour had followed the Richard commission, we would be much closer to having that, but it has categorically failed to do so.

The Bill nevertheless offers potential. With finance, there is a great opportunity finally to end the injustice of the Barnett formula and to replace it with something fairer. We can change that situation if we choose to do so, through our dialogues in the Committee sittings, as set out in the programme motion, with which we agree.

We can talk about the other details and elements by passing the Bill on Second Reading and seeking to amend it. In so doing, and in opposing the reasoned amendment because we feel it is anti-devolutionary, we must also be honest. The Government have an obligation to listen. Today, we shall support the Bill on the understanding that they will take feedback on the elements that are unsatisfactory and that can be improved upon in the interests of Wales. It will not be good enough if every Opposition amendment is simply defeated on the basis that the Government do not like to accept Opposition amendments and believe doing so to be weak.

We have major reservations about the Bill and major amendments to table in Committee. If they are taken on board, we will vote for the Bill to become law. If they are not, we will find it difficult to back a Bill that could set back the devolution process for 20 or 30 years. We believe that this Secretary of State is pro-devolution and that he has the opportunity to deliver to Wales what it requires. He can be a hero in the eyes of the Welsh. I hope that he does not sit on his hands and, by default, become a villain.

Mr. Deputy Speaker: May I say to hon. Members that no time limit was imposed on speeches by Back Benchers, but there is a long list of those wishing to speak in the remaining time available. If all hon. Members present are to make a contribution, 10 minutes would be a guide.

5.55 pm

Mr. Paul Murphy (Torfaen) (Lab): I join in the comments made by Members of the House about Tony Banks and particularly, from a Welsh point of view, about Merlyn Rees. He was a Cilfynydd boy, and a distinguished Home Secretary and Northern Ireland Secretary. We will miss them both.

I also warmly welcome the new shadow Secretary of State for Wales to her post. I know that Wales has a special place in her heart and we wish her well in her new job. I particularly thank my right hon. Friend the Secretary of State for Wales and the First Minister for the enormous amount of work that they have put into the Bill and the arrangements before Parliament over the past months and years. The result of those efforts will be seen in the weeks ahead.

In 1979, my constituency of Torfaen voted overwhelmingly against devolution, and I was one of those who voted against. That was the case among most of the valley constituencies in south Wales and most of Wales itself. Some 20 years later, my constituency continued to vote against devolution, but it did so with the tiniest of majorities. I am unsure what it would do today were there a referendum on the issue, but I believe that it would probably vote in favour. There are two reasons for that.

The first, inevitably, is that the difference between 1979 and 1997 was nearly two decades of Conservative Government. In a country such as Wales, which overwhelmingly votes Labour, people felt that they needed the change. The second reason, which has not been touched on tremendously this evening but I am sure will be in the debates to follow, is that devolution is not about high constitutional principles but about how services are delivered to the people whom we represent.

That is the basis of devolution: do people get better health services, schools, planning or local government? It is not only about whether services improve in quality but about whether government is accessible and more accountable to people. To a large extent, accessibility is the one area that my constituents would regard as having changed during all those years.

I am not saying for one second that improvements are not necessary in service delivery in Wales—of course they are, as in the rest of the United Kingdom. However, people now understand that the Assembly exists to deliver the services so that people's lives can be improved. Does the Bill change that in any way? That is the question that we must consider on Second Reading and in Committee. The change in relation to the separation of powers is very important because the Assembly's corporate status simply has not worked and needs to be changed.

I was confused by the Conservative party's reasoned amendment. I am in favour of such amendments when they mean something, but this one means that the Opposition are inviting this House to turn down completely the Second Reading of the Bill. There is ample opportunity in Committee, on Report and in the other place to deal with the important issues. To reject the entire Bill on such a basis is wrong and is, as my right hon. Friend the Secretary of State said, bizarre.

The changes that will result from the Orders-in-Council provision are necessary. They are not especially dramatic and they will improve service delivery. In the past, including when I was Secretary of State, we transferred powers to the Assembly on several occasions. Fire services are an obvious example: they come under local government in England and should in Wales as well. There are other examples, including animal welfare, in which services or functions were devolved to the Assembly because it made sense so to do. The Order-in-Council procedure enhancing the legislative competence of the Assembly will make sense where the Assembly has responsibility.

I am a little doubtful—I agree with my right hon. Friend the Member for Swansea, West (Mr. Williams), the Father of the House—about the way in which Parliament will deal with scrutiny in that Order-in-Council process. I am not convinced that we have got that right yet. As Secretary of State for Northern Ireland, my right hon. Friend knows that the Order-in-Council provision, which is used to legislate while there is direct rule for Northern Ireland, does not allow for amendments to be made to legislation and that there is a limit of one and a half hours for debate. I know that putting on the face of the Bill improvements to our method of scrutiny would be a problem, but Parliament and the Government ought to consider in more detail how the process could be improved. Pre-legislative scrutiny, working with the Assembly Committees and extending the time for debate on Orders in Council will all be necessary, of course, but I hope that my right hon. Friend will also take on board the suggestions that I am sure will be made in Committee.

I do not think that a referendum is needed on the Orders-in-Council provision, and I certainly do not believe that one is needed on whether to allow dual candidacy. A referendum will be needed if primary

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powers are to be given to the Welsh Assembly, because that would fundamentally change the settlement on which we agreed back in 1997.

There might be a case in years to come for holding another referendum, on the way in which we elect Members to the National Assembly for Wales. The present system is confusing to our electors, and if an electoral system confuses the electors, it is not a good electoral system. I would prefer to have two-Member constituencies using an alternative vote system. That is what I argued for in the mid-1990s, but it did not happen. I doubt that it would be acceptable now, but it remains my preference. I would like to see a first-past-the-post system, but I do not think that that is likely to happen because it would fundamentally change the system on which people voted. If we want fundamentally to change the electoral system, there is a case for giving people the right to vote on that, because that would be meaningful.

The change in respect of dual candidacy is necessary. I do not think for one second that it would give any party an advantage. Different parties might have different rules on who should stand for what, but in terms of who is eventually elected, it will make no difference. As my right hon. Friend the Secretary of State said, six of our Labour colleagues in the Assembly could face defeat on the smallest of swings, but will not have the safeguard of standing for the top-up list.

David T.C. Davies: It will never happen, but a candidate on a list would have a vested interest in ensuring that his colleague standing in a winnable seat did not win. Would not that cause problems to the parties that currently benefit most from regional lists?

Mr. Murphy: It is for the individual parties to sort out how they select people for election.

That is a problem of the system. The additional member system that we have as a result of the 1997 settlement is fundamentally flawed. People do not understand it. They do not understand how an individual can stand in two ways for the same body on the same day in the same election and be defeated, then get elected a matter of an hour or two later. Equally if not more confusing is the fact that, in my constituency and in those of my right hon. and hon. Friends in the south Wales valleys, thousands upon thousands of people vote Labour on their second vote, yet none of those votes is counted. I do not understand the logic of that. I can understand the technicalities, because I taught the subject many years ago when I was a teacher in a college of further education, but as an elector or as an elected representative, I think that it is terribly confusing and ought to be changed.

How can the system be changed? We should keep the 40 first-past-the-post AMs and the 20 top-up AMs should be elected on an all-Wales list based on strict proportionality, so that people are elected according to the number of votes cast throughout Wales for their party. That would be easily understood by the people of Wales. In the months and years ahead, there is a debate to be had about what changes might be made. If none is made, the top-up system will become increasingly discredited.

Mr. Grieve: The method that the right hon. Gentleman proposes has something to commend it, but if such a system were to be adopted, there would be nothing to prevent the mischief about which the Secretary of State is so exercised, of someone on an all-Wales list identifying himself with a particular locality, which he wanted to seize in future under first past the post. Does not the argument advanced by the Secretary of State debase the debate that we ought to be having on the matter, on which the right hon. Member for Torfaen (Mr. Murphy) is making an important point?

Mr. Murphy: Someone on an all-Wales list standing in a strictly proportionate election going to a particular constituency and fighting it would be much less of a problem than it is now. Now, elections are fought on electoral subdivisions of Wales and in those much smaller divisions it is more than possible—indeed, it is happening—for individual list Members to go to a constituency and campaign to get elected as a candidate under first past the post. That is wrong, because the 20 top-up Members should bring something different to the Assembly and thus enhance it. That would be more likely if they were elected as I have suggested.

I hope that the Bill receives its Second Reading today, because the people of Wales are served by all of us who are elected for that purpose, whether we serve in the House of Commons, the Assembly or local government. We are all there to serve those whom we represent and I believe that the Bill gives us an opportunity to improve the quality of life of all Welsh people.

6.7 pm

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I agreed with almost every word that the right hon. Member for Swansea, West (Mr. Williams) said. He is right to say that the Bill will have long-term ramifications for Anglo-Welsh relations and the way in which our country develops.

I represent the border town of Shrewsbury. We have a long border with Wales and there are many issues common to Shrewsbury and Shropshire and the good people of Wales. Just last week, the hon. Member for Montgomeryshire (Lembit Öpik), who has now left the Chamber, came to the Royal Shrewsbury hospital in my constituency to fight for the services it provides because the vast majority of his mid-Wales constituents cross the border to use our services.

The United Kingdom is, in my view, one country—I am passionate about that—but the Bill and some previous pieces of legislation drive a wedge between England and Wales. When we cross the border, there are no passport checks or barriers, yet Parliament is starting to create huge gulfs between our two peoples. I shall give three or four examples of the way in which barriers are being erected between our two countries.

The first example is the Royal Shrewsbury hospital. Given the difference in policy of the Welsh Assembly and our authorities, my hospital in Shrewsbury loses more than £2 million every year. That is because the

Welsh health authorities pay a different amount for their patients coming across the border compared with English patients. That is repeated over and over again in local newspapers. Shropshire newspapers state that we are subsidising the Welsh and ask why the Welsh should pay less. This is bad for cross-border relations.

Mr. David: What is the hon. Gentleman's policy for resolving that problem, as he sees it?

Daniel Kawczynski: Although I believe in devolution, I believe also that there must be some form of joined-up government. The Welsh Assembly must be thinking along similar lines on certain issues, such as health, when it comes to cross-border services. That should certainly be taken into consideration.

I move on to targets and hospitals. One of the problems for the Welsh is that, because the Assembly pays less for patients, they have to face far longer targets. If someone is Welsh and he or she comes across the border to use my hospital, they will have to wait far longer for their operation than my constituents wait. Many Welsh citizens say to me that they feel second-class citizens because of the waits that they face, and that they find them entirely unacceptable.

My constituents are treated differently from Welsh citizens when it comes to prescribing drugs at the Royal Shrewsbury hospital. Some Welsh patients receive drugs that my constituents are not allowed to have, and vice versa. This is appalling. Surely the Labour Government, a Government who talk so passionately about the NHS, should be talking about ensuring that services and drugs for patients are the same at a hospital, no matter where they come from.

I represent a border town and there are many farmers who own property on both sides of the border. They are frustrated by the differences in single farm payments with which they have to cope. These farmers get together at the Minsterley show every year to talk about how they are being treated in Wales and how they are being treated in England. Division is caused between the two sets of people.

The Secretary of State talked about accountability. I shall give one example of where the Welsh Assembly is not proving accountable to people in England. There is a major project on the Welsh-English border—the Middletown bypass—that is being considered by the Welsh Assembly. This huge bypass will come across the border into my constituency, yet it will be adjudicated on by the First Minister, Rhodri Morgan, and the Welsh Assembly. We will have no input. Many acres of Shropshire countryside will be devastated by a huge bypass but we in Shropshire will have no say. We feel, as the Welsh felt in the past, a lack of accountability.

I shall talk about jobs, about which I feel passionately. Unemployment has increased in my constituency by 25 per cent. over the past 12 months. We have lost many jobs across the border to Wales. Welsh Members may say, "That is great. We are doing a better job than you are in attracting jobs." However, we are a united kingdom. We should be focusing on jobs throughout the country and not on poaching jobs from either side of the border on the basis that the Welsh Development Agency gives larger grants.

Ian Lucas: For the hon. Gentleman's information, Wrexham and Alyn and Deeside are not in the objective 1 area and do not receive grant aid, in contrast to areas of Shropshire that receive grant aid under EU regulations.

Daniel Kawczynski: I am talking about the difference between Shrewsbury and Montgomeryshire, which affects Shrewsbury. The hon. Gentleman will have to speak to my counterpart on his side of the border.

Mrs. Gillan: Does my hon. Friend agree that, given the catalogue of issues that need resolving, it would have been an improvement to make the Welsh Assembly work better for the people of Wales and the people of the United Kingdom before the Secretary of State sought to change the way in which it legislates, and that his priorities are completely wrong? Instead of improving things for the people of Wales, he has sought once again to move the goalposts.

Daniel Kawczynski: I thank my hon. Friend for that intervention. She has encapsulated in a far better way than I have the main thrust of my speech, which is that the proposed legislation is moving ahead quickly before certain fundamental issues that affect both our countries are addressed. Unless someone lives in a border area, as I do, he or she may not feel the deep concerns and passions that are felt by myself and by my constituents in respect of anomalous cross-border issues.

I recently met directors of a large American company who basically admitted to me that they had played us off one against the other—the Welsh Assembly and the English authorities—and that they drove up the grants that they demanded. I urge the Secretary of State and the Government to bear in mind the effect that their proposed legislation will have on English areas near the border.

6.16 pm

Dr. Hywel Francis (Aberavon) (Lab): I begin by congratulating the hon. Member for Chesham and Amersham (Mrs. Gillan) on her new appointment. As Chair of the Welsh Affairs Committee, I look forward to working with her. I pay tribute too to two great parliamentarians—Merlyn Rees, a true son of Cilfynydd, and Tony Banks.

As Chair of the Welsh Affairs Committee, I wish to make a contribution to this important debate on the future government of Wales. On a personal note, I am encouraged by the constructive proposals in the Bill that have the capacity, I believe, to strengthen democracy, policy development and accountability within Wales. As someone who has actively supported democratic devolution for more than three decades in Wales, I am aware of the opportunities and also of some of the dangers swirling around the Bill. Most critically, I am aware of the need for a broad consensus within Wales to support the principles that underpin the proposals.

The devolution campaign in 1978–79 paid little real attention to the need for such a consensus; least of all, sad to say, within our own governing party. Even in 1997, a much more propitious time, we must acknowledge, and with barely an organised opposition, the referendum result was perilously close.

[Dr. Hywel Francis]

I am reminded of the prophetic words of my right hon. Friend the Member for Torfaen (Mr. Murphy), who has made an important contribution to tonight's debate, when he was Secretary of State for Wales. He rightly characterised devolution as part of the long historic progress of Welsh and British democracy via the chartist and suffragette movements. Following the 1997 referendum vote, it was he who said, I believe borrowing from the late John Smith, that Welsh devolution was a "settled question". It was "settled" in the sense of no going back because the Welsh people had taken a vital democratic step forward through a referendum. He cautioned that further legitimate progress towards new powers could be made only with a further referendum sometime in the future.

My Committee considered the proposals contained within the White Paper and made a series of helpful recommendations that I believe will improve the proposed legislation. My right hon. Friend the Secretary of State has said previously that he would be responding in detail to my Committee's recommendations. I look forward to that response and I hope that he will be forthcoming in taking on board all of our recommendations.

The Government produced a White Paper rather than a draft Bill. That meant that there was insufficient detail for my Committee to consider when it looked at the Government's proposals, but it is an important piece of constitutional legislation for Wales and the Bill should have been submitted for proper pre-legislative scrutiny. We made that point in our report, because such scrutiny would have enabled us as parliamentarians and the wider public to assess properly the Government's intentions. It is regrettable that we could not do so.

I welcome the fact that the Government have introduced a free-standing Bill, rather than a Bill to amend the Government of Wales Act 1998. However, it represents only part of the solution. If there is to be absolute clarity about what powers rest with Parliament and what powers lie with the Welsh Assembly Government we need a Welsh statute book. Without one, an understanding of where the finer points of authority lie may remain beyond our grasp, so we made a recommendation that one should be established.

Our report welcomes the separation of the legislature and the Executive. The existing arrangements have bred confusion about the roles of the Welsh Assembly Government and the National Assembly. A formal separation of the two will make it clear to the people of Wales that the Welsh Assembly Government are responsible for policy direction in Wales while the National Assembly is responsible for holding the Government to account.

We also recommended that the Bill use the term "Welsh Executive" rather than "Welsh Assembly Government". The current terminology reflects the maximum separation possible under the 1998 Act. Now that we have a new Bill, we no longer need the connection that the word "Assembly" in "Welsh Assembly Government" implies. The term "Welsh Executive" removes any connection or confusion with the National Assembly, and reinforces the formal separation between the Executive and the legislature in Cardiff. For that reason, we recommended that "Welsh Executive" replace "Welsh Assembly Government" in the Bill.

The meat of the Bill consists of the Government's proposals to enhance the powers of the National Assembly through the use of Orders in Council. The Government propose that requests for powers in certain areas be approved by Parliament with secondary legislation rather than primary legislation. That would have the benefit of providing Wales with the tools that it needs to pursue its policy aspirations while at the same time preventing legislation from being caught up in the busy timetable of the Government's legislative programme. I appreciate that not everyone is keen on using delegated legislation to confer powers on the National Assembly, as it is possible that draft orders will not receive adequate parliamentary scrutiny. For that reason, our report recommended that draft orders should be considered not in a Standing Committee but on the Floor of the House for one and a half hours. If there was cross-party consensus that a particular draft Order in Council needed a longer debate, we recommend that it should be referred to the Welsh Grand Committee. Furthermore, proposals for draft orders will be subject to detailed pre-legislative scrutiny. I am pleased that the Secretary of State has suggested that there is a role for the Welsh Affairs Committee in such scrutiny.

Mrs. Gillan: I appreciate that the hon. Gentleman's chairmanship of the Committee led it to make certain proposals when it was unsighted about the Secretary of State's view, given the indecent haste with which the Bill was introduced. Does he agree that it would be better, not only if the Government tabled early amendments to the Bill but if they made a timely response to his Committee's recommendations, long before we scrutinise the Bill on the Floor of the House? Otherwise, we will once more be faced with a large raft of legislation and many Government amendments, together with a lack of a response to his Committee's excellent report.

Dr. Francis: In a word, yes. The hon. Lady has anticipated what I was going to say.

If pre-legislative scrutiny is to be conducted properly, we will need more than just sight of the proposal for a draft order. In addition, the Government must publish a detailed memorandum that sets out precisely the scope of the draft order, the legislative authority that would pass to the National Assembly and the practical legal effects of the proposals on Wales. I was interested in what my right hon. Friend the Member for Swansea, West (Mr. Williams) said about the impact of such measures on the rest of the United Kingdom.

Mr. Grieve: During our debate, there has been a blurring of the line between the draft order and the Assembly measure. The detail and the meat will be in the measure, not in the order, which is likely to be a brief document. How can pre-legislative scrutiny of the order give any reassurance to the House that it will be satisfied with the measure that will be introduced in the Assembly?

Dr. Francis: The hon. Gentleman makes an important point to which the Under-Secretary of State for Wales will respond in due course. I am not the Secretary of State.

The Bill allows for a final stage of devolution for Wales whereby the Assembly would become a fully functioning Parliament with primary legislative powers. I agree with the Government that a referendum of the people of Wales is necessary to determine that point, and I am pleased that many organisations and people across Wales concur. Recently, I was pleased to receive a resolution from the Presbyterian Church in Wales that supported such a referendum. My Committee believes that the Bill would benefit from certain enhancements. We need a strict limitation on the calling of a second referendum—a point that has been well made by other contributors to our debate. Referendums cannot be called persistently until they return the desired result, and that should be reflected in the Bill. The Committee came to the conclusion that two National Assembly terms are an appropriate period between a first and a subsequent referendum.

The Committee recommended, too, that the wording of the referendum should be included in the Bill. The question should be clear and straightforward—in essence, it simply has to ask the people of Wales whether or not they wish to have a Welsh Parliament. The wording is not dependent upon the time or year that the question is asked, so it can be set out now.

A key theme of our report is the roles of the Secretary of State, as set out in the Bill. Our report, like some participants in our debate, questioned the desirability of some of those roles. If we are serious about democratic devolution we need to move, or at least ease, the Secretary of State from a pre-devolutionary world to a modern democratic and decentralised one. I am sure that he would be happy to move with these new times.

In relation to draft Orders in Council, the Secretary of State would have the power to refuse to lay a draft order before Parliament. That power would be appropriate if the draft order did not comply with the Bill or did not conform to parliamentary rules. It would not, however, be appropriate for the Secretary of State to refuse an order on political or policy grounds. For that reason, the Committee believes that the rejection of a draft order is the preserve of Parliament, not the Government of the day. It would be more appropriate for the Secretary of State to be limited to assessing the validity of a draft order. He should not make decisions to lay such an order based on policy and political judgment or advantage. Similarly, the Secretary of State could refuse to lay the draft order for the referendum, despite the National Assembly voting by a two thirds majority in favour of holding that referendum. Again, we believe that Parliament, not the Government of the day, holds the authority to accept or reject a call for a referendum. For that reason, we recommend that the Secretary of State should not have the power to refuse a call for a referendum.

As readers of our report will see, there was no consensus on the Government's proposals for electoral reform. The majority support, as I do, the Government's proposals, and it should be noted that there was no minority report. My personal view is that, whatever the merits of the arguments on each side of the debate, the Government and all parties need to proceed on a cross-party basis. Electoral reform should not get caught up in internecine party politics. The Secretary of State may well wish to consider whether, as my right hon. Friend the Member for Torfaen said in his contribution, the present system is an unloved and confusing creature that causes more grief than it is worth. I believe that, as he suggested, a national list may be a better option.

It is incumbent upon all Members to take the heat out of the debate on electoral reform and to find a way forward that gains cross-party consensus. Without that, the many welcome proposals in the Bill could be drowned out by the argument on what is for many of us a very minor part of a welcome improvement to the devolution settlement for Wales. The Secretary of State has it in his gift as the sponsor of the Bill to give serious consideration to other proposals.

Finally, as Chair of the Welsh Affairs Committee, I have been at pains to recognise that all parties have made a contribution to the journey of the people of Wales towards democratic devolution. Unless we recognise this, particularly in the absence of an historic Welsh convention, we are in danger of failing to learn the lessons of history, although I should add, as an objective historian, that my party, the Labour party, had the decisive role in achieving victory in 1997 and, I have to acknowledge, a defeat in 1979.

Today there should be consensus around the belief that the Government of Wales Bill is about delivering better public services for the people of Wales and greater democratic accountability to the people of Wales. The Welsh Affairs Committee has a vital role to play in ensuring that the diverse views of the people of Wales are clearly heard in Westminster. We aim to champion the people of Wales here and certainly not to challenge or undermine our National Assembly. Together, as Welsh Members in Parliament and in the Assembly, we can work in harmony to strengthen our public services, and together we can strengthen our democracy in Wales. The Bill has the potential to do that, if the Secretary of State listens, as I am sure he will, to the constructive proposals being made tonight in the House and outside the House in Wales.

6.32 pm

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I add my sincere condolences to the words already uttered regarding Lord Merlyn-Rees and Lord Stratford. I also congratulate the hon. Member for Chesham and Amersham (Mrs. Gillan) on taking over the brief for the Wales Office. However, it is not her golden hour. Like others, I find it strange that a reasoned amendment has been tabled, but she has made her case—unconvincingly, with respect.

For the most part, the Bill is welcome, but there are parts of it that need strengthening and amendment. If, as has become standard procedure, the Government introduce a raft of amendments before Report, it would undoubtedly ease the process if the same were made available to all in good time, with cogent explanatory notes.

There is a broad consensus in favour of the separation of the Executive from the legislature. That is to be welcomed. Less welcome is the assertion in the Bill that pursuant to such change, there is a need for change in the National Assembly standing orders and that those standing orders must be made by the Secretary of State for Wales. Why is that so, when the core point is to ensure that the National Assembly is able to take charge

[Mr. Elfyn Llwyd]

of new powers for itself? Given that we have a democratic institution that is up and running, surely the Assembly could be left to look after its own House and its own standing orders. I hope that that will be the case in due course, contrary to some of the suggestions made earlier.

Before examining specific aspects of the Bill, it is right to point out that the better governance of Wales could have been assured in a bolder, simpler and more transparent way had the Government followed the full proposals of the Richard commission. In that regard the Bill represents a missed opportunity. It is all the more disappointing because the lost opportunity came about because of internal wrangling in new Labour, so we have a Bill that is the progeny of a 13(2)(b) fudge adopted so conveniently by the First Minister. I make that overtly political point because it means that the better governance of Wales is to be put on hold for over a decade at the behest of a few selfish new Labour Back Benchers from Wales. Perhaps the more important point is that we are left with an unnecessarily complex and cumbersome procedure for legislating in the National Assembly. As a member of the Richard commission said, it is a system that will work only if there is an enormous amount of pulling in the same direction between Cardiff and Westminster.

Before examining the triple lock procedure for getting an Order in Council, let us consider the inordinate delays that already exist in introducing legislation by Order in Council. I shall give the House an example of a measure that has taken more than three years to come about in the National Assembly. It is entirely uncontentious and is entitled the Removal and Disposal of Vehicles (Amendment) (Wales) Regulations 2005. The Minister grins. I had a private discussion with him some time ago, in which I expressed my concern about the delays in the Orders-in-Council procedure. I said that sometimes it takes between 18 months and two years. The Minister shook his head and said that I had got the timing wrong.The real example that I gave started its journey on 10 April 2002 and finished in November 2005, so I might just have been right in my estimate. That is more than three years.

Chris Ruane: The hon. Gentleman said two.

Mr. Llwyd: Did I? As usual, I am being generous to the Government. However, it is a genuine concern and I hope the procedure can be streamlined. The Second Reading debate is not the time for such a discussion, but in Committee I hope to go through what happened during the passage of that order.

We need to find ways of streamlining the process if it is to be fit for purpose. The triple lock procedure is worrying. The National Assembly, the Executive, the Counsel General or a Member of the Assembly can present a request to the Secretary of State for Wales. The Secretary of State calls that "making a bid", which is a rather unfortunate choice of words, as it implies an element of lottery. In any event, if the Secretary of State declines, the legislation will not advance.

One can think of any number of reasons or excuses that a less sympathetic Secretary of State than the right hon. Gentleman might employ—for example, "I shall not accept the proposed measure because it is the UK Government's intention to legislate for England and Wales in a similar way in the future." That would be a perfectly reasonable response. It could also be a brake put on the National Assembly by Westminster for less benign reasons. As I said earlier in an intervention on the right hon. Gentleman, we should consider including in the Bill some form of review or appellate procedure.

Clause 94 gives the Secretary of State 60 days after receipt of the request for a measure to lay a draft or to give written notice to the First Minister of his refusal to do so and the reasons for that refusal. Crucially, it is not clear what would happen next. The White Paper suggested that the Secretary of State should not decline to lay an order for "trivial" reasons, which is hardly comforting because common sense dictates that that must be the case.

The big question concerns where an appeal will lie. I am not saying that the National Assembly will always be right, but the Bill contains sufficient safeguards on policy, other legislation and the supreme court. What will happen if the Secretary of State denies the National Assembly's settled will for whatever reason? Some commentators have said that the next stage would be judicial review. As I have said, far be it from me to steer work away from my fellow lawyers, many of whom are going hungry because of the Government's recent prevarications, but I view the prospect of multiple judicial reviews with absolute dismay, because it means that we are introducing a flawed system. The real issue is the need for an unambiguous review or appellate procedure to address unusual situations, and I hope that we examine that matter carefully in Committee and consider how best to address it. It is little short of a constitutional outrage for the decision to lie with the Secretary of State alone, which is no better than a decision by the Secretary of State in the old Wales Office before democratic devolution.

It is worth considering the possibility of referral by the Counsel General to the supreme court, which would be similar in essence to the referral powers in clauses 95 and 98—when I referred to clause 101 earlier, I meant clause 98. That suggestion is not unreasonable, because the basis of a referral for judicial review is whether a public body or a person acting as a public body—in this case, the Secretary of State—has acted reasonably in executing its function, and the same question could equally well be put to the supreme court under the powers in the Bill.

Mr. Grieve: The hon. Gentleman has made an important point. The difficulty is, however, that if anyone wanted to land the judiciary with the problem of its becoming politicised, they would ask it to resolve such a question. As it stands, the question is not a legal question because it involves the exercise of a political discretion by the Secretary of State, which is not a semi-judicial or administrative function.

Mr. Llwyd: The core point would be whether the Secretary of State acted reasonably in the circumstances. It is clear that the supreme court should not examine a policy area, and I take the hon.

Gentleman's point about the danger. I would have preferred the Bill to contain a more streamlined procedure and a normal reasonableness test.

Mr. Grieve *rose—*

Mr. Llwyd: The hon. Gentleman is about to kick me again.

Mr. Grieve: I am not seeking to kick the hon. Gentleman, and we must return to that important matter in Committee. He has rightly raised the question whether the Secretary of State should have the power to veto the procedure as opposed to Parliament.

Mr. Llwyd: I agree with the hon. Gentleman and have no doubt that the matter will be subject to considerable debate in Committee. Many believe that there must be a means of reviewing the decision. If the Bill is left as it stands, it will be an affront to the National Assembly. The potential blockage could—I believe that this will be inevitable—cause considerable friction between both legislatures and, potentially, both Executives, and an unambiguous and rigorous safeguard is therefore required.

Clause 100 continues the theme, which runs through the Bill, of the Secretary of State's influence and power, to which the hon. Member for Montgomeryshire (Lembit Öpik), who is a repetitious man, referred several times. From my reading of clause 100, a less worthy man than the present Secretary of State could scupper the Assembly's legislative plans on a whim, perhaps because of hostility towards the Assembly and irrespective of the subject matter of any proposed legislation. In particular, I direct hon. Members' attention to the powers in clause 101, which is very widely drawn. If such draconian powers were invoked, how would oversight take place? Again, the matter could form a constitutional time bomb that must be defused in due course.

On the Secretary of State for Wales approving a draft measure by laying an order, we still face the difficulty that the other place has taken a consistently critical view of Orders in Council, principally because Orders in Council are unamendable. I raised that point when the Secretary of State made his initial statement earlier this year, and he said that the Parliament Act would be invoked in that case. In my view, consideration from the very beginning of the use of the Parliament Act in the working of the Bill is evidence of a fundamental flaw, and the situation is a recipe for disaster and constitutional conflict.

Put simply, if it is envisaged that the Parliament Act must be invoked regularly, the system is surely wrong from the beginning. I expressed that view when the Secretary of State made his initial statement and have seen no evidence to the contrary. As Lord Richard said in his evidence to the Welsh Affairs Committee on 25 October 2005:

> "I have got some major qualifications about it, particularly on the Orders in Council procedure where I think, frankly, the idea that that is going to get an easy ride going through Parliament in principle to start off with is doubtful."

Even if Lord Richard was being a tad pessimistic, and if even the other place gives the Bill a fair passage, we are still left with a procedure that is likely to be very unpopular with their lordships, regardless of which Government are in power down the Corridor. It would have been much better to have accepted the Richard commission proposals in full.

I repeat my earlier question: will the Salisbury convention apply to proposed measures from the National Assembly Executive?

Kevin Brennan *rose—*

Mr. Llwyd: I had hoped that the Minister would respond, but I have got a Whip—

Kevin Brennan: Does the hon. Gentleman believe that the Salisbury convention should apply to measures in the Government's manifesto in Wales and the UK in relation to this Bill?

Mr. Llwyd: I have no doubt that the Salisbury convention will be prayed in aid in the inevitable tussle with the other place. If the hon. Gentleman is asking me whether I approve of the gerrymandering technique, my answer is no because I would have no truck with it. I hope that that particular debate does not end up in another place, but I think that it will.

The proposed increase in the powers and responsibilities of the Assembly Members will probably not be popular inside or outside this House, but I cannot see any other means by which to increase membership. Looking at stage 3 of the process, I am still at a loss to fathom why there has to be a super-majority of two thirds, rather than a simple majority, to trigger the referendum. In previous exchanges, the Secretary of State has said that the referendum will be called for when there is political consensus in favour of it. How will that be gauged or arrived at? I hope that it will not merely be a consensus within the Labour party.

My major criticism—I have some sympathy with the reasoned amendment in this regard—concerns the self-serving nature of the ban on dual membership. I will not go through all the evidence, which other Members will have seen, from the Electoral Reform Society, the electoral commissioner and many independent commentators who are in a position to make cogent comments. Many people believe that there is abundant evidence to show that there is no case for change. I am sure that there will be much debate in Committee about this partisan provision, which was involved in pre-orange revolution Ukraine, but has been seen nowhere else. What an endorsement. No doubt Leonid Kutchma has been advising the Secretary of State, because he is the only person who would have any real experience of it. The right hon. Gentleman said earlier that it was looked at in New Zealand and in New Brunswick, Canada. Indeed it was, but it was rejected: he did not quite finish the story. It has been rejected in many areas, and there are good reasons why that should be. Some ambitious apologist will remind me that it was in the manifesto. Yes, it was, but new Labour's vote was 35 per cent. UK-wide and 42 per cent. in Wales—hardly an overwhelming endorsement. Given that no one mentioned it during the entire election campaign, not to me anyway, it was unlikely to have been uppermost in the minds of those who did vote for new Labour.

[Mr. Llwyd]

Yesterday, I took part in a radio discussion in which the hon. Member for Caerphilly (Mr. David) said that he wished that Plaid Cymru's lukewarm support for the Bill could have been much stronger. My response is this: we have the privilege of considering the contents of every Bill instead of nodding them through regardless, as he does. In this case, there is a lot of amending to do—that is why we are lukewarm. The Bill represents a step forward, but it could have done much more. I trust that the debates in Committee will be productive so that ultimately we have a Bill that is worthy of far warmer support.

6.52 pm

Huw Irranca-Davies (Ogmore) (Lab): I am pleased to rise in support of the Bill and in opposition to the reasoned amendment tabled by Conservative Front Benchers.

I begin by expressing my condolences on the deaths of Lord Merlyn-Rees and Lord Stratford. Their contribution to political life was inestimable and they will be greatly missed.

In contrast to the rather odd comments made by the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd), I commend the speeches that Members have made so far. Although they have been poles apart, they have contributed to a constructive debate. Instead of being an ambitious apologist, I shall offer my own contribution without, I hope, suffering any inapt denigration.

I commend the introduction of the Bill. The fact that it is opposed by some who feel that it does not go far enough and others who feel that it goes much too far suggests that the Secretary of State and his Front-Bench colleagues have got the balance right. The crux of the matter is that it is being perceived in both ways because it will succeed in putting the power very firmly with the Welsh public as opposed to any vested interests, think tanks, commissions and so on. People voted strongly for what was in the Labour manifesto. They made their choice, and I do not apologise for that. If there were to be any wholesale transfer of primary powers, they would need to vote again.

The Bill has managed to achieve a fine balance in bringing together most complexions of political opinion. Much of it has already been agreed on across the Chamber. Splitting the Executive from the legislature is a relatively uncontroversial measure that will help hugely and is overdue, as the situation has been confused.

Given the other two main areas, however, I am reminded of the Meatloaf song, "One out of three ain't bad".

Ian Lucas: It was two out of three.

Huw Irranca-Davies: So it was. That suggests that the Committee stage will be even more difficult.

We can already see the opposition to providing for a stronger Assembly with enhanced legislative powers. I can understand the logic of the arguments advanced by Conservative Front Benchers, but there will be ample time in Committee and in the other place for them to table amendments to try to get what they want, argue the case and vote on it. I am afraid that voting against the proposal on Second Reading takes us away from what we all assumed was going to be the direction of the new leadership of the party—a much more consensual approach that recognised the cross-party consensus that has been building in Wales in favour of devolution as it is now and in favour of letting the Welsh public choose whether to take it any further.

David T.C. Davies: Does the hon. Gentleman realise that consensus means agreeing on all the things that one can agree on, not everyone else going along with the Labour party just because it happens to be in government?

Huw Irranca-Davies: I make no apologies for my party being in government—that is a very good thing. The fact that we moved to devolution at all was because of a consensus that was the direct polar opposite of 18 years of Conservative colonial rule in Wales. The people of Wales rebelled and said, "We will move towards devolution", and the Liberals, the Welsh Nationalists and others were on board.

I want to touch on the representation of the business voice in the Bill. Clauses 72 to 75 deal with the partnership council, the local government scheme and the voluntary sector scheme. The clause on local government runs to 21 lines and the clause on the voluntary sector runs to 38 lines. That recognises the importance of those two sectors. Almost like an apology at the end, the clause on business organisations runs to four lines. The clause on local government states:

"The Welsh Ministers must make a scheme ("the local government scheme") setting out how they propose . . . to sustain and promote local government in Wales."

It says that they

"must keep the local government scheme under review, and . . . may from time to time remake or revise it"

and that every year they must publish a report—and so on. That is replicated as regards the voluntary sector, whereby Welsh Ministers must produce an annual report and sustain and promote the interests of voluntary sector organisations.

All that is absolutely right. However, we are missing a trick if, in my constituency and across the whole of Wales, we fail to recognise the immense economic regeneration, and improvements to people's quality of life, that can be achieved by business interests—micro-businesses, small and medium-sized enterprises and large companies. When the Bill moves into Committee, the Government should either table an amendment to redress that balance, or accept another amendment that may be tabled, to replicate some of the details in the clauses on the voluntary sector and local government.

Mr. Roger Williams: I am sure that the hon. Gentleman is sincere in wanting to improve consultation between the Welsh Assembly and various bodies in Wales, but does he agree that one consequence of separating the Executive from the legislature is that representatives on the partnerships will be representatives of the Welsh Assembly Government and

not of the Assembly as a whole? In a sense, therefore, these measures will reduce consultation rather than enhance it.

Huw Irranca-Davies: Enhanced consultation is set out clearly in the Bill, and there are key words such as "sustaining" and "promoting" the interests of various sectors, but that is absent when it comes to the business community. The words are indicative of the approach. Clause 75 says:

"Welsh Ministers must carry out consultation with such organisations representative of business ... as they consider appropriate having regard to the impact of the exercise by the Welsh Ministers of their functions on the interests of business."

Business by its nature is to do not only with business interests and economic regeneration but with transport, education and skills, and so many other aspects, so if we are seriously to empower all sectors to contribute to the Welsh agenda—the team Wales approach—we need to bring business much more into line. There is provision to make that work, but it needs to be more explicit in the Bill.

I turn to the highly controversial question of regional Members and first-past-the-post Members. I note that Lord Richard, the chair of the commission, stated:

"There is something wrong in a situation in which five people can stand in Clwyd, none of them can be elected, and then they all get into the Assembly. On the face of it that does not make sense. I think a lot of people in Wales find that it does not."

Many Members who were supportive of the PR settlement in Wales have become disenchanted with it. The problem is the type of PR that we have imposed on the Assembly. I challenge Conservative Members to say that the system has not been abused. I will happily provide examples, and will do so in Committee if I am chosen to serve on it. There has been abuse and that is the problem, and Lord Richard recognises that.

Under the Bill, regional and constituency Members will have to describe themselves more accurately. That is not political niggling. At the moment, regional Members have the ability to cherry-pick and to promote themselves as local in one area or as supporting a popular or a good campaigning issue but to hide from tricky issues. That is not promoting democracy; it is an abuse of the democratic system. Let them be a regional Member and take the rough with the smooth. Let them put their office not where they think they will win a seat—it could be an Assembly first-past-the-post seat or a Westminster seat—but in the areas of most need. That is where my offices are. There seems to be no interest in doing that. If regional Assembly Members seriously intend to tackle problems where, in their wide constituencies, there is greatest need and the most challenges, let them take their offices there and let us test that. At the moment, that is not happening. We have been accused of gerrymandering, but I throw that straight back. Too often we have seen the use of newspapers and the placing of advertisements and offices.

Hywel Williams: I ask the hon. Gentleman the question that I asked the Secretary of State earlier: how would the Bill remedy what seems to concern the hon. Gentleman and other Members? It seems to me to be part of the rough and tumble of politics—perhaps he does not like that.

Huw Irranca-Davies: I point out to the hon. Gentleman that I do not suffer any great disadvantage under the present system, but there are two equal but slightly different types of Assembly Member. A regional Assembly Member masquerading as local here and local there as he chooses is not the rough and tumble of politics but misrepresentation. Missives and memos, which have now been discarded, have said that that could never happen and that it was a case purely of an Assembly Member putting forward some ideas, but the very putting forward of those ideas is testament to the fact that an Assembly Member thought that the current system could be abused. That is what we are trying to change.

Mr. Grieve: I want to take up the hon. Gentleman on his point, because he clearly takes the view that there should be two categories of Assembly Member. Although there may be two routes into the Assembly, it is dangerous to say that members of a corporate body have a different status in relation to each other. That is why I am troubled by the Government's approach, although I am sympathetic to some of the hon. Gentleman's points. I am a believer in first past the post and always have been, but the tinkering around the edges of the PR system that he and the Secretary of State are proposing is iniquitous. If there is to be a PR system, it should be on a national basis, and not just for Wales.

Huw Irranca-Davies: I return to the point—and I think that the Bill envisages the situation—that Assembly Members should be equal but different. A local constituency first-past-the-post Assembly Member has a specific constituency interest and a right to describe themselves as local and to campaign on issues specific to that constituency. It is regrettable and it was never envisaged that regional Assembly Members would choose to make use of the system to make political capital rather than to work on behalf of the area. Unfortunately, as we saw in the memo that was circulated, one Assembly Member envisaged where that could easily be done. It can, and I am afraid that the evidence is there for everybody to see.

Lord Richard talks of how, the morning after, Assembly Members who had been denied the chance of first past the post were suddenly resurrected. That causes immense confusion. It is a Lazarus-like resurrection, except that he had the decency to wait at least three days. Assembly Members who have been rejected outright by their electorate are suddenly back in place. As the Secretary of State said, the question of choosing one or the other is not simply to the advantage of one party. It will also be the case for Labour Members.

David T.C. Davies: Is it not the case that under our system members of the public have a chance to reject people? Under the system that the hon. Gentleman proposes, they will not have that chance but the Assembly Member may still pop up the next day. Should he not have the intellectual honesty to admit that the proposals set out in "Llais Dros Gymru" in the first place were incorrect? If he wants to do away with proportional representation altogether, he might be surprised at where the support for that comes from.

Huw Irranca-Davies: There is a perfectly coherent proposal in the Bill, which is to choose one or the other. It is the same for all political parties and every Member will have that choice.

[Huw Irranca-Davies]

This Bill should be supported on Second Reading. Conservative Front Benchers know that they can raise their objections during subsequent stages. If they choose to push their amendment to a Division and to reject the Bill out of hand, they will be objecting to the principle of devolution. If there is one thing on which the other parties are united, it is that the Welsh public should be given the opportunity if they wish to take forward devolution. It should not be rejected out of hand as the Conservative amendment seeks to do.

7.9 pm

Mr. Stephen Crabb (Preseli Pembrokeshire) (Con): Whatever questions people in Wales are currently asking about devolution, I do not believe that the Bill provides the answers. It contains useful measures to enhance the effectiveness of the Assembly's workings, which I welcome, but at its heart lies a very unwelcome political fix. I refer to part 3, which sets out the Order-in-Council procedure for granting further law-making powers to the Assembly.

By constructing a hugely complex procedure whereby the Assembly can essentially legislate for itself in the fields devolved to it by part 1 of schedule 5, and which requires Parliament to give its consent, the Secretary of State has pulled off the ultimate devolution trick. He can tell his impatient pro-devolution colleagues in the Assembly that he has given them full law-making powers in all but name. He can also tell colleagues who are more cautious about devolution—some may be present now—that Parliament is retaining its sovereignty and that part 3 does not constitute a significant extension of current practice. It is a political fix and I do not believe that the British constitution should be bent and shaped by such a fix.

Apart from the constitutional issues, I am very concerned about the way in which the Order-in-Council procedure would work in practice. It seems to rely heavily on a large measure of good will and shared objectives on the part of the Secretary of State and the Welsh Assembly Government. It is not difficult to envisage circumstances in which the relationship might not be so cordial and the scope for disappointment, confusion and, perhaps, legislative breakdown could be considerable.

If we are to extend and deepen the devolution settlement, the Order-in-Council mechanism, which emasculates Parliament and bypasses a referendum, is certainly not the way to do it. Without doubt, the Bill develops the settlement in a way to which the people of Wales never assented when they voted by a 1 per cent. majority to establish the Assembly in 1997. It is simply not true that, as the Secretary of State would have us believe, the Government of Wales Act 1998 provided for exactly this kind of arrangement.

As has already been said today, Lord Richard himself argued that the proposals for Orders in Council had the potential to be a

"concealed grant of almost a direct legislative competence down to Cardiff".

Professor Rawlings of the London School of Economics has argued that the approach could be described as a

"form of quasi-legislative devolution".

The claim that the Order-in-Council procedure is nothing more than what was agreed to by the Welsh people in 1997 is a bizarre and misleading interpretation of the Bill. The truth is that it goes significantly beyond what was agreed to following the referendum eight years ago—which is why, if part 3 is to be implemented, it should be implemented only after a new referendum decision.

The one fundamental driving force for devolution should be the people of Wales, and what they want for their country. If they want to take the devolution settlement further to give the Assembly full law-making powers, let us get on with it by using part 4. If they do not want that, let us not try to bring it about by using a byzantine alternative route that would risk further alienating Welsh people from the body that is supposed to bring decision making closer to them. It is essential for those making policy to move in step with Welsh opinion. Otherwise, they will risk creating an even more remote devolved body that will lack real meaning for the Welsh people.

It is worth reminding ourselves just how divided the Welsh nation was over the original devolution question in 1997. Wales was split down the middle on whether to create the National Assembly. Eleven of the 22 Welsh local authority areas returned no verdicts, while just 559,000 people—a mere 25 per cent. of the Welsh electorate—voted in favour. At the time, many of us believed strongly that that was a flimsy basis for the creation of an Assembly that could command popular legitimacy and interest, but we in the Conservative party accepted the fact of devolution and, as many neutral commentators have said, the Conservative group in the Assembly has perhaps worked harder than anyone else to make the institution work. Nevertheless, we cannot ignore the fact that large chunks of the Welsh electorate are disengaged from devolution.

At the first Assembly election in 1999, there was a 46 per cent. turnout and just over 1 million people voted. In 2003, only 850,000 votes were cast. There was a 38 per cent. turnout, about the same as the United Kingdom turnout for the 2004 elections to the European Parliament, an institution that is supposed to represent the very paragon of remoteness to the people of this country. That is a dreadful record for such a young institution, which was set up to satisfy some unmet desire for devolution on the part of the Welsh people.

Mr. David: Is the hon. Gentleman arguing that, if there is a referendum, one of the questions posed ought to be, "Should there be any Assembly at all?"?

Mr. Crabb: My view is that the Welsh Assembly is not going to go away. *[Interruption.]* Let me answer the hon. Gentleman's question. I have said in the past that a future referendum question should include the option of abolishing the Assembly altogether. I think that that could constitute a healthy democratic mechanism to allow the venting of the significant stream of opinion in Wales that does not favour its existence. I do not believe that that stream of opinion would win—I do not think that there is a majority in favour of abolition, and I do not think that the Assembly will disappear at any point in the near future—but, at the beginning of 2006, we are being asked to believe that there is a consensus in Wales

on the need to extend and deepen the devolution settlement, and that the Bill is necessary at this time. It takes a huge leap of the imagination to accept that.

Hywel Williams: Perhaps the hon. Gentleman could clear up a confusion that has arisen in my mind. I seem to remember that, during the Select Committee's discussions, he favoured a referendum including the option of abolition of the Assembly. Perhaps he could enlighten us on what has changed his mind.

Mr. Crabb: I think that my response to the hon. Member for Caerphilly (Mr. David) answers that question as well. The hon. Gentleman will recall from those Committee discussions that I thought that it would be healthy for the Welsh democratic process to allow the significant stream of opinion in the Principality that still has not come round to the idea of devolution, and would rather see it scrapped, to be aired. I do not think we should be afraid of that. I do not believe that it is deeply damaging, or even anti-Welsh, to suggest that a referendum should include such a question, and I remember that two Labour members of the Committee agreed with me.

Let us be clear about this. I do not oppose further devolution, if the people of Wales choose it. I have no problem with stage 3 devolution as envisaged in part 4. Full devolution following a strong, positive referendum result is essential, however: it cannot be introduced through the back door without an opportunity for the people of Wales to vote. The problem lies in the constitutional trickery in part 3—the Order-in-Council procedure.

The Secretary of State has spoken on a previous occasion of his dislike of referendums and has said that other issues can be bundled into a referendum campaign so that what might have begun as a question about a specific issue becomes a mechanism for disgruntled voters to sound off about their general unhappiness with the Government of the day. That is a fair point. I well understand why he is concerned about how the electorate might behave after nine long years of his cynical Government. I think, though, that he underestimates the sophistication of the Welsh electorate when it comes to thinking about their Assembly. We should have nothing to fear from a referendum. The pace and direction of devolution must be dictated only by the Welsh people.

As a member of the Select Committee, I want to record my disappointment at the way in which the Government produced the Bill without even waiting for the Committee to publish its report on the White Paper. That makes a mockery of pre-legislative scrutiny. Perhaps I should not be surprised, however. At no point during his appearance before the Committee for the inquiry did the Secretary of State appear to be in listening mode. That was particularly evident when he and the First Minister were asked about the proposals for altering electoral arrangements for constituency and regional list Members. Committee members will recall their double act when they sought, outrageously, to trash the reasonable and considered concerns put by the Electoral Commission and by Dr. Richard Wyn Jones and Dr. Roger Scully of Aberystwyth university, who said that the new arrangements could be seen as serving partisan interests and could therefore undermine confidence and participation in the electoral process. The First Minister laid into them, saying

"I think this is not their finest hour",

and claiming that their statements were "poor and unsupported". The Secretary of State himself then accused the Electoral Commission of being out of touch with political reality. It was all very unsavoury. Those tactics only served to reinforce the impression that deep partisan motivation underlies the changes in the electoral arrangements, and that the Labour party has no desire to achieve any cross-party consensus on the issue.

Albert Owen: The hon. Gentleman has been very honest in his answers to earlier interventions. Does he agree with his own Conservative association? He has named academics that gave evidence, but is he listening to his own constituency association, the only Conservative association in the UK to give evidence? Does he support it, yes or no?

Mr. Crabb: Pembrokeshire is a very independent-minded place and, as much as I try to train my association, we take different views. The person who wrote the submission to the consultation takes a different view from me and I have discussed it with her. I am happy to be transparent about that.

To conclude, I want to see a strong, effective Assembly that is an expression of a vibrant political culture and embraces the full breadth of Welsh society, making decisions that deliver real value to the people of Wales. I would prefer to see such an Assembly rather than a remote and irrelevant one that has been designed and shaped by an ivory tower Welsh policy elite, far removed from the preferences of Welsh people. Yet that latter scenario is exactly where I think we are headed with the Bill. It must be for the Welsh people alone to dictate the pace and direction of devolution.

7.21 pm

Mr. Dai Havard (Merthyr Tydfil and Rhymney) (Lab): I have reservations about the Bill, which I have made clear on a number of occasions. Not the least of them is that the animal created by the Assembly, the Richard commission, made proposals that to me were better and went a long way towards allaying some of my fears.

My original fear was that we would require a referendum now. I do not agree with everything that my right hon. Friend the Member for Swansea, West (Mr. Williams) said, but many of my fears were addressed by him. The Government would do well to take account of some of the concerns about the process. If I am told that this is not a substantial shift and does not require a referendum because the control of the process is still vested in Parliament, some reassurance will be needed that that is really what is being said and that no sleight of hand is taking place. Essentially, that is the argument made by a number of Members.

The process of pre-legislative scrutiny is clearly a good one, and my hon. Friend the Member for Aberavon (Dr. Francis) talked about different ways in which things could be done to make some proposals reality. It is disappointing that there has not been

[Mr. Dai Havard]

greater consultation with the Welsh people about the Bill and that there was not a draft Bill. These are serious comments.

Constitutional affairs is not top of the queue in Merthyr. People do not talk about it on the bus very often. I do not have people coming up to me and saying, "What about this Government of Wales Bill, Dai?" What they do say is, "How can Mike German come third in an election in Caerphilly and then, a few weeks later, end up as a deputy, running the whole outfit?" I have to say that the reason for that is the stupid and twisted electoral process that we have in order to populate the assembly. It is not rocket science, but it is some form of science to which I may return later.

Mrs. Gillan: I am grateful to the hon. Gentleman and am enjoying his contribution. His constituents may come up to him and say, "What is this pre-legislative scrutiny, then?" What would the hon. Gentleman be scrutinising? It is obvious that he would be scrutinising a vague and broad measure and not the detail that would pass down to the Assembly. His constituents will be even more confused.

Mr. Havard: Like the hon. Lady, I thought about voting against the Bill tonight, but I dismissed it for the reasons I gave earlier. These matters now have to go into Committee and it has to be proved that what we are told is to happen will take place. The Government recognise that there is work to be done to put proper flesh on the proposals.

Some of the debate has been the wrong way around, as we have heard. It would have been better to have had a draft Bill. If there is to be real pre-legislative scrutiny, this Bill would have benefited. These are my tests, and I am not going to vote against the Bill tonight.

Hywel Williams: To refer back to the hon. Gentleman's constituents on the bus, would they, or the hon. Gentleman himself, have given evidence to Mr. Glyn Mathias at the Electoral Commission, who told the Welsh Affairs Committee that this was not an issue for Mr. German or any of the other candidates in that election as far as it could find out? Does the hon. Gentleman have any superior knowledge?

Mr. Havard: The last time I saw Mr. Glyn Mathias was in Carmarthen castle at an event for the Historical Society. I have had plenty of opportunities to talk to Glyn Mathias, but I do not think that he is instrumental in this.

I do not demur from the idea that it is daft to have someone standing on a list and also in a constituency. It is political gerrymandering of a sort, which does nothing at all for the legitimacy of the institution and does not do anything partisan for the Labour party. It also goes to guts of the proportional representation system that populates the institution. My right hon. Friend the Member for Torfaen (Mr. Murphy) talked about different processes to deal with some of the issues.

Personally, I will not vote for PR. However, I also do not favour referendums. Since the time of Harold Wilson back in the 1960s, it seems to have become the thing to have referendums on constitutional issues. The test that I applied earlier was whether the measure was required now. It certainly will be required later, and what is good about the Bill is that it institutionalises the idea that there will not be primary powers unless a referendum takes place.

We are not dealing with my worries about the current electoral process. My concern is that I might not get the opportunity to deal with them later either. The Bill talks about "the question"—not "the questions"—which will be whether we have primary powers or not. Where is the question about the electoral process? Does the Bill actually debar that from happening at that point? That is the crunch for me and it will make the difference at Third Reading as to whether I support it. That question underlies a lot of the problems that have been talked about in terms of the interim measures on the electoral process.

I was in favour of devolution and I still am. The Welsh people—narrowly, as the hon. Member for Preseli Pembrokeshire (Mr. Crabb) said—voted to democratise the powers of the Wales Office. They did not vote for much more than that. We therefore have to be very careful, which is why the power for extension has to remain here. That is where the Welsh people wanted it to stay. Unless and until that changes, that must be the point at which a referendum takes place. In that referendum, we will also have to deal with the electoral process. I want to know whether, by voting for the Bill, we will avoid that—by default, design or some sleight of hand—or whether that is the point at which the debate will take place.

7.28 pm

David T.C. Davies (Monmouth) (Con): I am delighted to declare an interest in all senses of the word, as I have been sitting as a Welsh Assembly Member since 1999. I well remember at the time of the referendum, in which I also played a part—I am certainly not ashamed to say that I voted against the Assembly—Labour politicians were falling over themselves to assure us that the people of Wales would be voting for an Assembly with secondary legislative powers and not a Parliament with primary legislative powers. They were clear about that because they knew that there was not the same enthusiasm in Wales for a Parliament as there was in Scotland.

That original legislation was, at best, inchoate and, at worst, completely incompetent; hence the fact that we are back here, eight years later, discussing the whole thing all over again.

It would be totally undemocratic if the people of Wales, having voted for an Assembly, were to have a Parliament forced upon them. The powers that the Assembly already has are more than adequate—we have enormous powers over all the devolved areas and over all matters that are likely to improve public services in Wales. The fact is that the Assembly has performed very poorly in its use of those powers—a problem that dates back to its very first meeting. We had to appoint some Ministers at that meeting, and out of all the people that Labour had returned, we managed to find a Welsh language Minister who could not speak a word of Welsh and an agriculture Minister who was a vegetarian. Despite the various problems that confronted Wales at

the time, the first decision that this motley group of people took was to spend what they said would be £11 million—it turned out to be £66 million—on a brand new debating chamber. I went to see it the other day with the hon. Member for Newport, West (Paul Flynn) and it is a very fine building. Indeed, £66 million buys a lot of building, but it would also buy a lot of health care and education facilities. As I said, the Assembly already has significant powers in respect of those responsibilities.

One Member talked earlier about NHS waiting lists coming down, but the reality is that waiting lists in Wales are two to three times longer than those just across the border in England. Ambulance response times are a disgrace. We have problems with methicillin-resistant Staphylococcus aureus, yet the Assembly have delivered a £15 million reorganisation that has led to 22 quangos in Wales dealing with health, instead of the four that existed before the referendum. We were promised that education would be the Assembly's top priority, yet we are witnessing the closure of small schools. Another two have closed in my constituency only this week, at the order of the Assembly's Minister for Education and Lifelong Learning. Cuts in funding for school sixth forms are likely to take place as a result of the new formula that Education and Learning Wales is considering. Of course, if the Labour Administration had their way, they would impose tuition fees on us. They talk about a nation fit from the cradle to the grave, but what we are getting from them is failure from the nursery to the bursary.

The Assembly also have significant powers in other areas, such as local government. They have the power to decide funding for local authorities, and the reality is that council taxes have gone up exponentially—by 130 per cent. in my constituency, and that is before the impact of rebanding.

The White Paper and the various documents issued at the time of the referendum stated that the top priority for the Welsh Assembly would be to ensure that the level of gross domestic product in Wales is the same as that for the whole of the United Kingdom. When the Conservatives unfortunately lost the 1997 election, average GDP in Wales was 85 per cent. of the UK average. The Assembly's top priority was to improve that figure to 100 per cent.; the reality is that Welsh GDP now languishes at 79 per cent. of the UK average. What a dreadful failure but how very unsurprising, given that one of the Assembly's flagship economic policies was to set up Welsh embassies across the more exotic cities of the world.

Such failures are summed up by our failure to deal with agriculture. During the foot and mouth crisis, I was telephoned by a farmer's wife from Raglan who was unable to get a movement licence for a bull because an official in the Welsh Assembly's agriculture department did not know what sex it was. Apparently, the farmer's wife had not included that information on the form. *[Interruption.]* Those Members who do not come from the countryside should think about it. In contemplating giving more powers to the people responsible for such problems, I am reminded of what Herbert Morrison once said about giving more powers to the colonies. He said that it would be like giving a latchkey, a bank account and a shotgun to a 10-year-old. These people should not be trusted with more powers under any circumstances. *[Interruption.]*

I am waiting for interventions and I am very disappointed that Labour Members have so little to say. They have been telling us all day that the Secretary of State will have the final say, but that is no caveat. It is probably better than giving blanket powers straight away, but the reality is that this provision will cause all sorts of problems in years to come. As has been pointed out, a non-Labour-led Assembly—a coalition-led one, for example—could ask for powers from a Labour Secretary of State for Wales and be refused them, or a Labour-led Assembly could be refused powers by a Conservative Secretary of State for Wales. I certainly look forward to witnessing the latter in the next few years. One can only imagine the rows in the press when such things happen, which will be yet another way of driving a wedge between England and Wales.

Ian Lucas: The point is that the Secretary of State can already prevent the Assembly's proposals from being implemented in legislation. That position will not change and that relationship is at the core of today's proposals, so as an argument for a referendum, the hon. Gentleman's point is completely without merit.

David T.C. Davies: It is not without merit. The Secretary of State for Wales currently works quite well with the First Minister because both come from the same party, so the relationship has not really been tested. I suspect that the real problems will begin when the Secretary of State for Wales and the First Minister come from different parties. My point is simply that this proposal is a recipe for division. The more powers that we give to the Assembly and the more importance that we place on the Secretary of State's deciding whether to give powers the Assembly, the more likely it is that such divisions will occur.

Another problem is that future legislation will not subject to the existing level of scrutiny. I am new to this Chamber but I have learned very quickly that there are more than 1,000 people here—in this place and in another—who can contribute their views on any legislation. Most legislation is amended significantly during its passage, and although Members of Parliament will have some ability to amend legislation affecting Wales, such scrutiny will not be anything like the same. Scrutiny is likely to rest with the 60 Welsh Assembly Members and the 11 members of the Welsh Affairs Select Committee. With the best will in the world, no matter how high the standards—they are particularly high among my own group, of course—those 71 people are never going to have the same pool of experience and expertise as the more than 1,000 people in the Houses of Parliament.

Albert Owen: The hon. Gentleman touches on a very important point about scrutiny by the National Assembly. Is not the fact that it sits only two to three days a week one of its downfalls? Would it not be better to extend its sittings? Of course, if that happened the hon. Gentleman would be in a very uncomfortable position, because he would have to stay there to scrutinise such legislation, rather than being here. Would he be prepared to give up his dual mandate for the sake of better legislation in the National Assembly?

David T.C. Davies: The hon. Gentleman will be aware that I am doing what the Government of Wales Bill

[David T.C. Davies]

allows me to do. Perhaps he should have foreseen the possibility of people winning in two places; indeed, many did: many Labour Members of Parliament went on to become Labour Assembly Members. I shall deal with the question of the number of days that the Assembly sits in a moment, if he will allow me. In my opinion it would be completely unconstitutional and undemocratic to overturn the wishes of the people of Wales, who in a referendum clearly voted for an Assembly, not for a Parliament.

I turn briefly to two other aspects of the Bill. One of the issues that was raised in relation to the number of days that the Assembly sits is very important. We all agree on the proposed splitting of the Executive from the legislature. It was also suggested that another 20 Assembly Members might be required, because such splitting would mean the removal of Assembly Ministers from the Assembly's scrutiny committees. I have grave concerns about that idea. I do not believe that the answer to the problems caused by this legislation is more Assembly Members—another 20 people drawing their salaries. I have some sympathy with the point just made by the hon. Member for Ynys Môn (Albert Owen). If there is a problem with the level of scrutiny in the Assembly, the scrutiny committees should be merged and more properly focused on the job to be done. Or, as the hon. Member for Ynys Môn suggests, Assembly Members could consider the revolutionary idea of meeting more than two afternoons a week. If they decide to do that, I will put myself wherever I can be of most use to my constituents.

Mrs. Gillan: My hon. Friend is making an excellent contribution and I can see why his electors return him to the Assembly and to this House. Does he agree that it is ironic that the Government should bring forward proposals to change the legislative competence of the Assembly when it still has so much bedding down to do? Does he further agree that, after the 2007 election, it should absorb the changes by splitting off the Executive from the legislature long before it is given more powers? Does he agree that the management of the process is very poor?

David T.C. Davies: I fully agree with my hon. Friend, as I do on most matters that relate to devolution—[HON. MEMBERS: "Most?"] In fact, on virtually all matters, there is barely a cigarette paper to be put between us. My hon. Friend's point about allowing the Assembly to settle down is important. We had the referendum only seven years ago and the question that we should be addressing is that we have a Parliament in Scotland, an Assembly in Wales and a power-sharing arrangement in Northern Ireland, but nothing at all for the largest constituent part of the United Kingdom. That is the real problem that we have with the constitution at present, and that is what we should address.

The changes to the voting system are being made for only one reason, and we all know that. They are being made for the benefit of the Wales Labour party. That is the only possible reason for the changes, and I thought that the flimsy excuses about Assembly Members who were worried because someone had opened an office in their constituency were pathetic. It has been my experience that whenever people want to protest about anything, the first person they go to is their constituency Member of Parliament and the second person is their constituency Assembly Member. Only if they meet with no luck from either will they find out who their regional list Members are. What is really annoying the Labour Assembly Members is not that they are at some sort of electoral disadvantage, but that they have lost the huge advantage that comes with incumbency. That must be making many of them very worried.

Mark Tami: I take the hon. Gentleman's point, but is it not the same old argument that additional list Members should not be given the same staffing and office costs allowances as properly elected Members?

David T.C. Davies: There is a huge argument to be had about the relative merits of all sorts of different proportional representation systems, but we should not have a governing party using its majority to push forward changes from which it will gain electoral benefit. The hon. Member for Merthyr Tydfil and Rhymney (Mr. Havard) was right to say that PR is not an issue on the omnibuses of Merthyr Tydfil, in the hostelries of Monmouthshire or in the supermarkets of Cardiff. Nobody is interested in proportional representation and the Government will get away scot-free. But everyone in this Chamber who knows about PR knows why the Government are doing this, and the Electoral Commission knows why they are doing it. It is a great shame that the sort of tricks that we might have seen in South Africa in the 1970s to prop up a failing regime are being imported into south Wales.

I was delighted to stand against the original proposals for the Welsh Assembly. I can see that it has had some advantages in terms of openness, but those advantages do not outweigh the disadvantages. We have caused enormous damage to the UK which will result in our having to return to legislation in a few years' time. We have also possibly unleashed the lion of English nationalism.

I am proud to be Welsh. I am also proud to be British, to be a Conservative and to be a Unionist. That is why we reject the proposals in the Bill.

7.44 pm

Ian Lucas (Wrexham) (Lab): The person who did most to deliver devolution in the United Kingdom was Margaret Thatcher. She alienated the people of Wales and Scotland so profoundly that she created the circumstances in 1997 that led to the setting up of the Scottish Parliament and the Welsh Assembly. We know from history that devolution referendums had been held before and had been unsuccessful. It was only because the Conservatives alienated people in Scotland and Wales so much by the manner in which they ran their Government between 1979 and 1997 that devolution was ever established.

Mr. Evans: The hon. Gentleman sets a dangerous precedent with his argument. Does he not appreciate that even at the last general election the Labour party lost to the Conservatives as a percentage of the vote? The valid point was made by the right hon. Member for Swansea, West (Mr. Williams) that resentment will

grow in England because Scotland has a Parliament and Wales has an Assembly, now with increased powers. The only part of the UK that has been totally ignored is England.

Ian Lucas: I am very conscious of the relationship between England and Wales, England and Scotland, and England and the UK, because of the nature and position of my constituency, which I discuss regularly in the Chamber and will touch on in my speech. We have made progress with referendums on a regional basis. We had had approaching eight years of Labour Government before the referendum in the north-east. In those circumstances, the people said no. They said, "We've got a Labour Government, so what do we need an assembly for?" The position would have been different if the north-east had been asked that question in 1997.

I wish to discuss two main aspects of the Bill. I welcome the fact that the Bill recognises the continued place of Wales within the UK. That is extremely important, and not only for constitutional reasons. The constituents in my border constituency see an integral relationship between England and Wales. The relationship exists not only in the private sector, where many of my constituents live and work on both sides of the border—and cross the border every day in the course of their lives—but also exists in the provision of public services. We had discussions late last year about the reorganisation of police services in Wales and they included much discussion of the close links between north-west England and north Wales in the operation of "criminal markets", as they were called by chief constable Denis O'Connor. It is important that the links are recognised so that the public services can address the issues correctly.

Health services are also provided by north-west England to north Wales. There are also close links between probation and prison services, because there are no prisons or youth custody centres in north Wales. It is important for north Wales, as distinct from south Wales, that there is a close working relationship between north-west England and north Wales. That is about the delivery of public services.

Daniel Kawczynski: Does the hon. Gentleman agree that if Welsh citizens are to use services across the border in England, their local authorities should pay the going rate, rather than being subsidised by English taxpayers?

Ian Lucas: The hon. Gentleman is describing particular circumstances. I do not agree with what he said earlier about linking waiting times to the price of operations, because I do not think that it was factually correct. I do not know the particular circumstances that he mentions, so I cannot address that question. It is extremely important that public services are still delivered to my constituents from England.

We also need a continued role for Westminster in legislation affecting Wales. In the context of any proposals for primary legislation for the Assembly in Cardiff, we must have provision for a referendum and I profoundly welcome this Bill and the guarantee that it contains. Furthermore, although the process set out in the Bill is novel, it will produce better legislation for the people of Wales. One thing that the Assembly has brought Wales is closer access for voluntary organisations, individuals and local government to its workings. Through joint Committees of AMs and MPs, there has been real progress in making better legislation for Wales, which brings benefits from the institution—the Assembly—being closer to the people of Wales, while taking into account the fact that in areas such as mine public services are also provided from across the border. Individuals thus benefit from having their views expressed by their Member of Parliament in this place.

Mr. David Jones: The hon. Gentleman refers to the fact that the Assembly is less remote from the people, but does he agree that there is a particular concern in north Wales that Cardiff seems geographically and spiritually remote from the people of north Wales, so does he share my concern that the North Wales Regional Committee does not figure in the new legislation and that it has in fact been abolished?

Ian Lucas: I am not sure that the North Wales Regional Committee, as it currently functions, is the most effective way of integrating north Wales more closely with the operations of the Assembly. I believe in more devolution. Wales is a nation with different regions and they should have more control over their affairs.

Albert Owen: My hon. Friend is right. The Bill does not propose to do away with the regional committee, but does he agree that regional buildings would be helpful? Scrutiny committees would be closer to the people, so that people in remote areas such as north Wales and on the periphery could witness the Chamber in progress as it examined legislation.

Ian Lucas: As ever, my hon. Friend makes a valuable point. It is a great disappointment to me that no Assembly offices are based in Wrexham, the biggest town in north Wales. I hoped that the Assembly would have done more to bring offices to different parts of Wales—and, indeed, to bring more business to those areas.

My second essential point was about the proposed provisions relating to the electorate and changes to the electoral system. I strongly support the proposal to disallow regional list Members from standing for constituencies. I would like the Bill to go further. Under the present Assembly electoral system, we have two votes. At the last Assembly election, I was able to vote for the Labour Assembly candidate in my constituency and on the regional list.

Mr. Evans: He lost.

Ian Lucas: Yes, that is correct. My regional constituency candidate lost, yet the strange thing is that the largest party at the Assembly election for the north Wales region was Labour, which gained 55,000 votes from individuals such as me—more than any other party in north Wales—but on the regional list, the Labour party gained no Members at all.

Mr. David Jones: It is called proportional representation.

Ian Lucas: It is called defrauding the electorate; it is called wasted votes—something about which the

[Ian Lucas]

Liberal Democrats have a lot to tell us. In 2003, they talked about wasted votes in their election literature, which I have with me. They said:

"If enough Labour voters switch to the Welsh Lib Dems with their 2nd vote, we can have a Tory Free Wales . . . Our region has 2 Tory AMs. Don't waste your 2nd Vote—Back the Welsh Liberal Democrats to beat the Tories!"

I thought about that and it was true. I voted for Labour because it is my party, but I wasted my second vote and so did 55,000 other people in north Wales. We have an electoral system that is defrauding the people of north Wales and a political party that wants to exploit their views by trying to suggest that they should not vote for the party in which they believe. That is dishonest. That is gerrymandering and it should not be allowed.

Mrs. Gillan: I should have so much more sympathy with the hon. Gentleman, and would share his views, if the system were not one that his party brought in. I do not understand how Members on his Front Bench can ignore his strongly held views, but it was the Labour party's mechanism that was introduced.

Ian Lucas: I understand that point. I am expressing my views to my Front-Bench colleagues and I am sure that they are listening to them carefully. The same views have been expressed by other Labour Back Benchers today and I am sure that they will also be listened to carefully.

There have been many accusations today from Opposition parties about Labour party gerrymandering, yet the Labour party is the only party to create an electoral system that disadvantages it. That is exactly what it did in 1999 when it set up the Assembly and allowed the introduction of proportional representation. It sent the Tories a lifeboat and a lifebelt. It gave the Liberal Democrats more representation than they had ever had and it helped out the nationalists. Our party is generous in its electoral system.

Opposition parties have produced no evidence whatever that the modest proposal in the Bill would assist the Labour party. In north Wales, three of our candidates with extremely marginal seats will not have the lifebelt that the Labour party generously offered Opposition parties. They should not lecture us about gerrymandering. They should thank us for the resurrection of their political parties.

7.57 pm

Mr. Roger Williams (Brecon and Radnorshire) (LD): It is a great pleasure to take part in this debate on the developing devolution situation in Wales. Unfortunately, the last time that the House considered devolution legislation I was not a Member, but I was interested in the way that the procedure was handled.

It has correctly been pointed out that the referendum on setting up an Assembly was won only marginally. I could not get very enthused about the proposal. I did not think that it would capture the imagination of the Welsh people because it did not go far enough. One of the reasons why turnout in the 1997 referendum was so low was that the prospect for devolution in Wales was much less than for devolution in Scotland.

The Bill will push forward the powers of the Welsh Assembly, which will appeal to the people of Wales, but it could be much better done. It seems illogical to give the Assembly powers to deliver health and education and to be responsible for local government, yet not to give it the necessary primary legislative powers to promote those services in Wales.

Mr. Evans: Does the hon. Gentleman agree that it is also illogical to have established the Welsh Assembly on the referendum and then to try to alter that settlement without asking the people of Wales? Surely that would be a sensible and logical thing to do. Why are the Government and the Liberal Democrats afraid to ask the people of Wales about extra powers?

Mr. Williams: A referendum is not necessary. Although the Assembly is very unpopular in Wales from time to time—indeed, people blame it for many of the ills of Wales—that is a misrepresentation because the National Assembly Government are responsible for the delivery of services and it is they whom the people should criticise. In fact, one of the plus points of the Bill is the separation of the Executive and the legislature. The people of Wales will better understand the way that the Assembly works and they will be brought closer to the Assembly.

When I travel around Wales, I get the feeling that the National Assembly Government, Powys county council, Westminster and the European Parliament are not very popular. It is very difficult to have a legislature that is popular, but that does not necessarily mean that the people of Wales want to get rid of the Assembly. In my view, they want to promote the Assembly's powers so that it can better deal with the problems faced by the people and the nation of Wales.

I have never thought of devolution as a system for becoming insular and apart from the United Kingdom. I believe that devolution is about developing systems to deliver services that are best suited to the area, and that those systems can be shared with other regions and nations in the United Kingdom so that they benefit as well. I was a little disappointed when the hon. Member for Monmouth (David T.C. Davies) almost insinuated that people must be Conservatives to be Unionists or that people could not support devolution and be Unionists. I certainly am a Unionist, and I believe in the United Kingdom, which, by its very nature, is more than one nation—something that we should all bear in mind.

Welsh Liberal Democrats have always been a pro-devolution party, and we have consistently argued for a Welsh Senedd—we did so before 1998, and we do so today. We support a way forward that gives Wales more governance and more control over its own future, but, above all, good governance. Our party wholeheartedly endorses the recommendations of the Richard commission, which was effectively the most comprehensive constitutional consultation that was ever carried out in Wales. We support Lord Richard's view that Wales deserves a status equal to Scotland's, with powers over primary legislation, and that a larger Assembly of 80 Members is needed to cope with those extended powers. All the Members should be elected using a single-transferable-vote system.

Listening to the hon. Member for Monmouth and considering the difficulties that the Assembly may face in dealing with further legislation, it seems to me that the

experience of the Scottish Parliament should be taken into consideration. With in excess of 120 Members, they find that all their committee time is taken up with legislation and that it is very difficult to carry out the necessary scrutiny and policy development.

Of course, it is typical of the Government to embark on a lengthy and costly consultation at taxpayers' expense only to ignore the expert advice. Such things can be said of the current consultation on the restructuring of the police force in Wales.

Ian Lucas: Just as a point of clarity, will the hon. Gentleman confirm that the Richard commission was set up by a Labour-Liberal coalition in the Welsh Assembly Government and that it was the price of the Liberals going into coalition?

Mr. Williams: I do not know whether it was the price of the Liberals going into coalition, but it was certainly a great virtue. Setting up the Richard commission was a great advance in the understanding of devolution in Wales, because it gave lots of people the opportunity to participate and to be consulted. Having set up the commission with the Labour Assembly Government's agreement, more consideration should have been given to it, as it was certainly a very expensive exercise.

Mrs. Gillan: I presume that the hon. Gentleman would agree that the introduction of the complicated process of Orders in Council was a surprise to Lord Richard and his commission. Does the hon. Gentleman agree that perhaps it would be better to allow the fledgling Assembly that is facing difficulties in the House today to develop and to absorb the separation of the Executive from the legislature before overburdening it with the complex Orders-in-Council procedure that very few people seem to understand?

Mr. Williams: I agree with the hon. Lady is one respect, namely, that the Orders-in-Council procedure is unnecessarily complicated. The Assembly will need some time to get to grips with the separation of the Executive from the legislature, but a commitment should have been given to follow the Richard commission's recommendation to move towards full legislative powers by 2011.

We want to give politicians in Wales the powers to make the decisions that will shape the future of Wales, without having to respond to the diktats of Whitehall. We want to give the people of Wales the opportunity to hold those politicians to account. Instead of that, the Bill contains a detailed, empire-building plan for the Secretary of State, under which Wales will not be governed by sound constitutional principles, but by the mood and whim of its ruler. What we are witnessing is the making of a self-proclaimed king of Wales. I have some experience of that in my constituency, where Richard Booth proclaimed himself king of Hay, and I have some understanding of a regal coup when I see one, but the Secretary of State is taking powers that are completely out of proportion and certainly unnecessary.

The truth is that Labour is split on devolution and always has been. That is why it gave birth to an emasculated Assembly in 1999, instead of a fully fledged Parliament. Six years on, Labour's devolution child may have been finally allowed to walk, but it has been placed in such powerful restrainers that it does so through no strength of its own. Indeed, under the Government's current proposals, the Welsh Assembly will be little more than a poodle on a retractable lead, held firmly in the Secretary of State's grip.

The Welsh Liberal Democrats want the Assembly to be set free of Westminster meddling on devolved issues, so that it is capable of doing what is right for the interests of the people of Wales, not what is right for the Welsh Labour party. On the basis of our pro-devolution stance alone, the Government will have our support on Second Reading, as it is only reasonable to give everyone the opportunity to have a mature and open discussion about how Wales should move forward. However, let us be clear that we fundamentally disagree with many provisions in the Bill, such as the Orders in Council procedure, the Secretary of State's role, the trigger mechanism for the referendum, the electoral system and the Assembly's size, to name but a few. We will table a series of amendments during proceedings on the Bill to turn the Welsh Assembly into what we believe it should be—a Welsh Senedd with primary law-making powers.

Mrs. Gillan: I hope that the hon. Gentleman will forgive me, but on the basis of what he has just said I invite him to join me in the Lobby tonight to vote for our reasoned amendment. As I have made very clear, we are not opposed to everything in the Bill—we want to work constructively with the Government on building on what the Assembly has achieved already and improving it—and the hon. Gentleman has just articulated the very reason for my reasoned amendment. We do not intend to vote against the Bill on Second Reading, but if what he has just said is Liberal party policy, I invite him and his hon. Friends to join us in the Lobby tonight.

Mr. Williams: We will not vote to decline the Bill a Second Reading and we will not vote with the Conservatives on their reasoned amendment because we believe that the Bill has enough structure to be improved, so that we can move towards the image and symbol that we believe the Welsh Senedd can be for the Welsh people.

Mr. David: Will the hon. Gentleman clarify whether he is in favour of the Assembly having tax-raising powers?

Mr. Williams: I will come to that later in my speech.

Despite the extensive and costly consultation by the Richard commission, the only solution that the Welsh Labour party came up with to move Wales forward was to turn to the Secretary of State's other hat as the Secretary of State for Northern Ireland. Is that lack of fresh thinking proof that his dual role is starting to take its toll? We cannot find anywhere other than Northern Ireland where Orders in Council exist or any example where they have worked well.

The Orders in Council set a precedent for political interference in a formal constitutional process by putting in the Secretary of State as doorkeeper to the new legislative initiatives. His party might hold high hopes of being in power for ever, but surely the role of

[Mr. Williams]

any sensible politician in the devolved nation is to ensure that the long-term interest of Wales is secured above and beyond ephemeral political victories. To misunderstand that is fundamentally to misunderstand the nature of devolution. Perhaps Wales Office staff should also write a memo on devolution for the Secretary of State's attention. I understand that such a memo has been sent to all other central Government offices.

I would like to say a few words about part 5, which deals with finance. We welcome the setting up of a Welsh Consolidated Fund. That will bring more scrutiny and accountability to the finances of the Welsh Assembly and enable Welsh Assembly Members better to engage in the issues of probity and value for money. As the running costs of the Welsh Assembly and the Secretary of State for Wales will be deducted from the Welsh block grant before being put into the Welsh Consolidated Fund, will the Auditor General for Wales be able to investigate and comment on the expenditure of the Wales Office? This money comes directly out of the Wales block grant.

During the Bill's consideration in Committee, we also wish to consider the Barnett formula, which has been mentioned before. It was set up in 1978 and has been updated on a regular population-related basis. The 1978 element still remains and, since then, the population of Scotland has fallen in absolute terms as well as relative to the populations of England and Wales, while the Welsh population has risen. Although it has fallen in terms of England, it has risen substantially in terms of Scotland. This is no way to continue to fund the devolved Assemblies and Parliament and it would have been good if the Government had taken the opportunity to address this anachronism and anomaly that even Lord Barnett now says is inappropriate.

The Welsh Assembly does not have the powers to vary taxation that the Scottish Parliament has, so would the Government consider including in any referendum the opportunity for the Welsh people to express an opinion on that issue? Income tax-varying powers have been difficult to utilise in Scotland, but it may be that Wales should have powers over corporation tax or the unified business rate to encourage the economic development in Wales that still lags behind that in England. It would be interesting to hear the Government's view on these matters.

The Liberal Democrats will certainly support the Bill's Second Reading. However, there is much work to be done in Committee, so that the people of Wales will have confidence that the Welsh Assembly has the necessary powers to guide the delivery of services for which it is responsible.

8.13 pm

Mark Tami (Alyn and Deeside) (Lab): I, too, welcome the hon. Member for Chesham and Amersham (Mrs. Gillan) to her new job on the Opposition Front Bench. I also express my sorrow at the loss of Lord Merlyn-Rees and Lord Stratford—Tony Banks—who was a good friend. He was missed when he left this House, and Parliament will certainly miss him. He was a great character, and we really lack such people. It is a very sad day.

I welcome the Bill which, in the main, strikes the right balance between building on the existing settlement and addressing at least some of the problems that have arisen since devolution. However, on some issues, I would have liked it to go further. We should recognise that the Assembly is a new institution. Although there is always a temptation and, for some, a desire to run before one can walk, it is important that the Assembly establishes itself in the minds and the hearts of the people of Wales. If devolution is to be a process, the process must have the support of the people at every stage. For that reason, I do not believe that we can have a pre-defined time scale for any change to, or enhancement of, the Assembly's powers. Equally, the people of Wales may well decide that the process has gone as far as it should. I therefore welcome the provision in the Bill for a two-thirds majority for the sanctioning of a referendum in respect of primary powers, although I cannot see the provision being used in the short or probably the medium term.

The system of Orders in Council strikes the right balance, with the aim of providing the Assembly with a mechanism to modify, or address, issues not covered by statute within devolved areas while retaining the sovereignty of Parliament and clearly not extending to affecting primary legislation in non-devolved areas.

I recognise that many speakers have referred to the pre-legislative scrutiny of Orders in Council and the process of how they will be considered in the House. I do not intend to go into detail on that, but hon. Members have already made it clear that the Welsh Affairs Select Committee has already considered the issue. I am sure that proposals will be made to bring forward ideas in that regard. The separation of the Executive from the legislature is a sensible change and it seems to have been welcomed on all sides. It mirrors what we have seen in local government.

Unlike Lord Richard, I do not believe that there is a requirement—or more to the point, public appetite or acceptance—for an increase in the number of Assembly Members from 60 to 80. There will clearly be an increased work load and increased hours, but it is fair to say that there is scope to accommodate that.

Hywel Williams: I think that many of us share the hon. Gentleman's views on the Assembly's work load, but has he considered the difficulty of staffing Committees when many of the 60 Members will be part of the Government or deputies? Is it a practical proposition to run Committees in such circumstances?

Mark Tami: I accept that it is a problem and that it will take imaginative work to come up with a clear solution. However, one solution would be for the Assembly to sit for longer than it does at the moment, and there is scope for that. Two Members sit here as well as in the Assembly, and they can obviously do that.

Much attention has centred on the proposals in the Bill to end the ridiculous situation of dual candidacy in Assembly elections. It is important to build on the Assembly settlement, but we must address its failings, and dual candidacy is one of the biggest failings. Following the last Assembly election, many people asked me how candidates who stood at the election and were defeated—and, in many cases, defeated by a

country mile—could find themselves sitting in the Assembly, claiming not only to represent constituents but having equal status with the people who defeated them. How would we feel if a third of this Chamber were made up candidates that had stood against us and lost?

As has already been pointed out, all four of the list Members in north Wales were defeated at the ballot box. Three of them stood in the same seat—the infamous Clwyd, West—that has been referred to many times today. All of them were defeated by Alun Pugh, who was the only candidate from a major party who stood a chance of not retaining his seat. All the other candidates were No. 1 on their list. That is farcical. I do not know about north Wales, but they would not have come up with such a system even in North Korea. Even Lord Richard made it clear that something was wrong and did not make sense.

That is bad enough, but the problem does not end there. Once getting into the assembly via the back door, these characters spend much of their time cherry-picking issues and targeting seats that they or their party are looking at for future elections. Unlike in Scotland, there is no protocol under which they have to inform properly elected Assembly Members that they are visiting their constituencies.

Mr. David Jones: What does the hon. Gentleman consider to be the legitimate role of a regional Member of the Assembly?

Mark Tami: We need to examine that matter. I accept that the hon. Gentleman has experience of the situation because although he was not elected on the list first time around, his predecessor decided to spend more time somewhere else. I am not sure whether he was the next one on the list, but that shows that we have a fairly crazy situation. I make no criticism of the hon. Gentleman or the job that he did, but the system is fundamentally flawed.

For some unknown reason, we provide additional list Members with the same amount for staffing and office costs as properly elected Members. Let us be honest—I think that the hon. Member for Monmouth (David T.C. Davies) went some way towards saying this—who actually gets up in the morning and says, "I know, I'm going to write to my additional list Member today about this matter."? I would hazard a guess that the number of such people is pretty small.

Mrs. Gillan: May I establish that the hon. Gentleman said that Members elected on the list system are not proper Members and that he is putting forward a serious proposition to reduce the salaries and allowances of Members elected on the list system? If that is not a proposition to give the Labour party an electoral advantage, I am not sure what would be.

Mark Tami: I certainly did not say that such Members should have a lower salary. I said that they do a different job, and I shall explain what I mean.

If list members are in any doubt about what their role should be, they have only to consult Leanne Wood's magic memo, or the additional list Members' bible, as it is known. She set out with great clarity her golden rules on how list Members should abuse the system: avoid casework at all costs; misuse the staffing allowance to benefit the party; locate the office not for the needs of the people, but in the interests of the party; and, of course, attend events only if it is in the interests of the party—if in doubt, send a pro forma letter of rejection. There is a problem with the system. List Members of any party—even Labour list Members, if there were any—would be drawn to that approach because the system allows and even encourages them to behave in such a manner. The system is wrong and should be changed.

I would like the Bill and the Assembly to go further and define the role of list Members. They should have exactly the same status as other Members within the Assembly, but without an unchecked roaming remit outside. We will have to return to the matter if that abuse continues to such an extent.

Mrs. Gillan: Does the hon. Gentleman think that the problem that he is outlining regarding Miss Wood and her operations would be solved if people standing in constituencies were allowed to stand on lists for other regions?

Mark Tami: No. That would make the situation even more complicated and people would not understand what on earth was going on—they fail to understand the situation at the moment.

As my right hon. Friend the Member for Torfaen (Mr. Murphy) said, list Members should be elected on a properly proportional second vote. In the same way in which people do not understand how losers become winners, they do not understand how a party can top a poll yet not get any of its candidates elected. In the 2003 election, for example, Plaid topped the poll in mid and west Wales. It received 51,000 votes on the second vote and received one additional list Member. Labour came second with 46,000 votes, but got no additional list Members. The Tories were back on 35,000 votes—19 per cent. of the vote—and got three additional list Members. The Lib Dems were not far behind the Tories, but got no additional list Members. A party that got less than a fifth of the second vote got three quarters of the seats. That is obviously a very democratic system—*[Interruption.]* The system is fundamentally flawed. I used to support proportional representation but, like an ex-smoker, I have seen the light and discovered the problems that it throws up.

Mr. Roger Williams *rose—*

Mrs. Gillan *rose—*

Mark Tami: I am sorry, but I will not give way because I have gone over my time.

The Bill is a step in the right direction, but we need to go further. I am sure that it will get its Second Reading tonight.

8.25 pm

Mr. David Jones (Clwyd, West) (Con): The most charitable criticism that one might make of the Bill is that it is premature. Perhaps a less charitable criticism would be that it is a devious measure designed significantly to extend the powers of the Welsh Assembly to give it a primarily law-making competence

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without first obtaining the consent of the people of Wales in a referendum. Furthermore, one could say that the Bill's aim is to bolster the Labour party's position in the Assembly.

It is worth looking back briefly at the history of devolution in Wales to date. As other hon. Members have said, it must not be forgotten that devolution was voted for in the 1997 referendum by the narrowest possible margin. On a poll of just over 50 per cent. of the Welsh electorate, just over 25,000 people voted in favour of devolution. The majority throughout Wales was just over 6,000. In other words, almost 75 per cent. of the Welsh electorate was either opposed to devolution, or insufficiently persuaded of its merits to vote in favour of it.

Hywel Williams: Will the hon. Gentleman tell the House the proportion of the electorate of Clwyd, West that voted for him and other parties? Did he receive a majority vote?

Mr. Jones: I am making the point that at the time of the 1997 referendum, a significant majority of the Welsh electorate was not in favour of the Assembly, or was insufficiently persuaded of its merits to vote for it.

The Assembly is a fact of life, but one must also acknowledge that as far as many electors in Wales are concerned, the jury is still out on whether it has been beneficial to the people of Wales overall. Many people in Wales—and, perhaps, on both sides of the House—are extremely disappointed by the Assembly's performance to date. On health, especially, it has been a less-than-conspicuous success. Waiting lists and times in Wales are significantly longer than those in England. In my constituency, to cite just one, it is virtually impossible to find an NHS dentist. There is not a huge amount to crow about regarding the Assembly's success.

The Secretary of State has acknowledged that there is no consensus in Wales on full primary legislative powers for the Assembly. On 15 June, he said:

"we will call a referendum only if there is a consensus for one. There is no consensus for one now, and it would be lost."—[*Official Report*, 15 June 2005; Vol. 435, c. 267.]

More recently, he said that neither he nor the First Minister were

"in the business of calling referendums we are going to lose".

I agree entirely with the Secretary of State that there is no consensus in Wales for further devolution. Clearly, there is no such consensus. It might therefore be expected that the Government would wait to allow the current devolution settlement to bed in and to start proving its worth before granting further legislative competence to the Assembly.

The Secretary of State contends that what is proposed in the Bill under stage 2—the Order in Council measures—does not amount to such a significant extension of the Assembly's powers to merit a referendum. He said today that a modest transfer of powers was involved. The validity of that view depends to a great extent on the way that the Order-in-Council procedure would be operated. We await much more detail in that respect.

The more widely drafted the Orders in Council, the less modest the transfer. It is abundantly clear that Assembly measures made as a result of powers granted via Orders in Council might be used to amend, extend or even repeal Acts of Parliament. The power is significant and goes a considerable distance beyond what was initially envisaged at the time of the referendum in 1997.

The White Paper, "A Voice for Wales", made it clear that the Assembly's role would be to take over the administrative functions of the Secretary of State for Wales, its legislative functions being confined to the passing of secondary legislation. The Bill makes it clear that an Assembly measure may make any provision that could be made by an Act of Parliament. We therefore have what the right hon. Member for Swansea, West (Mr. Williams) described as a kind of salami slicing. There is an extension of primary legislative competence to the Welsh Assembly.

Furthermore, once an Order in Council has conferred enhanced legislative powers in relation to a matter, the competence conferred will be of a continuing nature. The Assembly will be able to revisit those powers conferred by the original Orders in Council. That will amount essentially to a permanent transfer of legislative competence in a large number of areas. As the years pass, so that competence will grow.

Mr. Roger Williams: It is my understanding that Orders in Council refer only to matters that are already devolved to the Assembly, so in effect they are limited.

Mr. Jones: That is not correct at all. The Order-in-Council procedure will add extra matters to fields in which devolution already exists, so the devolutionary powers will be extended. The purpose of the Order in Council procedure is clear: to devolve quasi-primary legislative powers to the Assembly without the need for a referendum.

That was recognised by Lord Richard when he gave evidence to the Welsh Affairs Committee. He said:

"Let's be frank about it, it is a device to avoid having to come to Westminster and ask for primary powers to be formally devolved. It is quite an interesting device . . . Westminster can say they have not devolved primary legislative powers, but depending on the way in which the Order in Council procedure is used, it could in effect be a concealed grant of almost a direct legislative competence down to Cardiff."

What the proposals amount to is a kind of devolutionary creep. They are a stealthy means of extending more and more powers to the Assembly—considerably beyond what was envisaged in 1997 and what the Welsh people voted for in that year—through a tortuous and opaque route of Orders in Council. Worryingly enough, the Orders in Council might be made with the minimum of debate in Parliament. We might be talking about one and a half hours of discussion in Standing Committee.

Mrs. Gillan: Is it not a fact that the Secretary of State is aware of the sleight of hand that he is pulling off? On 8 December, the date on which the Bill was published without any pre-legislative scrutiny, he said that the Bill would

"give the Assembly more powers, more opportunity and more scope to make decisions."

If that is not increasing the competency of the Assembly, I do not know what is.

Mr. Jones: My hon. Friend is entirely right. The Presiding Officer of the Assembly, Lord Elis-Thomas, recently said that the obtaining of Orders in Council will be nothing more than a formality. Of course, he is right. It is inconceivable so long as there are Labour Administrations in Westminster and in Cardiff that a request for an Order in Council would be refused. When there are Governments of different colours in Westminster and Cardiff, as will certainly happen one day, it would be virtually impossible for Westminster—for the Secretary of State for Wales—to refuse a request without triggering a constitutional crisis.

It is extraordinary that any responsible Government should seek to promote a piece of legislation that has the seeds of constitutional strife built into it. If the Government consider that further devolved power should be given to the Assembly, they should confer those powers in a more honest and open manner: through primary legislation preceded by a referendum of the Welsh people. The Government have recognised, rightly, that the Welsh people probably have no stomach for more devolution. However, that might not be the case, so why not ask them now? The Secretary of State should show sufficient respect for the constitutional conventions of this country and for the people of Wales to ask them whether they want the Assembly to have more powers. The Orders-in-Council procedure is devious and dishonest. That is why the reasoned amendment is absolutely right.

Similarly, the proposals for a referendum at some undetermined stage in the future are wholly bizarre. It seems extraordinary that the Government should place in a Bill provisions that may never be triggered. No doubt the Government hope that the presence in the Bill of arrangements for a future referendum will engender a feeling of inevitability—a feeling that primary powers will be transferred come what may, and that it is a case of when, not whether.

The proposals on electoral arrangements deserve particular condemnation. The Government have suggested that the present arrangement, whereby defeated constituency candidates can obtain a seat in the Assembly via the regional list,

"devalues the integrity of the electoral system in the eyes of the public and acts as a disincentive to voting in constituency elections."—[*Official Report*, 15 June 2005; Vol. 435, c. 264.]

No evidence of that sort was put before the Welsh Affairs Committee—in fact, quite the contrary. The Electoral Commission said that that was not the case and so did the academics. The only evidence presented was hearsay evidence offered by the First Minister and the Secretary of State for Wales.

The case constantly cited in support of their contention is that of my constituency, Clwyd, West, where in 2003 four of the five candidates were elected to the Assembly, three through the regional list. Several points may be made about that contention. It was always a foreseeable consequence of the original devolution settlement that more than one candidate for a constituency would be elected, some through the regional list. That was inherent in the devolution settlement. The case of Clwyd, West was extreme, but it should not have been unanticipated—it was always perfectly obvious that something of the sort would happen. Dr. Roger Scully of Aberystwyth university said in his evidence to the Select Committee:

"Frankly, if the Government did not realise when it brought in this White Paper that that would happen, they should have done, they were negligent in not realising that."

The reason why the Government wish to amend the arrangements is fairly obvious: Labour has no regional list Members at the moment. It is clear that the presence of regional Members vying for constituency work must be something of a nuisance to the sitting constituency Members. Clearly, they are concerned that an effective and energetic regional Member will overshadow or cast in a poor light an ineffective constituency Member. However, that, too, was always perfectly foreseeable, and even if the proposals in the Bill were adopted, the position would remain the same: regional Members would continue to be able to vie with constituency Members in terms of constituency activity.

I suspect that, in due course, the standing orders that we have heard about will be used to attenuate still further the role of regional Members. I think that regional Members will find that certain types of work are out of bounds. It is even possible that, as my hon. Friend the Member for Monmouth (David T.C. Davies) suggested, allowances will be attenuated. It is clear that the Bill is intended to bolster Labour's position in the constituencies at the expense of regional Members. That is a reprehensible measure.

Mr. David: Does the hon. Gentleman accept the simple point that it is morally unjustifiable for losers to become winners? It is a simple as that.

Mr. Jones: That was always a perfectly foreseeable consequence of the devolutionary settlement. It is extraordinary that, only a few years down the line, the Labour party is crying foul, when it was obvious that it would run into that sort of difficulty.

I move on to the question of the north Wales regional committee. The Bill makes no special provision for such a committee. The Government, who are highly south Wales centric, clearly do not appreciate the extent to which Cardiff is both geographically and spiritually distant from the rest of Wales, particularly north Wales. The provision for a north Wales regional committee was sensible and I suggest that it should be perpetuated. It is a matter of great regret that the Bill contains no such provision.

The only part of the Bill that is highly desirable is the separation of the Executive from the legislature. Since its inception, the Assembly's corporate structure has encouraged too cosy a relationship between Ministers and Committee members. I know—I speak from experience—that it is much more difficult to hold the Government to account if the relevant Minister is also a member of the same Committee. The provision set out in the Bill is entirely welcome—I support it in full—and it should have been incorporated from the outset. The corporate model was a failure.

The one welcome portion of the legislation does not compensate for the general unacceptability of the Bill. This is an exercise in the underhand extension of powers to the Assembly without the authority and legitimacy

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conferred by a referendum of the Welsh people. The proposed electoral arrangements constitute a disgraceful device aimed at bolstering Labour's position in the Assembly. All in all, the Bill in its present form is unwelcome and I wholeheartedly support the reasoned amendment.

8.41 pm

Jessica Morden (Newport, East) (Lab): Given that we are running out of time, I shall make only one specific point that has not been mentioned so far.

I support the Bill, and I support what it will keep. It will keep the foundation of the partnership that the Assembly has been able to build with people and organisations. For example, there are statutory duties to establish and maintain a partnership council with local government, to publish a "voluntary sector scheme" and to work with business organisations.

I want to raise a concern concerning our trade union colleagues and the requirement to consult business, which does not extend to organisations that represent employees. This cannot be right. The Welsh Assembly Government consult trade unions and it would be incumbent on their successors to do the same. I further argue that the imbalance between the requirements for the local government voluntary sector and business organisations must be addressed in our consideration of the proposed legislation. Unions and business play a key role in this development in Wales, and the Bill does not take enough account of the need for strong working relations and consultative mechanisms between employee and employer organisations.

The Bill contains a requirement for a schemes to be published for local government and for the voluntary sector, but not for business and trade unions. That should be rectified. I should be grateful if my right hon. Friend the Secretary of State would consider sympathetically an amendment on that issue.

8.43 pm

Mr. Nigel Evans (Ribble Valley) (Con): I shall make only a short contribution to the debate, because I know that a number of Labour Members also want to speak.

When I heard the Secretary of State extol the virtues of everything that the Government had done for Wales, including creating the post of Secretary of State for Wales, I bore it in mind that they decided to merge the post of Secretary of State, making it a half job, which clearly it is not. The only disagreement that I had with the former Leader of the Opposition was when he decided to have the shadow post of Secretary of State for Wales outside the shadow Cabinet. I thought that my right hon. and learned Friend the Member for Folkestone and Hythe (Mr. Howard) was wrong, and that Wales deserved a better status. I am delighted that the new leader of the Conservative party has decided to put the post of the shadow Secretary of State for Wales back into the shadow Cabinet.

I am delighted also that my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) has secured that position. I know that she will enjoy the role, as I did when I undertook it. The people of Wales will take my hon. Friend very much to heart as she travels around and discovers some of the parts of Wales that I did not get round to, despite the fact that I lived in Wales for about 30 years. I wish my hon. Friend well in her position. She has one great advantage that I did not have when I did the job, which is that she has three Conservative Members in Wales sitting with her and supporting her. They are a tremendous addition to our team. They are all live wires, and they will make a fantastic contribution.

I want to make a couple of points. First, everyone has spoken about proportional representation. I am not a fan of PR—I am a first-past-the-post man. I have always believed in that system, and think that it is the right way to proceed. Clearly, it has worked against us in Wales. As I said, we had no Welsh MPs for eight years, even though we were the second party of Wales, given the percentage of support that we received from the Welsh people. I am not a Lib Dem—I do not believe in an electoral system that favours my party. Either it is right or it is not. If we are to understand the situation, we must accept that the electoral system that Labour Members are all rubbishing today is the one that their party introduced at the time of devolution. It is their system, and if it is wrong, they were wrong to introduce it. We were not hammering for it. During the passage of the first Government of Wales Bill, we did not say what a wonderful electoral system it was. Quite the reverse, even though it benefited us.

Julie Morgan (Cardiff, North) (Lab): Does the hon. Gentleman accept that, without the list system, the Conservatives would have won only one seat in both the first and second Assembly elections? Does he acknowledge that, in fact, the Labour party was generous in creating the list system, as it enabled the Conservatives to become more active in Wales?

Mr. Evans: I cannot begin to tell the hon. Lady how grateful we were to the Labour party for creating a system that it now wishes to alter. However, as I said, I am not a Lib Dem. If I were, I would have argued for PR, perhaps for Wales and Scotland, but not for England. We could gerrymander to see what system would benefit us, but I shall leave that to the Lib Dems. If, as has been said, the Labour party wishes to review arrangements and introduce a first-past-the-post system, we should at least consider such a proposal, because by meddling with the electoral system it will not resolve the problems which, it says, are the result of the list system. Those problems include list Members or regional Members setting up offices in other people's patches where they think they may do better in a future first-past-the-post election. That problem, however, will continue to exist unless the Welsh Assembly do something about it. The solution needs more thought, because the system is being changed for the wrong reasons. Let us be honest—the Government think that they have made a mistake, but their proposal fails to correct it. We should therefore take a little more time to look at the problem again.

I commend the powerful speech of the right hon. Member for Swansea, West (Mr. Williams). There will be problems—there are no two ways about it. The last referendum on regional government was in the north-east of England, and it could not have gone down the pan in a bigger way. Even I was surprised at the size of

the majority against the Government proposal but, having tried to give England a voice, they did not walk away from such a proposal. The fact is, the systems that they have introduced in Scotland and Wales, together with the changes that they propose to introduce in Wales, will make the situation worse. Far more legislation will affect England alone, but Members from Scotland and Wales will hold sway. The West Lothian question is not dead and it will not go away. It must be addressed, but the problem has been made worse by the Bill.

Mr. Grieve: My hon. Friend may have noted the suggestion from a Government Member that list AMs should receive less expenses subsidy than constituency AMs. I wonder whether Government Members propose to extend that arrangement to themselves if they have less work after further devolution.

Mr. Evans: That is what I thought as well, when I heard the argument. It would set a dangerous precedent to take account of the hours and who does what, and to create two-tier or two-status Welsh Assembly Members. If that happened in the Welsh Assembly, somebody might suggest examining what MPs are doing at Westminster and whether some have lesser jobs because of devolution. Somebody somewhere might devise a system for taking that into account.

Finally, I shall say something about the Orders in Council, the referendum and giving the people of Wales a voice. That is why the Welsh Assembly was created, and Members have reminded us how close it came to not going ahead. However, there was a thin majority. I was on the Assembly referendum night programme and I remember that it came down to the final result. Peter Snow predicted that the people of Wales had voted no, but then the Carmarthen result came in and it was 11:11—very tight indeed.

The settlement is where we currently are, and to use a device proposed in the Bill to salami-slice legislative powers in favour of the Assembly in everything but name is dishonest. If that is what the Government want—and the Secretary of State said that he wanted the Welsh Assembly to have primary legislative powers—let us be adult and honest about it. Let us devise a question for the people of Wales and put it to them. If the Government are not prepared to do that in respect of primary legislative powers and still want to use the device of Orders in Council, let us at least put to the people of Wales the salami-slicing mechanism that would be used, and find out what they want. To do it dishonestly, without asking the people of Wales whether that is what they want, is not right.

Contrary to what the hon. Member for Brecon and Radnorshire (Mr. Williams) said, had we gone down that route in the first place and offered the people of Wales the same powers as the Scottish Parliament has, I believe the people of Wales would have voted no, particularly as regards the tax-varying powers. That is why the Government offered something less. It is wrong to give the people of Wales what the Government are offering, without giving them a voice. I thought we all believed in democracy. If we do, let us back it with our votes.

8.52 pm

Albert Owen (Ynys Môn) (Lab): I, too, pay tribute to Merlyn Rees and Tony Banks, two people whose company I thoroughly enjoyed. Both were passionate men. Merlyn Rees was passionate about his country, Wales, and when we talked, he always made reference to Anglesey. In Tony Banks, we had a passionate football supporter, who always ridiculed me about football, although I am a proud Evertonian. We always had a laugh and a joke about it. Both gentlemen will be sadly missed.

I have already welcomed the shadow Secretary of State to her position, although I am disappointed that she has tabled a reasoned amendment. I see no reason for it. She says—I think she contradicts herself in this—that she will support Second Reading, so let us have a proper, mature debate in Committee about the issues that have been raised. We have plenty of time to do it. The hon. Lady even said she would support the programme motion, so it would be more reasonable for her to join us in the Lobby tonight, instead of pressing an unreasonable amendment.

I welcome the Bill in its entirety as a positive step towards devolution. I believe in devolution. I always have. Like my hon. Friend the Member for Aberavon (Dr. Francis), I have passionately supported it for many years. In 1997, I and many Members put forward what we believed to be the best for Wales and there was a narrow margin in favour. Things have moved on and the Bill reflects that, which is why I am proud to support it. The Opposition have made remarks about gerrymandering, but not one of them has said how the Bill would benefit the Labour party. It does not.

The leader of the Conservatives in the Welsh Assembly has said that the proposal to change the electoral system is rigged in favour of the Labour party, but I argue that the current system is already rigged in favour of parties such as the Conservative party. Two wrongs do not make a right, so let us debate the matter maturely. If the Conservative party is serious about fairness, let us change the system and make it fairer.

Mr. Crabb: Is the hon. Gentleman aware of the evidence on the electoral arrangements provided to the Welsh Affairs Committee by academics and the Electoral Commission, which made the point that regardless of whether the changes benefit the Labour party, the perception that they are motivated by partisan interest is enough to turn off people from participating in the electoral process, which is a serious worry?

Albert Owen: That is a different point. Nearly every Opposition Member who has spoken has said that the changes are gerrymandering, but that is not the case. The current system is rigged, and the dual ballot paper confuses people when they cast their votes. In 1999, the Labour party picked up some 34 per cent. of the vote in the second ballot in north Wales, but it got no seats, which was grossly unfair. Just as we are amending the Assembly's corporate status in the Bill, we should amend the electoral system. If we are serious about proportional representation, let us make the system proportional.

It would be fairer to separate the second ballot paper from the first, in which case people would elect the Member whom they want to represent them in the

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constituency in the first ballot and top that up in the second ballot by voting for the party that they want to represent them. The system was rigged to help minority parties and independents, but it does not, because the outcome has not been that which was first envisaged. I urge the Minister to address that problem in his winding-up speech.

Hywel Williams *rose—*

Albert Owen: I will take an intervention, but it must be brief, because other hon. Members want to speak.

Hywel Williams: The hon. Gentleman said that people are confused, but I refer him to the evidence given to the Welsh Affairs Committee by the Electoral Commission, an independent body that has undertaken careful research, that people are not confused.

Albert Owen: I am not aware of the research to which the hon. Gentleman referred, but if he tells me what it is, I shall read it. On the ground, I know that people are confused because they have told me so. As my hon. Friend the Member for Alyn and Deeside (Mark Tami) said, when people vote for a party that comes top of the poll, they do not get the Member for whom they voted. I am not suggesting that the minority parties do not need assistance. Some hon. Members have argued that it would be unfair to move away from a dual mandate, but I say that the dual ballot paper is also unfair and that we should examine both systems equally.

Finally, the hon. Member for Clwyd, West (Mr. Jones) mentioned regional committees, which have been wrongly omitted from the Bill. I believe in real devolution—not the transfer of powers from London to Cardiff bay, but the transfer of powers from Cardiff bay to Colwyn bay and to Cemaes bay in my constituency. One of the purposes of devolution was to bring politics closer to the people of Wales, which has not happened. One of the reasons why it has not happened is because the regional committees are too weak and have become nothing more than talking shops. They talk openly about interesting subjects, but they do not do anything about them. I want the Bill to strengthen the regional dimension in Wales through real devolution to the regions, which could be done by strengthening the regional committees to include open debates and decision making or by the scrutiny committees visiting the regions, taking evidence and examining regional issues.

The hon. Member for Clwyd, West mentioned that many people in north Wales feel isolated, which is because of the distance between politics in Cardiff and the rest of Wales—in particular, the areas on the periphery. The Minister represents a constituency on the periphery of Wales, so I hope that he recognises the fear that politics is becoming too Cardiff-central. The only way in which to address the situation is to devolve power out to the regions through a mechanism such as the regional committees.

8.59 pm

Hywel Williams (Caernarfon) (PC): I welcome the Bill, which, for the faint-hearted, does not do a great deal as regards stage two powers and, for people such as me who are enthusiasts, does a great deal as regards stage three powers. In that sense, the Secretary of State is riding two horses, and he is to be congratulated. There is a great need for reform. I am afraid that in some quarters the Assembly—the Cynulliad—has gained the name of "Cynlleied", or "so little", because many people are disappointed with the level of powers that it has.

I commend the report of the Welsh Affairs Committee to hon. Members. It contains a great deal of interesting evidence that will illuminate the debates in Committee and on Report and Third Reading. One matter that the Committee investigated was the referendum. At question 99, I asked Lord Richard why we should go for stage two of the Order-in-Council procedures, which are, as everyone accepts, fairly complicated and convoluted, instead of going straight for stage three. He replied that that question was not for him but for the Secretary of State. We received a response from the Secretary of State earlier, when he said of the referendum, "I know it would fail." I do not know that it would fail; indeed, I feel that it would succeed. We in Plaid Cymru have confidence that people in Wales would see the virtue of having proper powers for the Assembly. It is often said that the Assembly needs to bed in. That is a vain hope given the limited powers that it has at present. It cannot give the people of Wales a proper service because it is disabled in that it cannot pass the simplest of laws on its own account.

I should like to correct the hon. Member for Montgomeryshire (Lembit Öpik), who recruited Plaid Cymru into his party of people against having a referendum at all. We are in favour of having a referendum and would not support his point of view.

Pre-legislative scrutiny has been commended as a way of looking at Orders in Council. Having taken part in that procedure, I have to say that it has been successful. For example, the Welsh Grand Committee has met to consider legislation and the Welsh Affairs Committee has met jointly with committees from the Welsh Assembly. However, it is significant that those joint meetings have on the whole concerned non-controversial matters. There is a danger that the procedure could be, to use the Secretary of State's phrase, "Redwoodised" if there was a difference of opinion between the Government in Cardiff and the Government down here in London. That would also be a danger if we had a Secretary of State who is fundamentally at odds with the Welsh Assembly Government. The discussion process in respect of Orders in Council could go badly wrong. The 60-day delay might be used by an unsympathetic Secretary of State to slow down the process and entangle it in undue legal procedures in the way that my hon. Friend the Member for Meirionnydd Nant Conwy (Mr. Llwyd) outlined. I refer the House to page 38 of the Welsh Affairs Committee's report and to paragraph 131, in which, after consideration, the Committee, which is of course cross-party, would not recommend that the Secretary of State act as a filter.

Another thing to draw to the attention of the House is the Salisbury convention, whereby if a matter is in a manifesto it is not opposed in certain circumstances. I asked the Secretary of State about that when he was giving evidence to the Welsh Affairs Committee and I also asked the First Minister. Interestingly, the First Minister said that if the matter was in an Assembly

manifesto it would not be opposed under the terms of the convention, but if it was a matter in the manifesto of one of the smaller parties, which had magically joined the other smaller parties, the issue would have to appear in each of the parties' manifestos beforehand, which would of course create a difficulty for smaller parties.

Rather more interestingly, the Salisbury convention is after all only a convention, so an individual Member, a Committee, the Welsh Assembly Government or the Welsh Assembly itself, with the approval of the Secretary of State and of this House, might commend an Order in Council but it might be refused down the corridor. Perhaps I am over-egging the pudding, but that might be so. I was therefore interested to hear the comments of the right hon. Member for Swansea, West (Mr. Williams), the Father of the House, who seemed to be commending the procedure and to be championing the cause of the other place, possibly in the face of the wishes of this place and of Cardiff.

There has been a great deal of discussion about the proposed changes to the electoral system. The hon. Member for Preseli Pembrokeshire (Mr. Crabb) made a significant point in saying that the evidence to the Welsh Affairs Committee concerned the appearance of partisanship—that that is how it would be interpreted by people voting in elections in Wales. I will not go into the theology of proportional representation, but it is significant that it was the Government's party that introduced the d'Hondt system that has led to the difficulties. Labour Back Benchers should not protest too much, because it was their Government who brought that in.

The response of Glyn Mathias and the Electoral Commission was interesting. I refer Members to question 114 in the evidence. Glyn Mathias and the Electoral Commission, which is a properly independent body, said that there was no evidence in favour of change. However, when the Secretary of State and the First Minister appeared before us they asserted that there was great evidence and argument in favour of change. As far as I can see, they were assertions rather than evidence.

Much has been made of international comparisons. One interesting comparison is the system that might have been adopted in Quebec, where additional members would be required to stand in seats, which would subject them to the rigours of proper competition face to face with another member in a constituency, as well as standing for the list. I have great concerns about comments made by Labour Members on having two classes of Assembly Members. That is very dangerous and should be resisted as much as possible. I do not think that it would be possible to go down the Quebec route, but it is not a matter of one choice or another. We should look at this creatively so that the reputation of the electoral system in Wales is sustained and we get the best to represent the people of Wales in the Assembly. That is what this should be about; it should not be about real or imagined party advantage.

I would like to ask other questions, but I will not detain the House, apart from referring to my earlier question about where list Members should locate their offices. Should they be banned from working in constituencies where they might subsequently stand?

Mr. Llwyd: Nonsense.

Hywel Williams: My hon. Friend says that it is nonsense, and it clearly is convoluted nonsense.

We have a system that could perhaps be fine-tuned in some ways, but I do not think that we should listen to the fears expressed by the Conservatives in particular. The Bill is something of a halfway house—it is slightly confused, and slightly confusing to some—but it represents a positive step towards what we consider to be the aim of this debate: proper powers for the Assembly.

9.10 pm

Mr. Martin Caton (Gower) (Lab): During the period before the 1997 general election I campaigned, within my party and outside it, for the creation of a powerful, accountable, democratic body to take over all the policy areas for which the then Welsh Office was responsible. I was secretary of the West Glamorgan campaign for a Welsh Assembly. I submitted a policy paper for the Welsh Labour party commission when it was gathering evidence to inform the devolution policy that we were to put to the people in the election. I called for the creation of an 80-Member Assembly with legislative powers over all devolved matters and limited tax-varying powers—what we now call the Scottish model. I still believe that there is a practical and logical coherence in such a policy, but I am also convinced that had we put it to the country in the referendum of September 1997—especially with the prospect of independent tax-raising powers for the Assembly—we would have lost the vote, and would probably have lost the chance of democratic devolution for another generation.

It is with that dubious track record of judgment in this sphere, and with due humility, that I venture to comment on the next stage of what is clearly turning out to be a process rather than an event. Of course, we now have the advantage of six years of the Assembly doing its job on the basis of the Bill that we debated in 1997 and 1998. We also have the benefit of academic studies and reviews, and of inquiries by the Assembly itself and the Welsh Affairs Committee. Most significantly, I believe, we have the report of the Richard commission, which worked for a year assessing the adequacy of the current settlement and developing proposals for the future. As we all know now, Richard identified a fundamental weakness in the corporate structure of the Assembly—what we called the local government model during our debate on the original Bill. On the basis of the evidence that it gathered, the commission also argued that the Assembly would not fulfil its full potential with the current limitations on its powers, and suggested that if those powers were extended, membership of the Assembly would have to be increased. At the same time, it identified problems with the additional-Member electoral system, which was created to deliver a degree of proportionality in the results of election to the Assembly.

The commission's proposed solutions were legislation to create a separation between executive and legislative functions, a timetable for the transfer of primary legislative powers to the Assembly by 2011, and enlargement of the Assembly to 80 Members, all elected by means of the single transferable vote. I think I am

[Mr. Martin Caton]

alone on the Labour Benches, certainly today, in being able to say that I would have been happy if my party, in the Government and the Assembly, had welcomed those proposals and set about turning them into practice as quickly as possible. I know that I am in the minority among Welsh Labour Members, and perhaps even more so among rank-and-file Labour party members throughout Wales. I freely acknowledge that the Bill is a compromise. However, I do not agree with the hon. Member for Chesham and Amersham (Mrs. Gillan), who described it as such but also described it as very weak. I believe that it is a robust and workable compromise.

When the Government produced the White Paper last June, I studied it and asked myself three basic questions. First, would it give the people of Wales more control over policy decisions that affect their daily lives? I believe that the answer is yes. Secondly, was it likely to improve the effectiveness of the National Assembly in delivering for the people of Wales? I believe that the answer is yes. Thirdly, would it put the brakes on any further progress towards democratic devolution? My answer to that is "Definitely not: quite the opposite".

Although the White Paper, and hence the Bill, did not propose the same solutions as the Richard commission in every instance, to a large extent they identified the same problems with the status quo: the corporate structure, the need for separation between legislative and scrutiny roles and executive roles, and the problems with the additional-Member system.

Clearly, there are different solutions, but I do not have the time to discuss my concerns about the electoral proposals in the Bill. I think it would have been better to go for a single transferable vote system, but it is not true to say that democracy in Wales will end suddenly if these provisions are carried. We will still have a vibrant democracy and a proportional element. The Bill is worth supporting and I ask hon. Members to do so.

9.15 pm

Julie Morgan (Cardiff, North) (Lab): I strongly support devolution. I voted for it in 1979 and was disappointed when it was so overwhelmingly defeated in the first referendum. When I became a Member here, I was pleased to take part in a debate on the Government of Wales Act 1998. That was a great experience for a new Welsh Member. However, some of the confusion that arose during the passage of the Act is only now being corrected.

I am pleased that there is almost universal support for getting rid of the corporate body status and for moving to a clearer division between the executive and the legislative functions. I support the moves to enhance the Assembly's powers and the methods in the Bill bring about the maximum change possible in terms of law-making powers with the minimal constitutional disruption.

I support primary legislative powers for the Assembly, but what is proposed in the Bill is the best way forward at the moment with the option of a referendum in the future. I do not know whether a referendum could be won on the issue if it were held today. I could not hazard a guess. But if we have a referendum, we will spend time and effort arguing the issues, time and effort that could be better used to improve things for the people of Wales.

Richard made the case for 80 Assembly Members and I supported most of the report, but the Bill is a practical way forward. It is, as my hon. Friend the Member for Gower (Mr. Caton) said, a compromise, but one around which I hope all pro-devolution parties can unite.

The Bill's mechanism whereby powers can be conferred upon the Assembly on a case-by-case basis certainly maintains the involvement of Members of Parliament. The Conservatives are trying to make a case for opposing the Bill, but there is no reason at all for a referendum on these modest proposals.

If we had had those Orders in Council already, there are many instances in which we could have moved quickly ahead in Wales when policies different from those here in Westminster were advocated. I am thinking particularly about smoking. I had a private Member's Bill on smoking and I know that the Welsh Assembly has supported in principle a total ban on smoking in all workplaces and public places. It voted in January 2003 to set up an all-party working party, and voted on 25 May 2005 for a ban. Yet as things stand, we are totally dependent on the health legislation going through this House before we are able to use the powers available to us in Wales that would result in a total ban.

That is a good illustration of the practical way in which the Orders in Council procedure would enable us to do things in Wales without that being subject to a blocking process here and without taking up time on the Floor of the House. It is an example of the way in which Orders in Council could be used to ensure that what the Assembly and the people of Wales want to happen does take place. There are many similar practical examples.

I am pleased to press for more powers for the Assembly, but I have been surprised at what it has been able to do with its existing powers. It is interesting to note that some trailblazing schemes that have been followed by the rest of the country were introduced without any legislative powers at all, such as free bus passes for pensioners. That scheme was introduced by my Assembly colleague, the Minister Sue Essex, and it is now being followed in England. Free prescriptions will have come in by the next Assembly elections, and I would not be surprised if that scheme were followed in other parts of the UK. The Scottish Executive are looking into it, and interest has been expressed in England. Many of these policies were introduced in the Assembly without the need for such legislative powers.

It is disappointing that so many Opposition Members have failed to point out the Assembly's great achievements, a couple of which I have just mentioned. We needed primary legislation for the Children's Commissioner for Wales, and we need it for the commissioner for older people. That legislation, which is a world first, is going through the House of Lords at the moment and will shortly come to us. All such initiatives need primary legislation, but if the Bill had already been passed, we could have got this measure through without taking up time on the Floor of the House of Commons, thereby enabling other legislation to go through.

In conclusion, as I said, I have always been a strong devolutionist and have always pressed for more powers for the Assembly. I believe that that is the right thing to

do and that it is in the interests of the people of Wales. My constituents voted against an Assembly at the second referendum. I am not sure what they would do now if they could vote at a referendum, but I think that many more would vote for an Assembly now than did during the second referendum. There is a big job ahead in terms of showing what devolution can do, and has done, for Wales, but the case has been made for increased powers for the Assembly and the Bill is the best way of proceeding.

9.21 pm

Nia Griffith (Llanelli) (Lab): It gives me great pleasure to speak on this Bill, as I know that it would have gladdened the heart of one of my predecessors: that great Welsh statesman, the right hon. James Griffiths, who, in the 1940s—way ahead of his parliamentary colleagues—was keen on recognising Wales as a separate political unit and on establishing a Wales Office. Eventually, he influenced opinion and was instrumental in devising Labour's Welsh policy to that effect during the 1959 election. He pledged a future Government to the inclusion of a Secretary of State for Wales in the Cabinet, and to specifying the devolution of administration.

When that future Government was eventually elected in 1964, Jim Griffiths became the first Secretary of State for Wales and set up the Wales Office in Cardiff and London. In the 1970s—again, he was ahead of his time—he favoured a democratically elected national assembly, but wanted Wales to remain an integral part of the UK and to be represented at the highest level in Cabinet by its own Secretary of State. Jim would have been proud to see this Bill, which reflects the growing confidence that people in Wales have in the Assembly Government.

I look forward to the introduction of the Order-in-Council mechanism, which will enable legislative initiatives by the Assembly Government, within their spheres of competence, to be fast-tracked through our complicated Westminster procedures. The Bill enshrines in law the opportunity for a referendum on further devolution of powers, once there is a two-thirds majority in the Assembly and the approval of this place and the other place. That prepares the way for elected representatives here and in the Assembly to proceed with a referendum on further powers for the Assembly, if they feel that that reflects the mood of the people of Wales.

It saddens me that some regional AMs have misused their position, and it is precisely because of that misuse that we need to bring in this legislation, which will prohibit candidates from standing both on the regional list and as constituency candidates. Regional AMs have a golden opportunity, without constituency responsibility, to take a much broader perspective—a regional or all-Wales view. Instead, some regional AMs use their time and resources to concentrate on one constituency to the detriment of the rest of their region. For example, one regional AM in a press release today describes herself as a Llanelli-based AM, and is bandying about comparative expenditure figures for Prince Philip hospital, in Llanelli, and for West Wales general hospital, in Carmarthen. She makes no mention of Withybush hospital, in Haverfordwest, or Bronglais hospital, in Aberystwyth, which are also in her region. Any regional AM worth her salt would not quote meaningless past figures out of context, but would look to the future impact of the impending review of NHS services on the whole of her region. It is not surprising that people will interpret that as blatant electioneering.

Time after time, my constituents are amazed that the candidate who was defeated in the constituency election can be allowed to set herself up in this way. However, I find it incredible that the hon. Member for Clwyd, West (Mr. Jones) says that parties do not have enough quality candidates to field different candidates for constituency and list. What a sad state to be in.

As for arguments that this reform is partisan, my right hon. Friend the Secretary of State pointed out that it could have an equally negative effect on Labour Assembly Members. My friend and colleague, Catherine Thomas, Assembly Member for my constituency of Llanelli, has a majority of 21 votes. Under this reform, she will not have the option of standing for both the constituency and the list, unlike her predecessor, who on losing in the 2003 election, got in on the list. Catherine Thomas, like candidates from all parties, has had to make the choice for 2007.

The hon. Member for Caernarfon (Hywel Williams) is right that even under this legislation regional Members could still choose to focus on one constituency, but they would not have actually lost an election, with the subsequent loss of credibility with the electorate, who often feel very angry about such situations. The Bill will not stop an existing list Member from standing for a constituency, and therefore it is absurd to refer to the change as partisan.

The Bill recognises the way in which the Assembly is increasingly winning the confidence of the Welsh people and I know that if he were alive today, Jim Griffiths would join me in welcoming the enhanced powers and the more effective systems that will lead to the better delivery of services for the people of Wales.

9.26 pm

Mrs. Siân C. James (Swansea, East) (Lab): I, too, wish to add my congratulations to the hon. Member for Chesham and Amersham (Mrs. Gillan), and to express my sympathy for the families of Lord Merlyn-Rees and Lord Stratford. I did not have the honour of serving with them in this place, but I have met both of them. On the last occasion on which I spoke to Lord Merlyn-Rees he was very elderly, but very erudite and knowledgeable about the ways of the other place. I learned much from him.

I welcome the Bill and fully endorse its three main aims of enhancing the legislative powers of the Assembly, ending the confusing corporate status of the Assembly and addressing the issue of dual candidacy. We have heard much about the latter today, but I want to address a positive aspect of the Bill.

I am a committed devolutionist. My first vote as a young mother was in the 1979 referendum. I was so excited about that vote and so disappointed that we did not achieve devolution for Wales. But we stuck with it and, eventually, the Labour party delivered it. We are the real party of devolution. We can make this a workable Bill and we must take this next logical step on the journey. We are halfway there and we must complete

[Mrs. Siân C. James]

it in the fullness of time. I have no concern about that. We must take things slowly and at a pace people understand.

The provision for a referendum is important, as is the way in which it is triggered. We must take the doubts and concerns of constituents into consideration. Several hon. Members have claimed today that it is not an issue in their constituencies, but it is in mine. People are confused about what is happening, both at Westminster and in the Assembly. I spend much time explaining my role and that of Val Lloyd, the Assembly Member for Swansea, but then we reach the inevitable question—"Well, who are the other lot?" Then I become a walking, talking advertisement for the regional list Members, because I have to explain who they are and the region they represent. That is where things go a little fuzzy and confusing. When one tries to explain the regionality of it and the roles and responsibilities of regional list Members, people are confused.

David T.C. Davies: Will the hon. Lady give way?

Mrs. James: I shall let you interrupt at your will.

David T.C. Davies: The hon. Lady is very kind and she knows that I have a great deal of affection for her from our previous campaigns—[HON. MEMBERS: "Oh!"] She mentions the confusion that the voting system causes, and I accept that, but the issue is whether list Members should be able to stand as constituency Members. Does she really claim that the intricacies of the d'Hondt system are a big issue in Swansea?

Mrs. James: They are not a huge issue; the big issues are, as we have said, public services and standards, but when we start to debate things in greater depth confusion occurs. I am dreadfully sorry if you have not taken the time—

Mr. Deputy Speaker: Order.

Mrs. James *rose—*

Mr. Deputy Speaker: Order. The hon. Lady must sit down when I am on my feet, otherwise she will be committing another offence. She should not use the second person when referring to another hon. Member.

Mrs. James: I apologise, Mr. Deputy Speaker.

When I am out and about, I deal with questions such as those I outlined and I hope that all Members do so. We need to convince people that the measure is workable and that it is important for them. Questions are always asked about regionality and I spend much time on the doorstep and at surgeries trying to explain it.

People also want to know about accountability and responsibility, but as my right hon. Friend the Member for Torfaen (Mr. Murphy) said, we need clarity about regionality. Sometimes, I feel that I must have been in a different country from other Members and that I have been dealing with completely different people. People who ask me questions are tired of hearing negativity on the doorstep; they are tired of people saying this, that and the other. They want us to work in a unified way to deliver things for Wales. They want us to work in partnership, so we need to take logical, forward steps, not backward steps.

What we do in this place affects many people. We have heard much today about what the Electoral Reform Society is attempting to do, but I can assure the House that it has carried out no specific research into the confusion between regional list Members and constituency Members. Perhaps the society should ask specific questions. Perhaps it should go to constituencies such as Swansea, East and ask people in my constituency.

I am tired of going to events and falling over regional Members. In Swansea, there are many opportunities to mix and mingle and I constantly fall over regional Assembly Members who introduce themselves as "the Member for this area".

Mrs. Gillan: They are.

Mrs. James: Indeed, but "this area" implies the place where they are standing. I wonder how they have the time. They are not so keen to say—

Mr. Crabb: Will the hon. Lady give way?

Mrs. James: No, I want to finish my speech.

We need a clear protocol for how people describe themselves, how they introduce themselves and what they represent. I ask only for clarity.

9.32 pm

Mr. Wayne David (Caerphilly) (Lab): My comments will be brief. I have three essential points, but I begin by pointing out that I have always believed that devolution is about partnership—between Cardiff and London and between the National Assembly for Wales and Westminster. That is the essence of the concept of devolution and it is certainly behind the Bill, which I hope will soon become an Act.

The first of my three points is that we are taking a positive step forward when we talk about an end to the corporate status of the Assembly, and I am glad there is consensus behind that. If we cast our minds back and are honest, we realise that much of the thinking behind the vision of the Assembly in 1996 and 1997 was that it would be representative of inclusive politics in Wales; that all politicians would get together, sink their differences and push forward for a national goal.

That was wrong. It was a myth and we have learned from it. We realise that if we are to have a proper legislative body, we must have a clearly defined Government accountable to the Assembly as a whole. That is fully recognised by all parties in the House and forms the basis of the Bill.

We must also recognise that there will be consequences for the organisation of the Assembly. If we are not to have more Assembly Members—I am glad that we are not—Back-Bench AMs will have to take on greater responsibility for ensuring proper accountability and scrutiny. That is why, as the Presiding Officer has said, we need a review of the hours worked by the Assembly and there should be greater responsibility on the shoulders of Back Benchers.

The second point that I want to make relates to the emotive issue of the changes proposed to the electoral system. I want to make it absolutely clear that I see no advantage for the Labour party in the changes proposed by the Government. It is interesting that Opposition Members have made no argument in favour of that assertion whatsoever. If the changes come about, they will enhance the Assembly's credibility and introduce a fundamental moral fairness that simply says that losers cannot be winners as well. It is as simple as that. When we talk to people in the street about electoral systems—if we can engage them in that discussion—all those to whom I have spoken accept that basic, fundamental democratic premise. Scholarly work is not needed to analyse that; simply talk to ordinary people and they recognise the inherent fairness in the Government's proposal. We must always listen to the people. That is the essence of democracy.

The third and final point that I want to make relates to the Assembly's powers. The proposal for Orders in Council is a sensible and pragmatic way forward. It is entirely in line with the partnership principle that I spoke about earlier. If we make that seismic shift towards having legislative powers, it is incumbent on us to say that the people should be consulted in a fully fledged referendum.

With those three points, I very much hope that the Bill will be endorsed on Second Reading. It will be sensible and constructive legislation. It will take democracy and the Assembly forward, and it will help to create a better United Kingdom.

9.36 pm

Mr. Dominic Grieve (Beaconsfield) (Con): It has been a pleasure to participate in the debate. I well remember the original Government of Wales Bill, and I spent many hours in the House considering it, as I did with the Scotland Bill, during my first year in Parliament. The hon. Member for Caerphilly (Mr. David) is right to suggest that it was thought that such legislation would usher in a new, inclusive form of politics. Indeed, the word "holistic" was bandied about the Chamber so much that I began to think that it was almost a term of abuse. It is worth bearing that in mind, because now that we revisit the matter eight years later, we must be careful not to commit similar mistakes again.

I agree with the right hon. Member for Torfaen (Mr. Murphy), who said that we should be careful about getting too bogged down in constitutional dogma and that what people want are better services and more accountability. I accept that argument, but equally, as I am sure he will have noted from the comments of my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski), there are consequences of devolution, particularly in inequality of service provision, that cannot simply be lightly disregarded on cross-border issues.

As was highlighted by my hon. Friend the Member for Monmouth (David T.C. Davies), dislike of the Assembly's failings and inefficiencies is a phenomenon in Wales, just as there are those who approve of the way that it has operated. My hon. Friend the Member for Clwyd, West (Mr. Jones) pointed out that there appears to be no consensus on what further form legislative devolution should take—something that was ultimately acknowledged by many hon. Members on both sides of the House. I certainly suspect that my cousins in north Wales who have farmed in the Clwydian range for a very long time would heartily wish to see the Assembly disappear, but they are as Welsh as any of the Labour Members who have spoken. That happens to be their view.

My hon. Friend the Member for Preseli Pembrokeshire (Mr. Crabb) pointed out that only 25 per cent. of the electorate voted for the Assembly in the first place. With that in mind, we must approach the question of how the Assembly can be improved. As my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) made clear at the outset, we want to try to make the Assembly work well. We accept that some provisions in the Bill are long overdue, particularly the separation of the Executive and the legislature, which perhaps reflects the end of inclusivity. Indeed, in so far as the Government wish to put a referendum to the Welsh people about whether they want primary legislative powers for their Assembly, one cannot possibly disagree with asking that question even if one has reservations about the proposals. The problem, however, is that that is not the main part of the Bill, and certainly not the main part of the Bill as it will ultimately affect the majority of people in Wales in the short-term future.

What the Government plan to do is rather surprising. When we debated the first Government of Wales Bill, one of the arguments put forward was that the rise in the use of statutory instruments as a form of governance in this country meant that there was a growing disconnection between Parliament and those being governed, and that one of the ways of dealing with that problem in the Welsh context was to enable the Assembly to be the implementers of statutory instruments. Of course, it was to be denied primary legislation. However, the Government's proposals in this Bill are a Minister's dream. They will take the remaining areas of primary legislation and convert them into a form of statutory instrument over which the House effectively abdicates all responsibility.

There is a purpose behind primary legislation, which we do not do very well in the House any more. That is one of the reasons why we have the debates about devolution. If we were not so absurdly guillotined when we are in Committee—the point applies not just to this Bill, but to all the legislation that we consider—the process of debate would enable proper scrutiny to take place. Over the past eight years, we have seen time and again the Government's desire to cut that scrutiny, but now they suddenly come along and say that it does not matter because they are going to cut it down even further and hand it over by diktat of the Secretary of State, with massive reserve powers for the Executive, to the Welsh Assembly, which will be a substitute for the scrutiny that this House will not provide.

I say to the Secretary of State that that is a serious constitutional innovation and change. If that is the way that the Government wish to proceed, and if they believe that it is the future—the approach could be applied not just to the Welsh Assembly, but to regional bodies, the London assembly or any other form of government—this must be an issue on which the public are consulted first. There are serious implications and the right hon. Member for Swansea, West (Mr. Williams) highlighted

[Mr. Dominic Grieve]

the problems that can flow from devolution, in terms both of the uncoupling of the constituent parts of the United Kingdom and of the quality of government that people receive.

Mr. Hain: What precise question would the hon. Gentleman ask people in the referendum?

Mr. Grieve: If the question is, do people wish to be governed by Order in Council moderated in its detail by the Welsh Assembly, that is a matter—*[Interruption.]* That is the question, and if the question cannot be put, perhaps that is a good reason for not embarking on the project in the first place. The complexity of the Government's proposals is one of the reasons why I find them objectionable and why I am anxious about them. The proposals will deprive the House of its ability to carry out its function of scrutiny of primary legislation, but it does not hand that function lock, stock and barrel over to the Welsh Assembly. It hands it over to a hybrid system in which the key linchpin is the Secretary of State. To that extent, the other model, which is to give primary legislative power to the Welsh Assembly, is certainly constitutionally much neater, but it runs the risk of being rejected.

I am afraid that I have very little doubt, as was pointed out eloquently by some Members who participated in the debate, that the reason that the Government have not embarked on the referendum is that they do not think that they will carry the Welsh electorate with them. The success of devolution has not been sufficient to justify it. We cannot support the most important part of the Bill, and that explains why we must table a reasoned amendment. As it is the central part of the Bill, how can we possibly not register our displeasure at an early stage about the way in which the Government have chosen to proceed?

There are all sorts of unanswered questions about the procedure. The Government say that there will be pre-legislative scrutiny, but they completely gloss over what will be subjected to such scrutiny. It will be only Orders in Council. Assembly measures cannot be subjected to pre-legislative scrutiny because they will not exist. The Government are thus misleading the public and some of their Back Benchers about what will happen.

The capacity of the House to have any real input into the detail of legislation will be affected. I always remember Tam Dalyell's comment that the devil lies in the detail, which he rightly said repeatedly in the devolution debates of the late 1990s, and our inability to examine the detail is the absolute Achilles heel of the way in which we legislate in this country. Even if the Assembly is well meaning and works hard, I do not think that it is an adequate substitute for what we do in the House. If it were to be such a substitute, the proper way of achieving that would be to transfer primary legislative functions to the Welsh Assembly. If the people of Wales do not want that, the Secretary of State should accept that they perhaps want to work within the existing system, not along the lines that the Government propose.

I think that my hon. Friend the Member for Ribble Valley (Mr. Evans) said that the Bill was a sleight of hand. It is in fact a deception because it proposes a major constitutional change, but denies a referendum to the Welsh people through which they can express their view on it. On those grounds alone, we would be entitled to vote against the Bill on Second Reading, but because we wished to support certain aspects of it, the proper course of action was to table a reasoned amendment. I encourage hon. Members on both sides of the House to give serious consideration to supporting it.

On the electoral system, we are in danger of embarking on a theatre of the absurd. I am a believer in first past the post. I did not like it when we introduced proportional representation systems, and I still do not like them. However, if we are going to have them, we have jolly well got to accept the consequences of having them and try to ensure, as a Parliament, a degree of consistency in respect of them.

The exceptional measures that the Government have decided to apply only to Wales—not to Scotland or the London assembly—do not stand up to close scrutiny. Elected Members of an Assembly or Parliament are members of a body corporate. If we decide to give people alternative ways of getting in there, we have to live with the consequences. The purpose of getting into Parliament or an Assembly is to participate in the decision-making process. Parties exist because they wish to promote individuals who they think can participate in that process and make a contribution. Fettering that discretion because the political classes in Wales do not like the fact that losers get in by an alternative way that they themselves enacted in legislation eight years ago is not an adequate response. If the House wishes to devise another system, I am only too happy to co-operate with the Secretary of State or the right hon. Member for Torfaen to achieve that. However, I am not prepared to see tinkering with a system that has been justified and explained to the House on numerous occasions after being brought in, but has suddenly ceased to be flavour of the month.

Mr. Jim Devine (Livingston) (Lab): Will the hon. Gentleman give way?

Mr. Grieve: I will not give way because I wish to give the Minister the opportunity to make his winding-up speech and we are having short wind-ups anyway.

I thank hon. Members who expressed words of greeting to my hon. Friend the Member for Chesham and Amersham as she takes over her task as shadow Welsh Secretary. I look forward to the debates in the Committee of the whole House when we will have the opportunity to consider the detail of the Bill. However, the Bill is sadly wanting. I am afraid that it is a typical piece of new Labour tinkering with constitutional propriety. It is a dishonest piece of legislation because it says that it does something, yet in fact does something rather different and far more fundamental to the constitution of this country.

9.49 pm

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I, too, welcome the hon. Member for Chesham and Amersham (Mrs. Gillan) to her new position. I also want to pass on my condolences to the families of Merlyn Rees and Tony Banks.

It has been a long and interesting debate, to which I believe I am the 27th contributor. We have learned something from the position of the Tory party: it is even more divided than it was on devolution. The comments made by the hon. Member for Monmouth (David T.C. Davies) do not seem to be in tune with those of his new leader. As there have been so many contributions, I am sure that hon. Members will forgive me if I do not address every one that has been made. Some big issues have been raised and I will address those.

David T.C. Davies: Will the Minister give way?

Nick Ainger: No, I am sorry. Normally I would be very generous, but I have 10 minutes to wind up and 26 contributions to deal with.

We have had a great deal of discussion and debate about the Orders in Council and the Assembly measures. The hon. Member for Chesham and Amersham mentioned the issue, as did my right hon. Friend the Member for Swansea, West (Mr. Williams), my hon. Friend the Member for Aberavon (Dr. Francis), the hon. Members for Meirionnydd Nant Conwy (Mr. Llwyd) and for Preseli Pembrokeshire (Mr. Crabb) and my right hon. Friend the Member for Torfaen (Mr. Murphy). I will not go on with the list, but many Members made reference to the Orders in Council.

According to the hon. Member for Beaconsfield (Mr. Grieve), the issue seems to be whether the Order in Council process will allow proper scrutiny of legislation. It might be worth while explaining how the system is proposed to work and then perhaps hon. Members will be reassured. An Order in Council would start with a debate in the Assembly, in which the policy arguments would be discussed. The Assembly Government would then request the Secretary of State to lay an order. It would be a preliminary draft Order in Council, alongside which would be an explanatory memorandum that would detail the policy, the practical effect and the legislative impact of the order.

It would be for the House to decide how to undertake the pre-legislative scrutiny. We have the Welsh Affairs Committee, which has scrutinised many all-Wales pieces of legislation and done an excellent job. We also have the facility, if needed and if the House felt it was required, to use—

Mrs. Gillan: At the pre-legislative scrutiny stage, will the draft Assembly measure be attached?

Nick Ainger: Yes, the preliminary draft measure, along with its explanatory memorandum, will be attached. It will therefore, going through its pre-legislative scrutiny, be amendable. My right hon. Friend the Member for Torfaen expressed concern that it could not be amended. In its preliminary draft form, when it was going through the pre-legislative scrutiny process, it could be amended. Once the process has been completed, it would go back to the Assembly for the wording of the order to be confirmed. It would come before my right hon. Friend the Secretary of State, who would lay the Order in Council. We would then have an hour and a half debate on the Floor of the House, if required. The usual channels would decide how it would work.

The important thing, which the Conservative party cannot accept, is that the detail of the legislation that would be proposed and to which permission would be given by this House would be scrutinised by the Assembly. We are getting rather a spurious argument. The Tories have not changed that much and they do not want further powers devolved down to the Assembly for it to scrutinise its own legislation.

There is no fundamental change to the devolution settlement. Parliament remains in pole position. As many hon. Members will know, we are already giving framework powers to the National Assembly for Wales. For example, in relation to the NHS Redress Bill the Assembly will be given framework powers to develop its own scheme. Under that Bill, the Assembly will decide its own regulations on a complete smoking ban in Wales. Those processes are ongoing. Our aim in the Orders in Council process is to overcome the parliamentary legislative logjam and to fast-track Welsh legislation. It is certainly not a back-door mechanism; it is open and transparent, unlike the present procedures. The Assembly may want a piece of legislation to be passed, but it is up the Secretary of State and various Committees in this place and in government to decide whether it becomes part of our legislative programme.

Let me assure my right hon. Friend the Member for Swansea, West, who is no longer in his place, that there was widespread consultation on the White Paper, and that the Parliament Act cannot be used in relation to Orders in Council. The hon. Member for Brecon and Radnorshire (Mr. Williams) compared the process in the Bill with the Northern Ireland process, but, as I am sure he now accepts after my explanation, they are not alike. The detail of the Orders in Council under the Bill will be scrutinised by the Assembly.

Another issue that exercised hon. Members on both sides of the House is that of dual candidacy. The hon. Member for Caernarfon (Hywel Williams) and other hon. Members quoted the Welsh Affairs Committee report and the evidence given to that Committee, but having read that report I have to say, in all humility, that I saw no evidence that the Labour party is being partisan; what I saw was opinions expressed by academics and others. In fact, evidence presented by other academics argued strongly that dual candidacy was a real issue.

David T.C. Davies: Will the Minister give way?

Nick Ainger: No. I have told the hon. Gentleman that I will not give way.

The Arbuthnott inquiry in Scotland is also highlighting problems relating to dual candidacy. The point eloquently made by my hon. Friend the Member for Caerphilly (Mr. David) is that people do not see how losers becoming winners can be justified. That is the issue that we are attempting to address. Opposition Members claim that our proposals are partisan. In fact, because there will be no parachute or life raft, the people who are likely to lose out are not Opposition AMs, but Labour AMs. They are the ones who face losing their seats. It is incredible to claim that the measure is partisan.

[Nick Ainger]

Finally on that point, let me tell the hon. Member for Meirionnydd Nant Conwy that New Brunswick is still considering whether to ban dual candidacy.

My right hon. Friend the Member for Torfaen discussed the voting system and the number of Assembly Members. I am aware of no demand for the number of AMs to be increased. He and my hon. Friends the Members for Ynys Môn (Albert Owen) and for Wrexham (Ian Lucas) also talked about the system of proportional representation. If we are being accused of gerrymandering through our provisions on dual candidacy, I hate think what the reaction would be if we proposed an end to the additional member system. If we created a wholly proportional system, the Labour party would be in power permanently in the Assembly.

Labour is the party of devolution. As my right hon. Friend the Secretary of State pointed out, it was Labour that first created the Cabinet post of Secretary of State for Wales, Labour that extended the responsibilities of the Welsh Office and Labour that gave the people of Wales the chance to control their own affairs. I urge the House to reject the Conservative reasoned amendment and I commend the Bill to the House.

Question put, That the amendment be made:—

The House divided: Ayes 161, Noes 341.

Division No. 119] **[9.59 pm**

AYES

Afriyie, Adam
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burt, Alistair
Butterfill, Sir John
Cameron, Mr. David
Cash, Mr. William
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Crabb, Mr. Stephen
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Horam, Mr. John
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Law, Peter
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Mundell, David
Murrison, Dr. Andrew
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rosindell, Andrew
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Spink, Bob
Stanley, rh Sir John
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Wilshire, Mr. David
Wilson, Mr. Rob
Wright, Jeremy
Young, rh Sir George

Tellers for the Ayes:
Michael Fabricant and
Angela Watkinson

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Beith, rh Mr. Alan
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browne, Mr. Jeremy
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie

Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Maria
Efford, Clive
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Ferron, Tim
Featherstone, Lynne
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, Andrew
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Goggins, Paul
Goldsworthy, Julia
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynna, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hancock, Mr. Mike
Harman, rh Ms Harriet
Harris, Dr. Evan
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, Simon
Huhne, Chris
Humble, Mrs. Joan
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, Mr. David
Law, Peter
Lewa, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Llwyd, Mr. Elfyn
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffett, Laura
Mole, Chris
Moore, Mr. Michael
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mulholland, Greg
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Oaten, Mr. Mark
Olner, Mr. Bill
Öpik, Lembit
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Rogerson, Mr. Dan
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Smith, Sir Robert
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Winnick, Mr. David
Winterton, Ms Rosie
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Mr. Ian Cawsey and
Mr. Vernon Coaker

Question accordingly negatived.

Main Question put forthwith, pursuant to Standing Order No. 62 (Amendment on second or third reading), and agreed to.

Bill accordingly read a Second time.

GOVERNMENT OF WALES BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A (6) (Programme motions),

That the following provisions shall apply to the Government of Wales Bill:

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings in Committee

2. Proceedings in Committee of the whole House shall be completed in three days.

3. The proceedings shall be taken in the following order: Clauses 92 and 93, Schedule 5, Clauses 94 to 102, Schedule 6, Clauses 103 to 107, Schedule 7, Clauses 108 to 115, Clauses 1 and 2, Schedule 1, Clauses 3 to 27, Schedule 2, Clauses 28 to 58, Schedule 3, Clauses 59 to 87, Schedule 4, Clauses 88 to 91, Clauses 116 to 144, Schedule 8, Clauses 145 to 148, Schedule 9, Clauses 149 to 159, Schedule 10, Clauses 160 and 161, Schedule 11, Clause 162, Schedule 12, Clauses 163 to 165, new Clauses, new Schedules, remaining proceedings on the Bill.

4. The proceedings shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the third day.

5. Standing Order No. 83B (Programming committees) shall not apply to the proceedings on the Bill in Committee of the whole House.

Consideration and Third Reading

6. Proceedings on consideration and Third Reading shall be completed in two days

7. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the second day.

8. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

9. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

10. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Mr. Watson.]*

Question agreed to.

GOVERNMENT OF WALES BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Government of Wales Bill, it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) expenditure incurred by a Minister of the Crown or government department by virtue of the Act, and

(b) any increase attributable to the Act in the sums payable under any other Act out of money provided by Parliament,

(2) the payment out of the National Loans Fund of any sums required by the Secretary of State for making loans under the Act, and

(3) the payment of sums into the Consolidated Fund and the National Loans Fund.—*[Mr. Watson.]*

Question agreed to.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

NORTHERN IRELAND

That the draft Industrial and Provident Societies (Northern Ireland) Order 2005, which was laid before this House on 14th November, be approved.—*[Mr. Watson.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

PROCEEDS OF CRIME

That the draft Proceeds of Crime Act 2002 and Money Laundering Regulations 2003 (Amendment) Order 2005, which was laid before this House on 22nd November,

be approved.—*[Mr. Watson.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

CONSTITUTIONAL LAW

That the draft Scotland Act 1998 (Modifications of Schedule 5) Order 2006, which was laid before this House on 29th November, be approved.—*[Mr. Watson.]*

Question agreed to.

PETITION

Asbestos

10.20 pm

Bill Etherington (Sunderland, North) (Lab): After first wishing you a happy new year, Mr. Speaker, I would like to seek your indulgence because I find myself in a very unusual position. I have brought forward this petition on behalf of my constituent, Mr. Ron McQuillan. I do not agree with the petition, but I would not in any way wish to prevent him from having his rights in this House, and in fairness I have brought it forward. It is right that I say that in fairness to Mr. McQuillan and myself.

Mr. Speaker: Petition—Mr. Etherington.

Bill Etherington: I cannot really say any more, Mr. Speaker. I have never come across a situation where an MP has brought a petition that he does not agree with.

Mr. Speaker: Let me say to the hon. Gentleman that an hon. Member does not have to agree with the spirit or intention of the petition, but he is required to explain to the House what it is about. I am getting curiouser and curiouser.

Bill Etherington: It is not about me, Mr. Speaker—that is one thing that is for certain.

The petitioner, Mr. McQuillan, has had a long-running dispute with just about everyone in society about asbestos in his house. He has managed to get a few people to support him, and that is the basis of his petition.

Mr. Speaker: Does the hon. Gentleman have the petition?

Bill Etherington: It is in the Table Office.

Mr. Speaker: The hon. Gentleman should have the petition in his possession. For the sake of good order, perhaps tomorrow he can bring the petition with him and present it to the House. He is presenting a petition on behalf of a constituent, so if that is done tomorrow everything will be in good order and according to the rules of our House.

School Education Standards (Plymouth)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

10.22 pm

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): Tonight I want to tell the story of one city, Plymouth, and the great strides that we have taken to raise standards in schools. I want to set out how much we value the investment that has underpinned that and how we want to ensure that the White Paper and the education Bill that flows from it allow us to build on what is, by anybody's measure, a success.

Making the most of that investment in Plymouth has been an army of people—the teachers and support staff, the governors who have seen their responsibilities increase substantially over the period, principals and head teachers in primary and secondary schools across the city, and students and their parents. As Professor Charles Desforges has shown, involved parents can add more than anyone—including the most able teachers—to the children's ability to achieve the standards that we know they are able to achieve.

I want to acknowledge the investment in early-years learning through one of the first early excellence centres—the Nomony centre in my constituency—as well as five Sure Start Schemes and children's centres that are developing from those. All told, 17 are now established in Plymouth. The very welcome recent £3.5 million investment in such programmes will ensure that even more children are able to take those important first steps at primary school with confidence and good-quality parental support.

To create the physical surroundings fit for a 21st-century learning environment, there has been substantial investment in school buildings since 1997—one of the most visible signs of investment in public services is the scaffolding outside almost every school in the city since 1997—and now we are set to see a further wave of investment through private finance initiative credits, although not as much as we think we merit from our track record or the significant challenges we face in the city. The number of teachers has increased. There are substantially more classroom assistants, who now have a career path where they want it, and a status that recognises their important role in making our classrooms places of achievement for students.

Our local education authority, under the able leadership of Bronwen Lacey, who is now director of children's services, and council portfolio holders Camp and Purnell, has merited good ratings by Ofsted and the Audit Commission since Plymouth became a unitary authority in 1998. Strengths reported in the recent audit include good early-years' provision, effective monitoring and challenging for schools causing concern, improving standards of English in primary schools, and attaining higher standards at key stages 3 and 5 than other authorities. Specific areas of improvement include attainment in science and a reduction in levels of unauthorised absence in primary schools, as well as progress made by lower-attaining pupils.

I recognise that much of what I am about to say depends on having a local authority that makes the most of the tools and the investment provided by the

[Linda Gilroy]

Government. Plymouth was the first city in the country to have specialist college status for all its secondary schools, and that has provided a strong focus for school improvement and for driving up standards. Leadership, quality teaching and a strong emphasis on collaboration to offer choice and raise standards have been the key drivers.

In Plymouth, a range of federated schools offer choice and do so with models of personalised learning that appear already to meet many if not most of the aspirations of chapter 4 of the White Paper. The one that I know best is the Lipson, Estover, Plymouth high school for girls model. Two schools with specialist art college status and a girls' grammar school co-operate to offer a sixth-form programme with a choice of 100 courses and a virtual sixth form of some 600 students. Within the same federation, the 14-to-19 programme offers a well developed system of personalised learning supported by the much-valued investment in IT resources which, it seems hard to remember, barely existed in 1997.

Choice in our education community in Plymouth has a much wider meaning than simply the choice of school made by parents and by students at the age of 11. Drawing on a catchment area, which 10 years ago included the poorest ward in England, school achievements at Lipson college have been significantly above the national average for value added from key stages 2 to 4. Indeed, if we look at key stage 3, we see that between 2001 and 2005, English standards have risen by 14 per cent. as against a national fall of 1 per cent., and that maths standards have risen by 14 per cent. as against a national upward trend of 8 per cent.

The work in that federation and others in Plymouth draws on a long experience of such collaborative work. The Tamar Valley consortium, which was established in 1988, was a case study in the 2002 Green Paper "14–19: Extending Opportunities, Raising Standards". Labour's investment in our education action zone, the excellence cluster and learning improvement grants have built on that, and there is now some success in meeting the needs of young people who are not in employment, education or training.

The White Paper makes many proposals that continue reform in line with the intellectual and financial investment that our Government have made to establish and secure principles of discipline, to recognise the importance of a strong learning environment, to entrench first-rate and well supported leadership, to enhance and support the role of parents, and to acknowledge the role of personalised learning, but in our education community in Plymouth there are real—and I believe understandable—worries about the reliance in the White Paper on principles that could be at odds with building on that experience.

The White Paper appears to see the principal impetus to drive up standards coming from the expansion of popular schools and the contraction and closure of unpopular schools—from an admissions policy associated with that which many fear will become increasingly competitive. Whatever restraints are placed on it, people fear that the presumption that popular schools should be allowed to expand will inevitably drive competition. The assumption that parent power is ready and waiting to support the process is also doubted in every case.

I would like to describe what some people fear that could mean in Plymouth, especially given that we have the fastest-falling school rolls in the country. There is no doubt that some schools and pupils would benefit if, let us say, school A in the leafy suburbs, with good and improving achievements to its name and excellent parental engagement to support it, were allowed to expand. There would, however, be various opportunity costs to school B, an inner-city school in my constituency, and to the wider education facilities available to young people in Plymouth.

School A is given permission to expand. More pupils from the inner city will be admitted to school A. The investment used to expand the school will not be available to develop school B, to build on the personalised learning and to develop further work to drive up standards. Although it may take a bit longer, the improvements in standards in school B will almost certainly be more sustainable. In the interim, students and parents who opt for school A will no longer play a part in the life of school B. Its diverse admissions base will be damaged and by, say, 2008–09 the drain on the school financially, socially and intellectually will be such that the achievements it has fought so hard to establish will start to be reversed.

Standards in school B fall. The local authority will help it to "fire-fight" that, rather than continuing the virtuous circle of development and higher standards that has been well established. One opportunity cost may be that the local authority is doing that rather than helping school B and schools like it through the welcome roles given to it under the Children Act 1989, and the equally welcome roles envisaged in the Green Paper "Youth Matters". Another opportunity cost may arise from the energy that the local authority has to give to respond to strong schools applying for trust status, or to expand, when the best and most sustainable results for achievement may come from investing the same energy in the areas of the city that do not have the capacity to be proactive in the same way or to the same degree.

Hon. Members can imagine the additional frustration when, instead of 98 per cent. of parents' being granted their first choice as is the case now, by 2010 that figure may fall to only 85 per cent., and the number of those not being granted their first choice may rise and seem likely to continue to rise. I know that those are not intended consequences of the White Paper, but they are possible outcomes. I look to the Minister to tell me how the legislation to which the White Paper gives rise will prevent them.

As my colleagues who are co-signatories to the document "Shaping the Education Bill—reaching for consensus" say,

> "We recognise that it will take further radical reform to make step changes in progress towards these goals . . . there must be a refusal to tolerate coasting, mediocre or failing delivery of education . . . the victims of such failure are disproportionately the very young people that, despite the successes of our reforms, are still too often left behind by the system".

Alison Seabeck (Plymouth, Devonport) (Lab): I have listened with great interest to my hon. Friend's comments, including her description of the strength of

our education service in Plymouth. I heartily support what she is saying, and agree that the Government's policies have made a significant difference to the standard of education provision in Plymouth. I want to use two schools as examples to reinforce some of her points—

Mr. Deputy Speaker (Sir Michael Lord): Order. It sounds as though the hon. Lady is about to embark on a speech, albeit a short one. She must intervene briefly, as in a normal debate, or, if she has the permission of the initiator of the Adjournment debate and the Minister, she may make a small contribution when the initiator of the debate has finished, if the initiator is happy with that. That would be the more sensible way in which to proceed, if everyone is happy with it. It depends on the initiator of the debate.

Linda Gilroy: I know how assiduously my hon. Friend has been working with her schools to ensure that standards in Devonport are driven up, as they are in the rest of Plymouth. In Plymouth we have already gone a long way towards creating a learning community with the tools and investment that the Government have provided. I think we accept that, even with the use of all those tools, our improvements in pupil attainment have reached a plateau, and like the Government, we want to find a new impetus. We do not want things to stay the same. We believe that that new impetus is provided by the Children Act and the "Youth Matters" Green Paper. Through extended schools and children's centres, Plymouth can deliver the five outcomes for children and young people, with leadership across the system and with everyone owning the outcomes for all our children.

Many people who share our passion for education believe that a school-centric approach has limitations, and that the further step change in the driving up of standards that we all want will result from our continuing to build the framework that involves everyone in the city's agenda for the ongoing battle to tackle poverty and improve children's health, housing and leisure, and the economic welfare of their families. An absolutely essential part of raising standards for all is ensuring that young people have the skills to read and write and that no future generation of adults is handicapped by the scandalous legacy that we inherited in 1997 of one in five adults not having functional basic skills.

Since 1997, the number of Plymouth 11-year-olds going on to secondary school with their basic number and reading skills at the expected level has gone up from 62 to 75 per cent. in English and from 57 to 77 per cent. in maths. If 65 per cent. of pupils aged 11 who still do not attain the expected level in English and 55 per cent. of those not attaining the expected level in maths are identified as having special educational needs and if a substantial proportion of them, and of the rest of the one in four 11-year-olds not achieving those standards come from poor backgrounds, surely a strong focus on this in primary and secondary schools, rather than expanding schools, will make the step change we all want.

We face significant challenges; mainly dramatically falling school rolls and a need to spend on our school buildings after decades of neglect. We do not want to be distracted or to be less brave than we might be. We are at our best when recognising that together we can do more than we can alone. We worry that the White Paper initiatives on admissions and trust status will mean we are less, rather than more, likely to deal strategically and energetically with these issues.

We worry that the proposed development of a body of self-regulating schools will not have a system of accountability that is guaranteed to help us do this most effectively; to take into account the wider interests of the education provision in the city and to have measures to ensure that the interests of all pupils are protected and advanced. We worry that the checks and balances that the Minister and her colleagues believe may make this accountable will have opportunity costs that detract from our overall ability to raise standards rather than add value to it.

Other things worry us. What is there to prevent schools from deliberately applying for trust status to avoid closure or amalgamation proposals by the local authority? Is it possible that we might spend our time and energy dealing with schools adjudicator and commissioner decisions rather than getting on with reorganising school place planning to ensure schools are available to complement our very significant regeneration activity and shifting populations? Is it possible that the local authority would have to fund the borrowing requirement for school improvements for schools they do not own?

Clarity on these points and, particularly, assurances that the strategic roles of the local authority will be fully and properly recognised in the Education Bill need to be given to cities such as Plymouth.

Finally, eight years ago, the legacy that I inherited from my Conservative predecessor included the poorest ward in England. I for one will take no lessons from the Tories about education or about running an economy in a way that can pay for the investment that has been key to driving up standards. They may be talking warm words about the need for good education for all, but as well as talking the talk, they have to walk the walk.

Nothing the Conservatives are saying in this debate leads me to believe that they genuinely understand how to bring about the best education for every child in every school and every community. For that, one needs values and principles that they have not even begun to develop. From where I stand, they are as far away from their clause 4 moment as they were eight years ago.

In the debate between my hon. Friends and I, we share clearly stated underpinning principles:

> "By the strength of our common endeavour we achieve more than we achieve alone, so as to create for each of us the means to realise our true potential and for all of us a community in which power, wealth and opportunity are in the hands of the many not the few. Where the rights we enjoy reflect the duties we owe. And where we live together, freely, in the spirit of solidarity, tolerance and respect."

Those principles are more evident in what we have done in education than in any other part of our reform of public services. I look forward to hearing from the Minister how what flows from the White Paper will build on that.

10.39 pm

Alison Seabeck (Plymouth, Devonport) (Lab) *rose—*

Mr. Deputy Speaker: Order. Are the hon. Member for Plymouth, Sutton (Linda Gilroy) and the Minister happy for the hon. Lady to make a brief contribution?

Alison Seabeck: A brief one.

Mr. Deputy Speaker: It is important that it is brief because it is taking time out of the Minister's response.

Alison Seabeck: I want to refer briefly to two schools. Widey Court primary school has 600 pupils, a third of whom are working in temporary huts. The problem is exacerbated by the fact that Plymouth's private finance initiative bid, to which my hon. Friend the Member for Plymouth, Sutton (Linda Gilroy) referred, was not as significant as we had hoped. Moreover, the local council is not in a position to provide the finance necessary to get the children out of those temporary huts. I wrote to the Minister about this school at the end of last year, so she is aware of the problem.

The second school that I want to mention is Estover community college, an arts college of the highest standard in the top 5 per cent. of the most improving schools in the country. Indeed, a wonderful celebration of its talents and skills took place last Friday. It is concerned that it is not considered popular because it is not in a popular area. In the light of the expanding schools programme set out in the White Paper, it is worried that it will suffer as parents move—as they undoubtedly do—to the east of Plymouth, where the leafy suburbs that my hon. Friend touched on are located. I would welcome some clarification from the Minister as to how the White Paper addresses the concerns of schools such as Estover.

10.40 pm

The Minister for Schools (Jacqui Smith): I congratulate my hon. Friend the Member for Plymouth, Sutton (Linda Gilroy) on securing this debate. I thank her for raising issues vital to her constituents and those of my hon. Friend the Member for Plymouth, Devonport (Alison Seabeck), but which are also of wider relevance in the world of education.

My hon. Friend the Member for Plymouth, Sutton set the debate in its local context and I agree that we see a generally improving picture in the city of Plymouth. The authority has made good recent progress and I echo her tribute to the Plymouth heads, teachers and support staff who have worked so hard to secure that progress. I agree that those improvements can also be attributed to the leadership and strategic vision of leading members of staff, and to the director of children's services, Bronwen Lacey, and her team.

Another important factor in Plymouth's recent success, which my hon. Friend identified, is good partnership working across schools. Such partnerships are fostered by central Government programmes that are providing substantial new resources and investment for the most hard-presred schools, but also by key collaborations. In both the primary and secondary sectors, most of the trends in Plymouth are at least satisfactory and sometimes good, but my hon. Friend posed the important question: how can we make school standards in an authority such as Plymouth really take off? According to most measures of school performance, the authority is just below the national benchmark, although it is closing the gap. I know that she has a vision that Plymouth can become an excellent modern European city. She knows that, to make that vision a reality, Plymouth must also lead the way with first-rate education and world-class standards. Both my hon. Friends and the local council aspire to that. It is my aspiration, too, and it links directly to the Government's proposals in the schools White Paper.

Both my hon. Friends are worried that the proposals might prove counter-productive in terms of helping the authority to raise standards. I want to reassure them that, far from being marginalised, the role of authorities such as Plymouth will increase. They will be at the forefront of our drive to generate the step change in standards that we all want.

Our proposals on tailored, or personalised, learning show that we are providing substantial resources for expert teaching materials, and guidance and training to widen access to small group and one-to-one tuition in English and maths for schools with the most underperforming pupils. We will provide training, so that each school has at least one lead professional to help provide tailored lessons, coupled with substantial additional support from the national strategies consultants. These policies will not promote a two-tier system; quite the reverse.

My hon. Friend the Member for Plymouth, Sutton rightly referred to the links between learning and achievement and wider social and family challenges. The changes that we are proposing for schools, including trust schools, fit absolutely with the system-wide changes being introduced as a result of "Every Child Matters". They are completely compatible with policies to aid the most disadvantaged children. For example, we expect all schools, including trust schools, to provide access to extended services. Again, these are policies that will benefit disadvantaged groups.

We want to make every school a good school and to expand the number of good places available to parents. That is the policy at the heart of the White Paper. Let me explain why my hon. Friend's fears, which she illustrated through the hypothetical examples of school A and school B, are not well founded. First, let us consider admissions. I appreciate her concern about a competitive admissions arrangement, as she described it, especially in an area with selective schools, but I can assure her that no school will be allowed to introduce selection, and that no selective school will be able to expand. Trust schools will work under exactly the same regime on admissions as all other schools. That means working within the law that outlaws selection by ability and the admissions code. Local authorities will continue to be able to refer objections to the schools adjudicator for legally binding determination, and they will continue to co-ordinate the admissions application process for parents to all maintained schools, and academies.

Moreover, in future, we intend to make local authorities the key decision maker about the overall pattern of provision in an area, by abolishing the school organisation committee, so that it will be for local authorities to make the decision on whether a popular school should be able to expand. That decision should

be made in the interests of pupils and parents, not to protect institutions. While it is right that the local authority takes account of the impact on neighbouring schools, that should not be the sole factor in reaching a decision. If a large group of parents proposes a new school to satisfy an unmet need, the local authority will, rightly, be under a duty to respond.

The White Paper offers a new, exciting opportunity for a different sort of expansion. To go back to my hon. Friend's example, there is no reason why school A should not become a trust school. Experience shows that strong schools with dynamic and committed leaders are often very willing to help weaker schools improve. The heads and governors of such schools recognise that they should use their expertise and good practice for the benefit of the entire local community. Such heads are often looking for new challenges and, moreover, recognise that the arrangements very often also strengthen the stronger school, for example by developing middle leaders and attracting new and able staff. Even in less well performing schools, there are many lessons to be learned from collaboration.

Why not have a federation between school A and school B, designed to strengthen both schools, with expertise being shared under a common school ethos and a shared trust, dedicated to excellence? Perhaps they can bring in further drive and expertise from community organisations, higher education or a local employer. I know that my hon. Friend is ambitious to develop the science expertise in Plymouth and perhaps a link could be made in that direction.

There will not be the same solution everywhere, but there could be real opportunities to support even more powerful and permanent collaborations through the trust model. Another crucial point is the overarching role of the authority in driving up standards. To take my hon. Friend's example a little further, if school B were reluctant to set a strategy for improvement, or unreasonable in rejecting collaborative opportunities, there would in future be increased powers for authorities to take necessary action. That is another central theme to the White Paper—the role of authorities in raising standards. They must be ready with decisive plans for radical action when schools go into special measures or get a notice to improve. However, I am pleased to note that Plymouth has a good recent record of supporting schools that have failed Ofsted inspections and I hope that that will continue and be strengthened by the proposals in the White Paper.

I wish now to deal with the very specific questions my hon. Friend asked. First, on schools using trust status to avoid closure or amalgamation, I have already stated that, with the abolition of the school organisation committees, it is authorities that will take the statutory decisions. Authorities will have new duties to promote choice, diversity and fair access and to be responsive to parental representations. We expect them to take those duties seriously, and one of the roles of the schools commissioner will be to see that they do so. We are aware that good authorities already keep provision in their area under review and are responsive to the views of parents, but there is a real opportunity for authorities to get out, to ask parents who have not always had a voice what they want to see in local schools and to reflect that in their important strategic planning role.

On the third point, about funding a borrowing requirement, I can confirm that local authorities will remain responsible for funding the maintenance of a foundation or trust school's buildings, and that the capital arrangements will largely operate as now. All schools will receive devolved formula capital and be able to apply to their local authority for larger projects. I can assure my hon. Friends that trust schools will remain a full part of capital spending planning. They will remain part of the building schools for the future scheme, which will focus on the needs of schools and their pupils, not the type of school. Trust schools will not be able to tear up a PFI contract into which the local authority has entered.

I understand the concerns expressed by my hon. Friend the Member for Plymouth, Devonport (Alison Seabeck) about the level of PFI credits made available to Plymouth. They have to be seen in the context of historically high levels of capital spending, but I hope to be able to respond to her letter and concerns in full.

To conclude, I commend my hon. Friend the Member for Plymouth, Sutton for bringing this important debate to the House. She has rightly raised issues of the highest importance to her constituents and challenged us to outline how the next stage of reform will increase standards for them and play to the strengths both of schools in her constituency and of her local authority.

Everything about the White Paper is about improving standards. Turning around failing schools quicker: that is about improving standards. More one-to-one and small group tuition: that is about improving standards. More involvement of parents in their child's education: that is about improving standards. Stronger rights for teachers to be clear about their ability to discipline: that is about providing the basis to improve standards. Making greater use of the energy and dynamism in our communities—which my hon. Friend has identified in Plymouth—through trust schools: that is an opportunity to improve standards.

There is not a blueprint for every area of the country, but I believe that in sharing the values that my hon. Friend has identified, the White Paper provides important opportunities.

The motion having been made after Ten o'clock, and the debate having continued for half an hour, MR DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned accordingly at eight minutes to Eleven o'clock.

House of Commons

Tuesday 10 January 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

FOREIGN AND COMMONWEALTH AFFAIRS

The Secretary of State was asked—

Cyprus

1. **Mrs. Theresa Villiers** (Chipping Barnet) (Con): If he will make a statement on progress towards a settlement which will reunite Cyprus. [40197]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): As the UN Secretary-General noted in his report of last December, progress toward a solution on Cyprus has been "negligible at best". We believe that a comprehensive solution can only be achieved under United Nations auspices, but the UN reported a widening gap and little confidence between the two communities over the past year. Ultimately, both communities have to demonstrate the courage and flexibility required to resume negotiations towards a comprehensive settlement, and we shall play our part in that.

Mrs. Villiers: There is a development boom in northern Cyprus, much of which is taking place on land that its owners fled from, as refugees, after the Turkish invasion. Will the Secretary of State strengthen the advice on the Foreign Office website urging British tourists and holidaymakers not to buy property in northern Cyprus that might have been stolen from its Cypriot owners?

Mr. Straw: The advice that we give at the moment is appropriate but of course, we will always keep it open to review. This is a very complicated issue that goes back many decades. We are seeking to help bring both parties together, which is one reason why I worked so hard to open negations with Turkey on 3 October on membership of the European Union. Only when Turkey, Greece, Cyprus and the two communities recognise that their mutual interests are stronger than their historic antagonisms will we get a settlement.

Mr. Andrew Love (Edmonton) (Lab/Co-op): One way to build confidence between the two communities is to conclude an agreement at European Community level on a package of measures for the Turkish Cypriot community. What progress is my right hon. Friend making in putting that package together and in building confidence between the two communities?

Mr. Straw: My hon. Friend is right and on 26 April 2004, in the aftermath of the decision by the Turkish Cypriot community to vote in favour of the Annan plan, but of the decision by the Greek Cypriot community, for reasons that one understands, to vote against it, European Foreign Ministers, then at 15, unanimously agreed on a package of measures—aid as well as trade measures—to end the economic isolation of the northern part of Cyprus. We have worked ceaselessly to try to ensure that those regulations are introduced. I regret to say that they require unanimity and, so far, we have been unable to achieve it. We continue to work very hard, but meanwhile, it is understandable that the authorities in the north of Cyprus, and particularly the Turkish Cypriot community in the north, are very concerned that aid moneys to be spent in the north of Cyprus have been blocked by others within the European Union.

Mr. Philip Hollobone (Kettering) (Con): At the moment, Greek Cypriot ships and aeroplanes are not allowed into Turkey. When in 2006 will that be reviewed by the European Union?

Mr. Straw: Each side has sought to place blocks in the way of the normal activities of the other—that applies to Turkey in respect of Cyprus, and to Cyprus in respect of Turkey. Part of the reason for being so anxious to open the negotiations for EU membership is that that is the only way to achieve a process of normalisation, leading before accession—not necessarily very much before—to a complete normalisation of relations. I cannot say exactly what progress will be made on that during 2006. I simply hope that both sides will recognise that it is in their interests to lift the blockages. Given the historic enmities, getting either side into a position where they will start is hard going.

Kazakhstan

2. **John Mann** (Bassetlaw) (Lab): What assessment he has made of the recent Kazakhstan presidential elections. [40198]

The Minister for the Middle East (Dr. Kim Howells): The preliminary assessment of the Organisation for Security and Co-operation in Europe's Office for Democratic Institutions and Human Rights international observation mission was that, despite some welcome administrative improvements and the fact that the elections were conducted peacefully, overall, they did not meet a number of international standards and OSCE commitments.

John Mann: Kazakhstan has come a long way very quickly, but on whose judgment would the Minister rely the most—our observers who, through the OSCE, acted as election monitors, or those privately funded British politicians who, although they had never been to that country before, described the elections as the "fairest" and "most transparent" in Kazakhstan's history? That group, of course, included the head of the Conservative party's new international development commission.

Dr. Howells: I have not met representatives of the Caspian information centre, which I understand may have financed the visit by a handful of Conservative politicians from this country, ostensibly to observe the conduct of the Kazakhstan elections. I have therefore not been able to test allegations that the Caspian information centre is simply a Kazakh propaganda tool. However, I know that the OSCE and the ODIHR are no one's propaganda tools, and that their findings are treated very seriously and respected internationally.

Mr. Gary Streeter (South-West Devon) (Con): Given the growing strategic importance of Kazakhstan and the whole of central Asia, does the Minister agree that this country should do its utmost to build democratic and political stability in the region? What plans does he have to expand the role of the Westminster Foundation for Democracy into Kazakhstan and central Asia, so that the people there may get the democratic freedoms that we in this country take for granted?

Dr. Howells: I agree that the region is very important. Kazakhstan is a very important bridge between Russia and China, and a very important supplier of oil and gas for all western European countries, including Britain. It is very important that we build good, democratically based links between this country and Kazakhstan.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): Does my hon. Friend agree that the politician's natural instinct is to hold on to power and that therefore it is very difficult for some of the young, post-Soviet states actively and properly to encourage genuine democracy? Does he also agree that it is very important that they should do so? The all-party Kazakhstan group, of which I am member, has received reports that opposition parties have been actively discouraged: is it not important for those states to behave differently and have more confidence in what they are doing? After all, as he has noted, the region has a very important role to play.

Dr. Howells: I agree very much with my hon. Friend. It is vital that we continue to do what we have done all along—that is, to encourage proper transparent and democratic activity in Kazakhstan. That will strengthen that country by enhancing its reputation abroad.

Zimbabwe

3. **Mr. Shailesh Vara** (North-West Cambridgeshire) (Con): If he will make a statement on human rights in Zimbabwe. [40199]

The Minister for Trade (Ian Pearson): The human rights situation in Zimbabwe is appalling. Last year's flawed elections have done nothing to restore democratic accountability, while mass housing demolitions have forcibly displaced over 700,000 of Zimbabwe's most vulnerable people. We share the grave concerns expressed by the UN, the EU and others in the international community. We will continue to work for the restoration of democratic governance and the rule of law in Zimbabwe.

Mr. Vara: I am grateful to the Minister for those comments. Recently, the British Government donated £10 million to the World Food Programme for use in Zimbabwe. What safeguards are in place to ensure that that money will be used for the needy in that country, and not end up in the pockets of President Mugabe and his henchmen?

Ian Pearson: My understanding is that very careful checks are made by our Department for International Development and by the UN, which maintains rigorous oversight of the WFP. I would like to believe that there will not be a problem in ensuring that the money is devoted to helping those people in Zimbabwe who suffer the most depressing conditions, and that it is not diverted to members of what everyone acknowledges is an odious regime.

Kate Hoey (Vauxhall) (Lab): We are told continually that South Africa must take the lead in helping to find a solution to Zimbabwe's problems. What comments does my hon. Friend the Minister have to make about that, and will he make representations about the matter to the South African Government? Last week, South Africa deported 160 asylum seekers, and over the past two years it has continued to deport people back to Zimbabwe by force, even though they were quite clearly at risk. Those people were held in police custody for many hours, and some of them remained in custody even at the airport. What message does that send out about the South African Government's attitude to Mugabe's regime?

Ian Pearson: I thank my hon. Friend for that question. She asks about South Africa and other Africans taking the lead, but it is important that the international community as a whole takes the lead on Zimbabwe and the terrible human rights abuses there. African leaders have begun to exert real pressure on Mugabe. President Obasanjo of Nigeria, Chairman Konaré of the African Union Commission, and Kofi Annan and his special envoy Anna Tibaijuka have all been active in the past few months in seeking to tackle the crisis. Only in December, the African Commission on Human and Peoples' Rights passed a tough resolution on human rights abuses, and that will go before the African Union summit later this month. We hope that African leaders will respond positively to that and continue to put more pressure on the Zimbabwe regime because 2005 was a terrible year for Zimbabwe and its people, and the Government of that country are continuing to condemn its people to suffering. We want African leaders and the rest of the international community to put the most pressure possible on that regime to change.

Mr. Michael Ancram (Devizes) (Con): Three years ago, the Foreign Secretary welcomed and endorsed the South African policy of quiet diplomacy towards Zimbabwe. Who does the Minister think has been the beneficiary of quiet diplomacy over the past three years? Is it not the evil tyrant Mugabe and is it not about time that this Government stopped walking by on the other side?

Ian Pearson: With all respect to the right hon. and learned Gentleman, I do not think that that is a mature contribution to the serious situation in Zimbabwe. We are devoting much time to working with African leaders

to put pressure on the Zimbabwe regime. We are supporting those who are working for peaceful change in the country and we are ensuring that the regime remains isolated in the international community. We are also helping practically those Zimbabweans who are in the most depressing situations of poverty, who have lost their homes, or who suffer from HIV/AIDS. We believe that that is the most sensible and appropriate strategy to put pressure to bear on the Zimbabwe regime and we will continue to implement our policies in that regard.

Ann Clwyd (Cynon Valley) (Lab): Over the Christmas holidays, did my hon. Friend see the excellent report by "Newsnight" reporter Sue Lloyd-Roberts from inside Zimbabwe that showed thousands of men, women and children without food, water or shelter? Can he put more pressure on the United Nations humanitarian agencies to use more muscle with the Zimbabwean Government? I do not think that the agencies are doing as much as they could. Given that people are living in abject conditions, it is the agencies' responsibility to act.

Ian Pearson: My right hon. Friend is right. Anybody who saw that television programme or other reports of what is happening in Zimbabwe today can only be appalled by the actions of the regime. What is happening is not a result of famine but of deliberate Government mismanagement of the economy and the treatment of their people. We will certainly continue to have dialogue with the UN humanitarian organisations, which are doing a great job in curbing some of the worst excesses of the Zimbabwean regime and helping to keep some of those people alive. We will continue to work with them and through them to try to bring about positive change.

Sir Patrick Cormack (South Staffordshire) (Con): The Minister's rhetoric is impeccable, but is it not now time for the British Government to take a new initiative to put further pressure on what he has rightly called an odious and repressive regime?

Ian Pearson: I thank the hon. Gentleman for what I regard as a compliment on my rhetoric. We are certainly open to all suggestions for new initiatives to put pressure on the Zimbabwe regime. We have sought to ensure that Zimbabwe has been brought before the UN Security Council. We have been able to do that. Recently, the UN under-secretary general said that the situation in Zimbabwe was

"on the edge of a humanitarian abyss".

The situation is tremendously serious, which is why we want to keep it before the UN Security Council. We shall certainly want to consider all possible ways of bringing the Government of Zimbabwe to international account.

Ms Sally Keeble (Northampton, North) (Lab): Just before Christmas, I returned from visiting Zimbabwe. I have also spoken to Anna Tibaijuka about the victims of the land clearances. There is a real issue about the need for the UK Government to put pressure on the UN agencies and particularly on the Zimbabwean Government, to provide resolutions and make breakthroughs on the problem of rehousing the victims of the land clearances. About one in 12 of all Zimbabweans have been made homeless. I have seen people sitting on the rubble of their own homes, with no prospect of permanent housing. The UK Government can do something about that.

Ian Pearson: I commend my right hon. Friend for her work and for the interest that she has shown in Zimbabwe. We are actively working to try to deal with some of the consequences of Operation Murambatsvina. The UK is providing £10 million in support for the emergency housing programme—one of the largest donations. I am sure that more can be done and I shall be more than happy to have a discussion with my hon. Friend about that if she has positive suggestions to make.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I must put on record what some of my colleagues have been whispering throughout these exchanges: with respect to the Minister, his replies are weak. The human rights abuses in Zimbabwe have been getting distinctly worse since the election last year, to the extent that in a statement on 22 July the UN Secretary-General said that the "profoundly depressing" report confirmed that Operation Murambatsvina had done

"a catastrophic injustice to as many as 700,000 of Zimbabwe's poorest citizens, through indiscriminate actions, carried out with disquieting indifference to human suffering".

That is a strong statement. What are the British Government doing to stop those human rights abuses continuing? Are they exerting the maximum influence through the UN, through the blocking majority of Russia and China? Are they exercising their influence over President Mbeki since the Foreign Secretary's visit in November? The situation is getting much worse and could destabilise the whole of south Africa. What are the British Government doing?

Ian Pearson: I congratulate the hon. Gentleman on his appointment to the shadow Foreign Office Front Bench.

The UN is doing all it can to bring about change in Zimbabwe. The UK is supporting those who are working for peaceful change in the country. We are supporting, through practical, political and financial means, human rights defenders, non-governmental organisations, groups in society, defence lawyers and trade unionists. We are trying to ensure that the regime stays isolated, which includes making sure that Zimbabwe is on the UN Security Council agenda. We are certainly internationalising the issue. We are enlisting the support of African Union leaders and will continue to work with them and encourage them to do more to bring pressure to bear on Zimbabwe. We are trying to do all the things that we believe it possible to do with regard to Zimbabwe, but nobody should be under any illusion: it is a terrible, despotic regime that does not respond easily to international pressure, but the Government will continue to put that pressure on through our policies.

EU Presidency

4. Greg Clark (Tunbridge Wells) (Con): What assessment he has made of the impact of the UK's presidency of the European Union; and if he will make a statement. [40200]

10. **Mr. Greg Hands** (Hammersmith and Fulham) (Con): What assessment he has made of the impact of the UK's presidency of the EU; and if he will make a statement. [40206]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): On 31 January, I will publish a White Paper on the UK presidency in the normal way. During our presidency, we secured the opening of accession negotiations with Turkey and Croatia, a deal on the EU budget and candidate status for Macedonia. We opened stabilisation and association agreements with Serbia and Montenegro and with Bosnia and Herzegovina. We have secured agreements on sugar reform, the withdrawal of one third of all pending legislative proposals as part of our better regulation programme, agreement on the chemicals directive, more and better development aid, action on counter-terrorism and climate change and a good deal more. Those were and are significant achievements for any presidency.

Greg Clark: I thank the Foreign Secretary for that reply, but is he aware that yesterday, in another place, Lord Triesman said that there "has always been provision" for the extra £2 billion that this country will have to pay to the EU as a result of last month's budget deal? Is it not the case that that £2 billion is not provided for in the pre-Budget report? Will the Foreign Secretary say specifically where that provision has been made? Will it be met by reducing expenditure in other areas, or by raising taxes higher than was envisaged in the PBR?

Mr. Straw: It was not in the pre-Budget report for the very simple reason that I spelled out to the House: the pre-Budget report did not follow but preceded the negotiations. It would have required a fantastic act of clairvoyance for the Treasury to have anticipated the detailed outcome. Of course, provision will be made at the appropriate time. The hon. Gentleman ought to welcome the fact that one of the many achievements of the deal was to ensure that changes to the abatement mechanism kicked in not at the beginning of the financial perspective—in 2007, 2008, or 2009—but later on. The other issue for the whole Conservative party, which I gather is now committed to narrowing the gap between the rich and the poor, is whether it is saying—*[Interruption.]* Well, that is what the party's head of policy, the right hon. Member for West Dorset (Mr. Letwin), is saying, although I do not quite know what else he has to do as it has no policies.

Mr. Speaker: Order. Perhaps another time, but not at Question Time.

Mr. Hands: Will the Foreign Secretary confirm that the UK's stated objective that the EU budget should be no more than 1 per cent. of gross domestic income in the EU was not met by the budget deal and that the actual result was a figure of 1.45 per cent., which costs us £25 billion more? That means that on not only the rebate, but the overall budget, the Government failed to get a good deal for Britain in the negotiations in Brussels.

Mr. Straw: The Opposition have to do rather better than that. The figure was not 1.45 per cent.—absolutely not. The hon. Gentleman needs to do his homework before he stands up to speak. The most that the figure is likely to be is 1.045 per cent., which is a very big difference. However, I would be happy to make a wager with the hon. Gentleman that at the end of the period we will be paying for a budget that is less than 1 per cent. of total gross domestic product throughout the EU.

Helen Goodman (Bishop Auckland) (Lab): Is the Secretary of State aware that shortly before Phillip Whitehead, the MEP for the East Midlands, died, he described the UK presidency as 80 per cent. successful? Does the Secretary of State also recall that, as a Member of this House, Phillip Whitehead worked energetically for human rights in eastern Europe in the dark days before those countries could belong to the Union?

Mr. Straw: I am grateful to my hon. Friend for mentioning the death of our former colleague and good friend, Phillip Whitehead. He served his constituents—as MP and MEP—the House, the European Parliament and the European cause for which he campaigned extremely well. He was a very good friend to many on both sides of the House. I am sure that the House will join me in sending condolences and deepest sympathy to his family, friends and constituents.

Mr. Doug Henderson (Newcastle upon Tyne, North) (Lab): Some of us on this side of the House—and, I suspect, one or two on the other side—recognise the reality of negotiation in the European Union and that the budget deal that was struck last month was the best deal that could be done in the circumstances to bind together the larger countries of the European Union and, at the same time, help the countries that were originally in eastern Europe, which hon. Members on both sides of the House have welcomed into the European Union. Will my right hon. Friend indicate which parts of the proposals of the Austrian presidency he thinks can add to that sense of stability and progressiveness in the Union?

Mr. Straw: I am grateful to my hon. Friend for his endorsement of our approach. As he indicates, the simple fact of the matter is that hon. Members on both sides of the House have called for enlargement. It was never part of the rebate that it should be used by the United Kingdom to fleece poor eastern European countries with a GDP a third of our own. It was simply to balance the contribution from countries like France and Italy, not from Latvia and Lithuania.

As for the Austrian presidency, happily my hon. Friend was not specific about the proposals, but I look forward to working closely with our Austrian colleagues on a wide range of issues.

Mr. John Maples (Stratford-on-Avon) (Con): In the Foreign Secretary's written statement, he said that in "intensive bilateral contacts"—

presumably in this case with Spain—it was agreed to

"extend transitional cohesion funding for Spain until 2013, and grant additional funding for Ceuta and Melilla."—*[Official Report,* 14 December 2005; Vol. 440, c. 151WS.]

Can he tell us specifically what we got in exchange from Spain, perhaps in relation to Gibraltar? It seems to me that we have given up €8 billion of our rebate over the

next few years at least in part to fund Spain's Moroccan colonies, while Spain does all it can to cripple Gibraltar's economy.

Mr. Straw: I do not accept that. In a multiple negotiation, all sorts of countries have to make concessions. Spain was one of them. It has benefited, as it is the first to accept, significantly from structural and cohesion funds over the years, but it will end the new forthcoming financial perspective almost certainly a net payer. As I recollect, its structural and cohesion funds will drop from about €44 billion in the current financial perspective to about €4 billion.

As for discussions with Gibraltar, there have been constructive discussions with the new Spanish Government since its accession, as well as with the Chief Minister and his Government from Gibraltar. Despite the historic difficulties, I hope that they ensure that sufficient progress is made.

Mr. Mark Hendrick (Preston) (Lab/Co-op): I congratulate my right hon. Friend on a successful presidency, and in particular on the agreement on Turkey. He mentioned the importance of its accession in relation to Cyprus. Will he also comment on the importance of its accession in relation to the fact that it is a Muslim country, because the European Union is not exclusively a Christian club? Will he comment on the message that that sends to the rest of the world?

Mr. Straw: It would have been a huge error by the EU if it had turned its back on Turkey. The House has recognised that. It will be a long and quite difficult path between the beginning of negotiations and its final accession, but I am in no doubt that Turkish accession will benefit members of the EU, including the United Kingdom, just as it should benefit the population of Turkey.

Mr. Graham Brady (Altrincham and Sale, West) (Con): One of the worst shortcomings of the British presidency was the failure to set a new direction for Europe following the rejection of the constitution. Yesterday, the Polish Prime Minister said that the EU constitution is dead, but Chancellor Schüssel opened the Austrian presidency with a declaration that the constitution is not dead, but, rather, in the middle of a ratification process. Does the Foreign Secretary agree with the Austrians or the Poles? Will he take this opportunity to make it clear to the Austrian presidency that this country regards the constitution as dead and buried, and we do not want it brought back?

Mr. Straw: Probably the best that can be said about the European Union draft constitution is that it is somewhere in limbo.

Mr. Brady: So it is not dead?

Mr. Straw: That shows the hon. Gentleman's poor theological background. As limbo is somewhere between heaven and hell—

Mr. Keith Simpson (Mid-Norfolk) (Con): It is a Liberal Democrat.

Mr. Straw: Of course, the Liberal Democrats wanted the constitution desperately. As limbo is somewhere suspended between heaven and hell, it is difficult to argue that the constitution is not dead.

Keith Vaz (Leicester, East) (Lab): While I welcome the progress made on the economic reform agenda during the presidency, I remind the Foreign Secretary that in nine weeks he will be attending the fourth European business summit. What proposals do the Government have to ensure that the targets set as part of the Lisbon agenda, reviewed in the Kok report, are going to be met?

Mr. Straw: We have a number of proposals, and it is fair to say that we saw a major change of direction by the European Union during our presidency. Everybody now understands that obsession about the internal runnings of the Union and more regulation cannot deliver the improvements in welfare and prosperity which European peoples desperately want from the EU. That is why we want progressive economic policies that ensure effective social welfare and progress towards higher prosperity.

Iran

5. **Mr. David Amess** (Southend, West) (Con): If he will make a statement on Iran's nuclear programme. [40201]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): In 2003, Iran was forced to admit that for many years it had been operating secret facilities to enrich uranium, in clear contravention of its obligations under the non-proliferation treaty. Other breaches relating to plutonium have been ascertained. We also know of Iranian contact with the Pakistani nuclear weapons expert A. Q. Khan, who admitted working with clandestine nuclear weapons programmes in Libya and North Korea.

Since 2003, the United Kingdom, French and German Governments, with Javier Solana, the EU high representative, have worked tirelessly to prevent nuclear weapons proliferation by Iran through ensuring that it complies fully with its international obligations. As part of this, Iran agreed towards the end of 2003 to suspend enrichment-related and reprocessing activities.

This morning, I regret to say, the International Atomic Energy Agency confirmed that Iran had broken seals at nuclear facilities, including its uranium-enrichment facility at Natanz, with a view to resuming research and development, including the introduction of uranium hexafluoride into the centrifuges. That is enrichment. This is a profound concern. It is a further rejection by Iran of IAEA board requests and a violation of the commitments that Iran made in the Paris agreement in November 2004. In view of all that, I shall be meeting my French and German colleagues and Javier Solana as soon as this can be arranged, to discuss our joint and firm response.

Mr. Amess: The House has listened very carefully to what the Foreign Secretary said, and I, for one, am encouraged by his words. In light of the Iranian regime's breach of two agreements with EU 3 in October 2003 and November 2004, and in light of what the right hon. Gentleman has just said about Tehran resuming nuclear activities at Natanz, surely the time has come to refer Iran's nuclear file to the United Nations Security Council.

Mr. Straw: I am grateful to the hon. Gentleman for what he says. Reference to the Security Council has

always been on the agenda. The board of governors of the IAEA made a judgment at its September meeting last year that Iran was non-compliant with its safeguards agreement obligations. The issue of whether we formally propose a referral to the Security Council will be the key subject for discussion when I meet my EU colleagues, as I hope I shall do in the next few days.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): The issue of Iran's compliance with the IAEA is crucial to the whole region, particularly if we wish in the end to achieve a nuclear-free middle east. What discussions has my right hon. Friend been having with the Russians and the Chinese over these latest developments? If the issue is taken to the UN Security Council, it is crucial that a decision is taken there, and that it is not blocked by the veto of one of the Security Council partners, because that would leave us worse off than we are now.

Mr. Straw: My hon. Friend is absolutely right. We have worked very closely with our Russian and Chinese partners. Iran has been on the agenda for every single meeting that I have had with Foreign Minister Li and Foreign Minister Lavrov in the last two years. We are very grateful for the active, if sometimes qualified, support that we have received from both countries, and both countries are on record as saying that they do not believe it is in the interests of international peace and security for Iran to go down the road of developing a nuclear weapons capability.

Sir Michael Spicer (West Worcestershire) (Con): Does Iran already possess the missile capability of delivering nuclear weapons on Israel?

Mr. Straw: Yes, it does. It is called the Shehab 2 missile, and the Shehab 3 is being developed.

Jeremy Corbyn (Islington, North) (Lab): Will my right hon. Friend confirm that, when he meets his European counterparts and the Russians, there will be on the agenda an attempt to reopen discussions on all aspects of the Government and the regime in Iran so that there can be a peaceful resolution of the crisis rather than it degenerating into what could be an incredibly dangerous situation in the whole region?

Mr. Straw: I have always said that the matter has to be resolved peacefully. Let me make that clear. We are trying to avoid what many of us worry about, which could be a most serious military build-up by one country. The matter has to be resolved by diplomatic and other means, but entirely peacefully. That is what we are seeking to do. It would be extremely serious if Iran were to continue in the way in which it has done. Question after question would be raised about whether it is intent on developing a nuclear weapons facility. That is because it would seriously destabilise the whole of the region, and in doing so threaten international peace and security as a whole.

Mr. William Cash (Stone) (Con): Will the Foreign Secretary indicate what discussions he has had with the United States of America on this question, given that, for all the efforts that have been made by the three countries that he has mentioned within the EU, unfortunately they have not produced the right results so far? Will he therefore indicate the extent to which, in considering the United Nations Security Council, he has had discussions with the United States Government?

Mr. Straw: There have been intensive and continuous discussions with the United States. It is a subject in every discussion that I have had on the telephone or in person with Secretary of State Condoleezza Rice. The Americans are not formally or informally part of the so-called E3 process but they have given it significant support. It is a testament of their good faith that, in advance of the meetings that were held with the Iranian negotiators at the end of May 2004, I was authorised by Secretary Rice to say to the Iranian Government that, if we could reach agreement, the United States would lift its block on the opening of accession negotiations by Iran with the World Trade Organisation and we were then able to offer the Iranians that the United States would lift embargoes on some key aircraft parts. That was simply the start of what would have been a process towards the normalisation of relations between the United States and Iran. It is a matter of great regret to me that neither of those important offers by the United States has produced the change in policy and behaviour that we are all seeking from Iran.

Chris Bryant (Rhondda) (Lab): As well as raising with Iran the question of its nuclear programme, will my right hon. Friend make urgent representations to the Iranian Government on their human rights record, which was grisly and is becoming more vicious month by month? They are executing people for their sexuality and more than 20 young people under the age of 18 are on death row in Iran as we speak. Is it not time that we made urgent representations on this issue as well as on the nuclear programme?

Mr. Straw: The two are in no sense alternatives and we do indeed make strong representations to the Iranians. There is an EU human rights dialogue and much detailed dialogue between ourselves and Iran on the issue.

Mr. Keith Simpson (Mid-Norfolk) (Con): The Foreign Secretary has outlined the seriousness of the position and how difficult it is for our Government and other EU Governments to bring pressure to bear on Iran. He was careful with the words that he used about China and Russia. Has he any indication of what the red line is for Russians and the Chinese in respect of where they might be prepared to support ourselves and our allies in going to the United Nations?

Secondly, the right hon. Gentleman said that instability in the middle east could be a consequence of all this. Does he agree that the likelihood is that, if Iran pushes the issue so far and it is not brought to the attention of the UN, at least one country in the middle east might decide to take surgical military action, which would be catastrophic?

Mr. Straw: I have seen the speculation, but I have made it clear that military action is not on our agenda, and I do not believe that in practice it is on anybody else's agenda. This must be resolved by diplomatic and

other non-military means, and that is what is on our agenda. As for the position of Russia and China, both have made it clear that they do not wish Iran to go down the road of developing nuclear weapons capabilities or allowing at the very best the current level of ambiguity about whether it is or is not doing so. It is for them to say what their red lines are, but they have both signed up to the non-proliferation treaty and its enforcement. They abstained, rather than opposed, the resolution of the board of governors on 24 September that declared Iran non-compliant. The conclusion that, I hope, is drawn from that should be obvious.

Torture

6. **Dr. Vincent Cable** (Twickenham) (LD): What steps he is taking to strengthen measures to tackle torture in overseas countries. [40202]

The Minister for the Middle East (Dr. Kim Howells): International action against torture has been a priority for the Government since the launch of the United Kingdom anti-torture initiative in 1998. We work hard with our international partners to eradicate this abhorrent practice. This includes efforts to strengthen UN and other international mechanisms, diplomatic activity such as lobbying, and funding project work.

Dr. Cable: What knowledge do the Government have of so-called black sites in EU applicant countries being used for the interrogation of terrorist suspects, the existence of which has apparently now been confirmed by Egyptian sources?

Dr. Howells: None.

Mr. David Winnick (Walsall, North) (Lab): Do the Government condemn what is happening in Guantanamo, and do they accept that it is a blot not only on the reputation of the United States but on all the democracies in whose name, apparently, such practices are being carried out? Does my hon. Friend agree not only that what is being done there is wrong but that it gives splendid ammunition, sadly, to all the dedicated enemies of democracy?

Dr. Howells: I agree with much of what my hon. Friend said. We are not happy about the way in which events in Guantanamo bay have proceeded, and we have made our views known to our American allies.

Mr. William Hague (Richmond, Yorks) (Con): In response to allegations that the torture of suspects has followed rendition through the United Kingdom, the Foreign Secretary has said that the Clinton Administration asked in a few instances for permission to render a detainee through United Kingdom territory or airspace, but is it his understanding that the current US Administration will follow the same protocol if they wish to use the UK for rendition? Can he assure the House that Ministers are satisfied that rendition through the United Kingdom leading to torture in a third country has not taken place in recent years, and is not taking place now? If they are not satisfied, what further inquiries will they instigate?

Dr. Howells: My right hon. Friend the Secretary of State made the Government's position clear to the House of Commons Foreign Affairs Committee. The Government do not deport or extradite anyone to another state where there are substantial grounds to believe that that person will be subject to torture or where there is a real risk that the death penalty will be applied. If we were requested to assist another state in a rendition operation and such assistance were lawful, we would decide whether or not to do so, taking into account all the circumstances. We would not assist in any case if doing so put us in breach of UK law or our international obligations, including those under the UN convention against torture.

Tony Lloyd (Manchester, Central) (Lab): That is an interesting reply, but it does not answer the question asked by the right hon. Member for Richmond, Yorks (Mr. Hague). This is a fundamental issue for this country as a signatory to the European convention on human rights, so can my hon. Friend make it clear to the House that the Government deny both that there has been any such request and that they have any knowledge that renditions took place without a request? Importantly, can he make it quite clear that we would investigate, as we are bound to do by law and treaty, any suggestion that rendition is taking place in this country?

Dr. Howells: We have no knowledge of this and we have received no requests from the Bush Administration and, as I have said, if we received such requests, we would investigate every single case very, very carefully.

Mr. Nick Clegg (Sheffield, Hallam) (LD): The ambiguity of the Government's position on this clandestine practice of extraordinary rendition seems to deepen with every answer given. Can the Minister explain why the Government, as the Prime Minister did on 7 December, fully endorse the US Government's approach to rendition while at the same time admitting, as the Government have done in a written ministerial statement today from the Foreign and Commonwealth Office, that in 1998 the Government refused a US request to refuel a flight carrying two detainees en route to the United States? Surely that indicates that the Government, at least behind the scenes, had much graver doubts about this clandestine practice than they have been prepared to admit so far. Why else were the flights refused?

Dr. Howells: That is a typical tacky Liberal question. If one throws mud it is in the hope that some of it will stick. I do not think that even with a new leader they will ever act any differently. This is what the Liberals do for a living. But I will say this to the hon. Gentleman. The Government are opposed to torture. They do not torture anyone, nor would we ever, ever put up with any other Administration torturing individuals. We will watch this matter very, very carefully, as we always have done, and we will make sure that we do not take part in any activity that results in individuals being tortured.

Roger Berry (Kingswood) (Lab): The Government have a very good record in legislating to prevent the export of instruments of torture, but there is the matter of monitoring and enforcement. With regard to the

Defence Systems and Equipment International arms fair in Docklands in September, is my hon. Friend satisfied that sufficient measures were in place to prevent companies from advertising the sale of weapons of torture throughout the world?

Dr. Howells: I very much hope so. If my hon. Friend has information that he thinks shows that insufficient attention has been paid to that, I would very much like to see it.

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): Do the Government recognise that there is a wider concern about US policy that the American Administration have been seeking to justify a right in certain circumstances to use cruel, degrading and inhuman treatment against prisoners in their control? Will the Government agree that not only is such behaviour unacceptable but, following previous attempts by senior members of the Bush Administration to redefine torture, that such an approach is not only morally repugnant but incompatible with the very welcome efforts of the American Government to promote human rights and democracy around the world?

Dr. Howells: On 5 December, the US Secretary of State Condoleezza Rice made a detailed public statement on the treatment of detainees, clarifying that the US respects the rules of international law, including the UN convention on torture. The Secretary of State also stated:

"The United States Government does not authorise or condone torture of detainees. Torture and conspiracy to commit torture, are crimes under US law wherever they may occur in the world . . . The United States has fully respected the sovereignty of other countries that co-operate in these matters."

Dr. Rice formally replied to the UK presidency on 7 December by referring to her public statement. The presidency has forwarded that reply to its EU colleagues.

Eastern Africa

7. **Tim Loughton** (East Worthing and Shoreham) (Con): What discussions he has had with his counterparts in Ethiopia and Eritrea on troop mobilisation along their shared borders. [40203]

The Minister for Trade (Ian Pearson): We remain concerned at the continuing tensions between Ethiopia and Eritrea, and at reports of troop mobilisation. We raise these concerns regularly with both sides. My noble Friend the Foreign and Commonwealth Office Minister with responsibility for Africa, Lord Triesman of Tottenham, last did so with the Ethiopian Prime Minister Meles on 17 December, and with the Eritrean ambassador to London on 6 December.

Tim Loughton: I am relieved that the Minister is concerned, but with 250,000 troops massing on the border, the Ethiopian-Eritrean border is the most militarised border in the whole of the continent of Africa at the moment. Barely six years on from a war between those two countries that resulted in 70,000 deaths, cost £1 million per day per country and was described as a fight between two bald men over a comb, what real pressure will the Government, as the second largest donor of aid in that part of Africa, bring to bear on these two impoverished countries to make them understand that the only fight that they should be interested in is the fight against poverty and famine, not against each other?

Ian Pearson: I cannot confirm or deny the hon. Gentleman's figures on troop movements. It is increasingly difficult to obtain accurate figures, because the UN mission to Ethiopia and Eritrea is finding it difficult to carry out its work due to the current situation. Our approach and that of the international community is based on three simple principles: that there should be no return to war; that the boundary commission's decision is final and should be implemented; and that the two parties must enter into dialogue on the issues between them. The hon. Gentleman may know that the UN Security Council discussed the situation in Ethiopia and Eritrea yesterday and that senior US representatives intend to visit the region within the next few weeks in the light of that discussion. Those representatives will report back to the UN Security Council in 30 days, and the Security Council will decide the appropriate next steps in the light of their report.

Mr. Chris Mullin (Sunderland, South) (Lab): Has there been any recent contact with President Isaias? One of the difficulties in this dispute is that Eritrea is one of the world's most isolated countries. Its isolation is self-imposed—it will not deal with the African Union, the United Nations or the EU—and it is extremely difficult for foreign leaders to obtain access to the President. Does the Minister know of any recent contact between President Isaias and the outside world? Eritrea relies on aid to feed 70 per cent. of its people, and it is beyond contemplation that it should want another war.

Ian Pearson: Lord Triesman tried to have a meeting with President Isaias on 17 December, but the President was unavailable. I am not aware of recent meetings involving UN member states and President Isaias. My hon. Friend is right to point out that Eritrea depends on aid and that it needs to engage with the international community. Eritrea should engage positively in discussions with Ethiopia and other interested parties to solve all the remaining issues of difference.

World Trade Organisation

8. **Jim Dobbin** (Heywood and Middleton) (Lab/Co-op): What assessment he has made of the EU's contribution to the World Trade Organisation ministerial talks in Hong Kong. [40204]

11. **Christine Russell** (City of Chester) (Lab): What assessment he has made of the consequences for the EU of the outcome of the World Trade Organisation ministerial conference in Hong Kong; and if he will make a statement. [40207]

The Minister for Trade (Ian Pearson): The World Trade Organisation ministerial conference in Hong Kong made some progress, but it was less than we had hoped. It agreed improved market access for the poorest countries and an end to export subsidies by 2013, but we aim to reach a more detailed and ambitious agreement

by the end of April, and constructive engagement from all WTO members will be needed if we are to meet that deadline.

Jim Dobbin: As the Minister has said, the EU has made some progress, but the expected benefits from the enlargement process, which I support, have been made more difficult to obtain because of the failure adequately to reform the common agricultural policy. Will he confirm that the Foreign Secretary will continue to encourage the reform of the CAP, so that accession countries and developing countries can benefit from global investment and greater access to world trade?

Ian Pearson: The UK Government are totally committed to further reform of the CAP. The reform of the sugar regime has begun recently, and we expect to see further reforms. My hon. Friend may have seen the Department for Environment, Food and Rural Affairs document, which was issued just before Christmas, outlining the Government's policy on the CAP. We should continue to maintain a high level of ambition on the Doha development agenda and use the next six months to continue working together with our international partners to secure an ambitious outcome to the round. It is not only the EU, but the US which must do more on agriculture, and Brazil, India and other countries must play their full parts, too.

Christine Russell: What exactly does my hon. Friend plan to do in the way of having discussions with EU member states that are likely to block the early phasing out of farm subsidies—France and Ireland in particular?

Ian Pearson: The European Commission has a mandate which Peter Mandelson, as the EU Commissioner, negotiates on our behalf. We need Europe to move further, but to achieve that we need movement from other countries as well. We need progress from the United States, as well as a response from Brazil and India, on all the different aspects of the WTO Doha development agenda dossier, including non-agricultural market access and services. Significant progress is required on agricultural reform, non-agricultural market access, services and trade facilitation. That is the task that we all have to face up to over the next months.

Tony Baldry (Banbury) (Con): What sort of Foreign Office phrase is "a high level of ambition"? I do not know who drafted that in the Minister's private office, but he knows that nothing meaningful will now happen until 2013. Europe has passed the buck on this. We will not see a decent reform of agricultural subsidies until 2013. The Americans are not going to reciprocate. Phrases such as "a high level of ambition" are therefore completely meaningless. The Doha development round will not be a development round at all.

Ian Pearson: I am afraid that I have to disagree with the hon. Gentleman. It is completely wrong to give up on the Doha development agenda. We have to work for an outcome that will really deliver for the world's poorest nations. There is a lot at stake here. A 1 per cent. increase in sub-Saharan South Africa's share of world trade would produce an additional £70 billion in income. That is a prize well worth fighting for. We all need to redouble our efforts to ensure a successful conclusion to the Doha round, with a high level of ambition for the world's poorest countries.

Points of Order

3.32 pm

Mrs. Theresa May (Maidenhead) (Con): On a point of order, Mr. Speaker. You have on several occasions made clear to this House the importance of Government Ministers making new policy announcements to this House before they do so to the media. Today, the Prime Minister and 16 Government Ministers have been around the country launching the Government's new policy on antisocial behaviour and the respect agenda. May I seek your guidance as to how we can ensure that in future the Prime Minister and members of the Government show the appropriate respect to this House; or are we to assume that there is nothing new in this policy announcement at all?

Mr. Speaker: I do not know about that assumption. Let me say to the right hon. Lady that I understand that a written statement was supplied by the Home Secretary on this matter, so at least the Government have given us this information through one of their Ministers. I also say to the right hon. Lady that there is nothing to prevent her, as a member of the Opposition Front Bench, or any of her colleagues, from seeking an urgent question. I give no guarantee that it will be accepted, but that does not prevent her from doing so. In this case, I think that it is a draw.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Further to that point of order, Mr. Speaker. You must be aware that the document to which my right hon. Friend the Member for Maidenhead (Mrs. May) refers contains phrases such as, "we will legislate", "we will take targeted action", "we will expand", and "we will take a new approach". Surely, in a Government document, that is a clear indication of new policy, yet no Minister has had the courage to come here and be questioned on that policy. Written ministerial statements are not good enough—we want to question Ministers on new policies.

Mr. Speaker: As I said to the right hon. Member for Maidenhead (Mrs. May), there was an opportunity to table an urgent question. That can be borne in mind for a future occasion, when the right hon. Gentleman will have an opportunity to question Ministers as he sees fit.

Mr. Mark Prisk (Hertford and Stortford) (Con): On a point of order, Mr. Speaker. I understand that part of the proposals on antisocial behaviour is of special concern to many constituents and colleagues in Hertfordshire. We have not had the opportunity to learn from the Prime Minister, who made the statement today, what the proposals are. Is it within your power to ask the Prime Minister to have respect for the House, come here and give us a chance to ask questions? I understand that the Prime Minister is asking for parents to have lessons in respect. Perhaps you should have the power to make the Prime Minister have respect for this place.

Mr. Speaker: Obviously I have every respect for the House and I want that to continue. I stress to the hon. Gentleman that Prime Minister's questions are tomorrow, when hon. Members will have an opportunity to catch my eye and question the Prime Minister on the matter.

Bus Services

3.35 pm

Andrew Miller (Ellesmere Port and Neston) (Lab): I beg to move,

That leave be given to bring in a Bill to forbid bus companies to reduce bus services without prior consultation; to make provision for services for elderly passengers and passengers with disabilities; and for connected purposes.

In essence, I seek to put the customer first in the relationship with bus companies. As the House knows, since the deregulation of bus services by the previous Administration, standards have varied across the country. Some areas have enjoyed excellent provision while elsewhere services have been sparse. Many hon. Members believe that deregulation was a mistake and that services have suffered as a consequence. Tempting as it is to try to present a Bill to reverse the Transport Act 1985, today I am simply going to deal with two matters: the unilateral removal of services and the needs of the least mobile passengers.

I shall outline the deregulation provisions in the 1985 Act, which a helpful briefing from the Library describes. Proposals to deregulate local bus services were published in 1984 in the White Paper, "Buses" and a subsequent series of more detailed consultation papers. They were brought into effect by part I of the 1985 Act, which abolished road service licensing in Great Britain, except in London, from October 1986. The Act replaced the licensing system with a system of registration and removed the duties of local authorities to co-ordinate public passenger transport in their area.

Individual bus operators were responsible for timetables and the introduction of new services depended on the operator's opinion of the demand for them and their commercial viability. There was no requirement in the 1985 Act or its regulations for the commercial bus operator to consult before making changes to the timetable and the position of bus stops.

The criteria for registration did not include any reference to public demand or existing services, and objections could no longer be made by other operators or local authorities. Passenger transport executives—PTEs—and county councils were given powers to secure, using subsidy, socially necessary services that were not provided by the commercial market. Controls over those services, such as fare levels, type of bus and so on, could be maintained. Operators had the right to participate in concessionary fare schemes and the PTE had powers to compel participation in them. Operators were to be reimbursed for the net financial loss incurred by such participation.

I have been trying for some time to get companies to consider the needs of hospital visitors and patients as well as those of the young, elderly and disabled, not all of whom always get as good a service as that to which they are entitled. Out of the blue, I was told at the end of last year of a series of cuts and service changes—a euphemism for more cuts—that would occur on 8 January on routes covered by First. First's headed paper has the strap line, "transforming travel". It should say, "transforming travel for the worse".

Needless to say, the company did not think it appropriate to consult the local Member of Parliament. Although it apologised for the fact that I discovered its

plans through a member of the public, consultation was clearly not going to take place in any case. In a half-hearted grovel, it went on to say:

"The decision to withdraw these services has not been taken lightly".

In other words, it was going to withdraw them irrespective of anything that I said. This was a fait accompli; any representation that I or anyone else made would be ignored.

I wrote to the company on 29 November to advise it of my intention to raise the matter in the House. However, all I have received since then is a vague letter inviting me to meet its representatives after the services have disappeared. I hope that my hon. Friends in the Department for Transport will take note of this lack of courtesy to the House and to the people of my constituency.

Just as an aside, I must point out that the same company has invented a story about the future of its depot in Ellesmere Port. It claims that it faces a situation in which

"the lease on our site expires in the spring of next year and we have been told that the owners wish to sell the site".

A good excuse, perhaps, if it were true. However, my research shows it to be a distortion. In fact, the landowner, Shell, has provided me with a history of the site, and it is quite clear that First is not being forced from it. However, First's lack of candour is typical of its general approach.

I am pleased to say that there is good news in all this, in that Arriva has agreed to take over the services. First did not think that the services were commercially viable, but Arriva is prepared to run them. Indeed, it has made a particular point of using low-floor vehicles, which takes me to the second point in my Bill, namely the needs of less mobile people. While I welcome progress that has been made by the introduction of more accessible vehicles, the House should be mindful of the fact that we are a long way from achieving 100 per cent. coverage by this type of vehicle. I fully recognise that there are cost implications involved, but I urge my friends in the Department, in local authorities and in bus operating companies to give a high priority to meeting this need.

My Bill would also require companies, when establishing timetables, to make allowance for the time that it takes for the less mobile to get on and off buses. None of us should ever have to hear complaints that a bus would not wait to allow a person to get a wheelchair or buggy aboard, or that a driver would not wait for a slower person with learning difficulties. These are all real examples of cases that have come to my attention as a Member of Parliament. Timetables must meet the needs of all passengers, but particularly those less likely to have access to a car. Part of this problem results from a lack of awareness of the needs of disabled people by drivers and other staff, but I am not seeking to blame them. Their employers should be required to take responsibility for ensuring that they receive proper training. I would prefer to achieve the solution to this problem by gentle persuasion, but I want to leave scope in my Bill to require the provision of such training.

None of these proposals is intended to place unreasonable burdens on the good operators. My intention is to try to stimulate a debate to raise standards in the important area of bus provision. I also want to use this opportunity to make it clear to companies such as First that the way in which they treat Members of the House who are acting on behalf of their constituents needs to be looked at carefully, to say the least. The notion that a company of such stature can simply withhold information from a Member of Parliament about things that are happening in his or her constituency is unacceptable. The notion that such companies can tell us things that are stretching a point or are inaccurate is also clearly unacceptable.

I am pleased to see the Minister with responsibility for bus services in the Chamber, and I hope that my hon. Friends in the Department for Transport will take on board the points that I have raised. I hope that colleagues will support my proposals here today and encourage the regulated and deregulated parts of the industry to raise their game.

I commend the Bill to the House.

Question put and agreed to.

Bill ordered to be brought in by Andrew Miller, John Bercow, Dr. Roberta Blackman-Woods, Helen Goodman, Mr. Kevan Jones, Dr. Ashok Kumar, Andrew Mackinlay, Bob Russell, Ms Angela C. Smith, Angela Eagle and Dr. Brian Iddon.

Bus Services

Andrew Miller accordingly presented a Bill to forbid bus companies to reduce bus services without prior consultation; to make provision about services for elderly passengers and passengers with disabilities; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 12 May, and to be printed [Bill 108].

Orders of the Day

Animal Welfare Bill

Order for Second Reading read.

3.46 pm

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): I beg to move, That the Bill be now read a Second time.

The whole House will understand that it would perhaps be an error of judgment not to mention in the opening stages of this debate our good friend and colleague Tony Banks, a man who always had something pertinent, and frequently something impertinent, to say about animal welfare issues. Certainly, we all owe him a debt of gratitude in highlighting those issues.

This Bill is the most significant and comprehensive proposal for animal welfare legislation for nearly a century and it fulfils a commitment that we made in our last manifesto. It promotes a positive duty to ensure the welfare of animals, and brings the law on pets up to date with the law on farmed livestock. It increases the penalties available for the most serious offences while closing an existing loophole, and brings together and simplifies more than 20 pieces of legislation.

The Bill is the result of some four years' work by my Department, beginning with a public consultation in 2002. The subsequent draft Bill was given pre-legislative scrutiny in 2004 by the Select Committee on Environment, Food and Rural Affairs, to whose work I pay tribute. The Committee heard representations from many parties, including the Welsh Assembly, and worked intensively to produce its report. The Government have listened carefully to its recommendations and have made a number of important changes as a result. The Bill that we are discussing today is undoubtedly better as a result of that work, and I am also grateful for the follow-up work done by the Committee since the Bill's First Reading in October.

It is also right to acknowledge the substantial contributions made by members of the public, who responded in large numbers to the consultation and to campaigns run subsequently by non-governmental organisations and others in favour of the Bill, and by stakeholders from across society. Since the end of the formal consultation, my Department has had exhaustive discussions with many interested parties to refine policy and to try to improve further the Bill's drafting. The overwhelming reaction from all those channels—the Select Committee, the public and stakeholders—has been positive, and the Bill has had a very warm welcome.

Before I turn to the principal provisions of the Bill, let me comment briefly on the background to it. The linchpin of our current legislative framework is the Protection of Animals Act 1911, which, as the House will appreciate, is nearly 100 years old. In its time, the 1911 Act was a landmark Bill that set out specific prohibitions against human cruelty to animals and proved remarkably enduring—for more than 50 years, Parliament dealt only with relatively minor amending Acts and supplementary provisions. In the 1960s, however, concerns about new farming methods and a better understanding of good husbandry practices led Parliament to pass the Agriculture (Miscellaneous Provisions) Act 1968. That Act was a further landmark. For the first time, the law moved beyond simply regulating cruelty and created a positive regulation-making power to promote the welfare of animals. That power, however, was limited to the welfare of farm livestock. Since then, Parliament has passed major laws on animal health and scientific procedures, but the 1911 Act, supplemented by the 1968 Act and some 20 others, remains the platform for animal protection legislation.

After 90 years of evolution, it is clear that our existing law is excessively complex and inaccessible, written in the language of an earlier age, and—more important—unnecessarily inconsistent in the standards that it sets. In particular, it has failed to keep up with scientific advances. Since the 1960s, research into the behaviour and physiology of individual species has greatly improved our understanding of the sheer complexity of animal welfare. The pace of scientific progress is expected to quicken in the years ahead, requiring flexibility in both policy-making and legislation.

In respect of livestock, the power to make regulations under the 1968 Act allows the Government to respond to scientific developments and evolving welfare standards set by, for instance, the European Union. In respect of pets, however, the inflexibility of the 1911 Act requires the Government—or, indeed, Members—to present amending Bills to effect change. Given the competing priorities for parliamentary time, that asymmetry means that protection for pets is lagging behind protection for farmed animals. The Bill creates a more flexible statutory framework. It sets out key principles, but leaves detailed matters to secondary legislation. The Government believe that that flexibility is critical if our legislation is to keep pace with the expected advances in animal welfare.

Mr. James Gray (North Wiltshire) (Con): We all accept the necessity for the flexibility in legislation to which the Secretary of State has rightly referred, but will she give an undertaking that if she introduces that regulation-making provision, she will first engage in the careful process of consultation, thought and discussion in which she engaged before introducing the Bill?

Margaret Beckett: I certainly give that undertaking, and will give it more explicitly later in my speech. I appreciate that there is always a balance to be struck. I think that, especially given the example of farmed animals, the whole House will recognise the benefits of enabling legislation that provides more flexibility; but of course there must be a proper safeguard.

Mr. Mark Prisk (Hertford and Stortford) (Con): May I take up what was said by my hon. Friend the Member for North Wiltshire (Mr. Gray)? Many riding schools and livery yards are important centres of local employment in rural areas. Can the Secretary of State assure the House, and small businesses, that there will be enough time for consultation? All too often, measures such as this are rushed through. I understood the Secretary of State's response to my hon. Friend's point about the detail, but the timing is also crucial.

Margaret Beckett: The hon. Gentleman has made an important point, and I am happy to give him that

assurance. We are very conscious of the impact that regulatory change can have on organisations. He rightly mentioned the horse, livery and stable industry, which is worth—I think my hon. Friend the Member for South Dorset (Jim Knight), the Under-Secretary of State for Environment, Food and Rural Affairs, knows the amount.

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Jim Knight): It is worth £3.5 billion.

Margaret Beckett: The hon. Gentleman was also right to remind us of the employment implications. I take his point entirely.

David Taylor (North-West Leicestershire) (Lab/Co-op): I congratulate my right hon. Friend on presenting a landmark Bill, the first for 100 years or more—since the time of the last Liberal Government.

My right hon. Friend spoke of the importance of reflecting scientific advance in legislation. Scientific advance has certainly shown that cephalopods have complex brains and sense organs rivalling those of vertebrates. Will she reassure us that as the science develops, the legislation will be flexible enough to allow those categories of organism to be incorporated in the definition of "animal" if the scientific evidence is proved correct in a way that satisfies the Government of the day? Such matters are important. We do not want to have to wait a further century for the next Liberal Government before the legislation is updated.

Margaret Beckett: My hon. Friend is entirely right and I am very conscious of the fact that this issue was raised during the Select Committee's discussions, to which he was doubtless party. This is a classic example of why we want such flexibility in the Bill. The Government take the view—perhaps to his regret—that the scientific evidence on this issue is currently insufficiently strong. But should stronger evidence become available, it is important that we can act, which is part of the reason for approaching the legislation in this way.

Rob Marris (Wolverhampton, South-West) (Lab): I am grateful to my right hon. Friend for her generosity and I, too, salute the Bill. In setting the scene, can she briefly explain why, pursuant to clause 61 and the question of the Bill's extent, all of it applies to England and Wales but only small parts of it to Scotland and Northern Ireland? Will equivalent measures be included in legislation covering those two jurisdictions?

Margaret Beckett: Obviously, the existence of devolution means that a slightly different approach is taken on one or two of these issues, but it is our understanding that there is common ground with the devolved Administrations on the approach that they intend to take. The different ways in which procedures are followed in the various jurisdictions have given rise to the nuances that my hon. Friend has identified.

The Bill applies to all animals under the control of human beings except those used in scientific procedures, which will continue to be subject to the Animals (Scientific Procedures) Act 1986. For the purposes of the Bill, the definition of "animal" is restricted to non-human vertebrates, but there is a power to extend this definition to cover invertebrates, should sufficient scientific evidence emerge to demonstrate that they are capable of feeling pain. The classic example, which was mentioned by my hon. Friend the Member for North-West Leicestershire (David Taylor) a moment ago, is cephalopods—animals such as octopus and squid—which could be included if the scientific evidence becomes available to show that they do indeed experience pain. He may know that there is an ongoing European Union review of this matter, as part of a review of the protection given to animals in scientific research. We anticipate that further evidence will be available, and that an assessment will be made, in the near future.

Fish, as vertebrates, are protected by the Bill, which is important not only for the millions of fish kept in ornamental ponds and tanks, but for those farmed under regulated conditions. However, further to the concerns discussed by the Select Committee and to our 2005 rural manifesto commitment on fishing, clause 53 exempts the activity of fishing from cruelty and welfare offences. Anything done by anglers and fishermen in the normal course of fishing is outside the scope of the Bill. Similarly—and again in line with our rural manifesto—the Bill will not affect the traditional sport of shooting. Animals shot in the wild, such as pheasants, do not fall within the definition of "protected animal"; nor, when free to roam, do they have a relationship with human beings such that a person could be held responsible for a specific bird. At the time of shooting, these animals are outside the Bill's scope, but it will cover similar animals during any period spent in captivity before their release into the wild.

Paul Flynn (Newport, West) (Lab): Has my right hon. Friend seen evidence from Animal Aid, for example, of what appear to be very cruel practices in the rearing of birds for game shooting? They certainly lack the protection given to battery hens, for instance, and there is a strong feeling among many animal charities that something has to be done to give them at least the protection enjoyed by other birds.

Margaret Beckett: We are very aware of the concerns to which my hon. Friend draws attention. We take them very seriously and we are studying this issue to see whether there are steps that we should take.

Lembit Öpik (Montgomeryshire) (LD): Is the Secretary of State satisfied that the Bill clearly defines the point at which the status of birds being reared for game shooting changes, and is she satisfied that there is a clear understanding of the issues related to game rearing, such as the use of cages in certain circumstances? Given that the British Association for Shooting and Conservation and other organisations share her concern about the issues raised by the hon. Member for Newport, West (Paul Flynn), can she assure us that there will be an opportunity to create an accord, using a code of conduct, that satisfies everybody?

Margaret Beckett: The hon. Gentleman is absolutely right, and BASC has been extremely helpful. That is exactly the sort of issue that we are considering. I believe that the Bill contains a sufficiently clear definition of the time periods involved, but I have no doubt that that can be explored in Committee. The Under-Secretary, my hon. Friend the Member for Exeter (Mr. Bradshaw), is much concerned about the issue, and I know that he will be willing to listen to representations.

The Bill carries over from the Protection of Animals Act 1911 the cruelty offence of causing unnecessary suffering to an animal under the control of humans. In so doing, it retains the substance of the provisions, but simplifies and updates them. For the first time, the Bill imposes a specific statutory ban on mutilations. It then provides for exemptions in secondary legislation to that general ban, so as to permit procedures that are considered necessary for the overall welfare or good management of an animal, such as neutering or ear clipping. The ban and the exemptions will be brought into force together.

Emily Thornberry (Islington, South and Finsbury) (Lab): A number of my constituents have expressed to me the view that to take away a dog's tail is to mutilate that animal, as that is like taking away its smile. That view was impressed on me particularly by the owner of a Great Dane-mastiff cross, which I was summoned to see. Many people feel strongly about the matter and I urge my right hon. Friend to consider it again.

Margaret Beckett: I am very conscious indeed that the docking of dogs' tails is a controversial practice. At present, the law permits veterinary surgeons to undertake the operation, and the Government are inclined to support the status quo. However, we appreciate that there are genuine and strongly held views on both sides of the argument. It is our hope and intention that Parliament will decide the issue, and that hon. Members will have the opportunity to express their views during the passage of the Bill.

Derek Conway (Old Bexley and Sidcup) (Con): I think that hon. Members of all parties very much welcome what the Secretary of State is saying, but I seek clarification about the question of mutilation and neutering. She will know that charities such as the Cats Protection League carry out extensive neutering programmes across the UK in an attempt to control the cat population in a humane way. The Bill does not make the matter clear, but am I right to believe that such operations will still be permitted in the future?

Margaret Beckett: Absolutely, and I am grateful to the hon. Gentleman for raising the issue and allowing me to give that reassurance to people who might feel unnecessary alarm.

Bob Spink (Castle Point) (Con): I very much welcome this Bill, which is long overdue. However, I wish to return to the question of the docking of dogs' tails. Will the Secretary of State ensure that the House will have the opportunity to debate this very controversial issue in detail, as well as the use of collars that give dogs electric shocks? We need to put an end to such barbaric practices.

Margaret Beckett: I can certainly assure the hon. Gentleman that I fully anticipate that the matter will be aired extensively in Committee. As a result, it may be that a general common ground will emerge as a result. If not, the normal course of scrutiny of the Bill will give the House an opportunity to express its view.

Dr. Nick Palmer (Broxtowe) (Lab): I am grateful to my right hon. Friend and her team for bringing forward this Bill, which is welcomed by hon. Members of all parties, and by animal lovers throughout the country. Does she agree that it would be appropriate for all parties to allow a free vote on the issue of the docking of dogs' tails, so that the will of Parliament can be made clear?

Margaret Beckett: Obviously, that will be a matter for the parliamentary authorities as the Bill goes through the House. However, I doubt that any group will take the view that the issue has a party-political edge, given the genuine and strongly held views on both sides of the argument. No doubt those views will become clear as the Bill is discussed.

Mr. Andrew Pelling (Croydon, Central) (Con): Will the Secretary of State give way?

Margaret Beckett: I will, but probably for the last time, as otherwise I shall be at the Dispatch Box forever and no one else will get a chance to speak.

Mr. Pelling: I thank the Secretary of State and hope that she will forgive me for mentioning tail-docking for a final time. Does she think that it might benefit the debate to distinguish between the docking of tails for cosmetic effect and the use of docking for working dogs?

Margaret Beckett: The hon. Gentleman makes an interesting point, which goes to the heart of many of the concerns that have been aired. I have no doubt that that issue will be considered in depth during the Bill's passage.

The new provisions on welfare in clauses 8 to 10 are at the heart of the legislation. The House will be aware of, and regret, the fact that between 750 and 1,000 people are prosecuted every year for causing unnecessary suffering to captive or domestic animals. However, there are cases where, although animals are perhaps not yet suffering, their welfare needs are not being met. Action in such circumstances can currently be taken only against owners of farm livestock. For other captive and domestic animals, the owner can only be invited to take action. The Bill addresses that anomaly by laying a general duty on a person to ensure that the needs of an animal for which he or she is responsible are met, to the extent required by good practice. To comply with that duty, owners and keepers will need to understand their responsibilities and take all reasonable steps to provide for the needs of their animals.

There are already many sources of information available to help owners and keepers understand how to look after their animals. The Government will try to help further by producing codes of practice under clause 12, similar to those already widely used for farm animals. In line with undertakings I gave earlier, all such codes will be subject to public consultation and appropriate parliamentary scrutiny.

It is a principle of the Bill that responsibility for animals must lie with adults. For that reason, the Bill makes it clear that parents or guardians are responsible in law for the treatment of their children's animals. The Bill also raises the minimum age at which children can buy pets from 12 to 16 years. Consistent with that approach, clause 9 prevents anyone from giving an animal as a prize to a child under 16 years, unless the child is accompanied by an adult. These provisions will not prevent children from keeping or looking after pets, or from actively learning about the husbandry of animals. Indeed, responsible care and stewardship of animals can be an important aspect of the education of children, but the Bill will ensure that a responsible adult makes the decision about the keeping of a pet.

Under clause 10, we have provided powers to make regulations to promote the welfare of animals. These powers will enable us to flesh out, where necessary, the general duty contained in clause 8. Again, they mirror and extend existing provisions for farm livestock. The Bill also gives powers to make licensing or registration schemes.

Mr. Peter Bone (Wellingborough) (Con): I wish to make a point that was made to me by a highly respected member of my constituency, who is the driving force behind a local animal welfare sanctuary. He said:

"It appears that the Government has released yet another unworkable piece of legislation that will undoubtedly have an adverse effect on animal keeping. All that appears to have come out of this new Animal Welfare Bill is seeing more power given to the RSPCA and more legislation and costs that cannot be absorbed into already stretched budgets by sanctuaries."

Those are not my words, but I thought it right to bring those views to the attention of the House.

Margaret Beckett: Well, the Bill does not give greater powers to the RSPCA. The issue will, I am sure, arise in Committee, but it is our view that no responsible animal sanctuary will have any difficulty meeting the provisions in the Bill.

Shona McIsaac (Cleethorpes) (Lab): Does my right hon. Friend acknowledge that because of the increased duty of care that the Bill introduces, animal sanctuaries are likely to be needed far more in the future? As such, does she agree that we should bring forward the licensing of animal sanctuaries to offer that protection to animals? I was a co-sponsor of the private Member's Bill introduced a couple of years ago by my hon. Friend the Member for Brigg and Goole (Mr. Cawsey) on animal sanctuaries, and I hope that my right hon. Friend will follow up the main suggestions it contained.

Margaret Beckett: My hon. Friend also makes an important point. I can assure her that we are prepared to look at the issue with some sympathy and I take her point that the Bill may result in a greater need for animal sanctuaries in the future.The powers for licensing and registration will replace a range of statutes regulating such activities as performing animals, pet shops, riding schools and dog-breeding and animal-boarding establishments. Through secondary legislation, we will regulate activities such as animal sanctuaries, pet fairs, livery yards and the welfare of racing greyhounds. We have tried to involve interested parties in the development of those proposals and we believe that they are on a scale appropriate to the problems that they seek to address; but I take the points that have been made in interventions, which can no doubt be considered as the legislation is discussed.

In most cases we intend to replace the existing 12-month licences with more flexible ones of no more than three years' duration. In some areas, with regard to animal sanctuaries, we are considering registration rather than licensing, although as I said we shall keep the issue under review. A more flexible approach should allow local authorities to target establishments according to risk, thus concentrating their resources where acceptable standards are not being met. It will allow vets and others to become involved without imposing unreasonable financial burdens on the activity that is being licensed or registered. Details of our proposals on secondary legislation are set out in the regulatory impact assessment. As I have already said, there will be full public consultation and scrutiny.

The Bill, like the legislation it will replace, will be what is perhaps somewhat infelicitously called a "common informers" Act, which means that anyone—a private individual or an organisation—can take forward a prosecution under its provisions if they think that they have the necessary evidence. However, powers of entry, search and seizure are reserved for the police, local authorities and the state veterinary service. The definition of an inspector is a person appointed to be an inspector by such an authority.

During the pre-legislative scrutiny, there were a number of questions about the role of the RSPCA and its inspectors. As I said to the hon. Member for Wellingborough (Mr. Bone) a few moments ago, the Bill does not give the RSPCA specific extra powers; indeed, it should be made clear that the RSPCA has not asked for any such extra powers. As is the case now, if the RSPCA has reason to believe that an offence has been committed and entry to a property has been refused, it will approach the police to ask them to use their powers of entry.

Our society is increasingly and rightly intolerant of acts of violence and cruelty towards animals, but recent press campaigns have revealed some nauseating examples of ill-treatment and abuse. From the enormous postbag on such issues received by my Department and, I think, every Member, we know that the public at large want us to provide the courts with tougher penalties for offenders, and that is what the Bill does.

The maximum penalty for causing unnecessary suffering will be a fine of £20,000 or 51 weeks' imprisonment, or both. At present, the top fine is £5,000, so the Bill has raised that penalty significantly. The maximum sentence of 51 weeks' imprisonment is the maximum that magistrates courts can impose under the Criminal Justice Act 2003. The maximum penalty under the welfare offence will be £5,000 or 51 weeks' imprisonment, or both. We are also using the Bill to close a loophole in existing legislation, whereby offenders can circumvent orders disqualifying them from having custody of an animal.

[Margaret Beckett]

Generally, the Bill applies to England and Wales only. Secondary regulations will be made by my Department and the National Assembly for Wales.

Mr. James Paice (South-East Cambridgeshire) (Con): Will the Secretary of State give way?

Margaret Beckett: I will give way for the final time, but for the first time to the Opposition Front Bench.

Mr. Paice: I am grateful to the Secretary of State and appreciate her indulgence.

Will the right hon. Lady clarify a point about the different penalties to which she has just referred? In one case, there is a fine of up to £20,000 and/or 51 weeks in prison; in the other, £5,000 and/or 51 weeks in prison. Can she explain the lack of equivalence between the financial penalty and the sentence of imprisonment in those two different offences?

Margaret Beckett: The heavier fine is obviously thought to be right where there is active cruelty. It was not thought that a penalty of such a proportion should apply for welfare offences

Mr. Paice: What about the sentences?

Margaret Beckett: If the hon. Gentleman looks at the legislation that the Bill replaces, he will see that there were similar differences. These are issues that can be explored in Committee. If the House feels that a change should be made, no doubt that can be considered.

I should perhaps make a point about different legislation in different countries. We have put in place procedures for both jurisdictions—England and Wales and Scotland—to have reciprocal arrangements in place to apply disqualification orders so that we prevent any circumstance arising in which a person who is found unfit to own or look after animals by a court in one part of the UK can evade the law by moving between countries.

It was in keeping with the traditions of the House and our people that we were the first nation to protect animals by statute. Since that step was first taken as long ago as the early 19th century, attitudes have undergone a radical change. Over the past 200 years, legislators, the Executive and the courts have stamped out a litany of mediaeval practices: bull-running, bear-baiting, cockfighting, the use of dogcarts, random and premeditated acts of cruelty—

Mr. Eric Martlew (Carlisle) (Lab): Fox hunting.

Margaret Beckett: I was not going to mention that. There is such a mood of consensus and support across the House that it would be a pity to jeopardise it in any way, especially as I welcome the hon. Member for East Surrey (Mr. Ainsworth) to his first such debate in this Parliament in his new role.

Those practices were eradicated, or largely eradicated, through statutory initiative. By progressively placing cruelty towards animals outside the bounds of acceptable behaviour, legislation has helped to create a society and a culture in which the vast majority of our fellow citizens abhor unnecessary suffering in animals. We hope and believe that the Bill will create an opportunity—just as the 1911 legislation created a platform on which cruelty became increasingly unacceptable—in the coming 100 years for human responsibility for animal welfare to be actively recognised, nurtured and practised.

I hope that the Bill will serve the purpose of putting animal welfare at the heart of our legislation and that it will take us through the next 100 years, not least because the flexibility that it creates will allow us to make changes much more easily to reflect changing circumstances. I am happy to commend it to the House.

4.17 pm

Mr. Peter Ainsworth (East Surrey) (Con): May I begin by entirely endorsing what the Secretary of State said about Tony Banks? He would have loved to be here to witness the Bill. He was a passionate champion of animal welfare—he was almost as passionate about that as he was about Chelsea. He was a funny and clever man. I had the privilege of serving under him on your advisory committee on works of art, Mr. Speaker, which was a joy. When I was shadow Culture Secretary, I had the pleasure of sparring with him when he was Minister for Sport. It was a joy to be insulted by Tony Banks. I will never forget the time that I said something that annoyed him and he said, "I didn't come to the Chamber to be insulted by a man with a Kevin Keegan haircut." That was Tony Banks and, my goodness, how he will be missed.

I know that there is nothing like a debate about animals to bring hon. Members into the Chamber. A lot of people want to speak, so I shall do my best to be brief. However, let me begin by declaring an interest because I believe that I am a person who is responsible for a protected animal under the terms of the Bill. I own a dog, although it is a bit doubtful whether the dog would regard me as the responsible person because it steadfastly refuses to do anything that I ask it to do in our household.

The Bill has had a long gestation period and many midwives. It is the result of a great deal of hard work by a large number of individuals and bodies. As did the Secretary of State, I pay tribute to the work of the Environment, Food and Rural Affairs Committee and its Chairman, my right hon. Friend the Member for Fylde (Mr. Jack). My hon. Friend the Member for Leominster (Bill Wiggin), who, I am pleased to say, will wind up the debate for the Opposition, also played a distinguished part in the Committee's proceedings, and I thank all who did so, whether in the House and outside. The Bill is better for the work that they put in.

The Government were right to introduce the Bill in draft form, allowing that input from a large number of different interests, but the scrutiny that that process enabled has exposed the complexity of the issues involved and the diversity of strongly held opinions on specific aspects of what is proposed. That complexity and conflict of opinion perhaps helps to explain why it has taken 95 years to get around to updating the basic framework of animal protection. It is not surprising that the Government have adopted a cautious, almost crablike approach to the legislation—although I notice that, rather unfairly, crabs are not covered under the

terms of the Bill. The effect of that approach, however, is that a large number of potentially controversial measures that the Government say they intend to introduce do not appear in the Bill, but will be the subject of secondary legislation. However, before I say more about that, I want to make some general comments on what is clearly a well-intentioned and welcome Bill.

The Secretary of State will be aware that there has been considerable debate about the definition of "animal" for the purposes of the Bill. Indeed, that subject has already been raised. The definition is confined to vertebrates other than man. As I understand it, the Bill's purpose is to alleviate the suffering of animals. It would be logical, therefore, to extend that protection to all animals that have been found, on scientific evidence, to be capable of suffering.

The Secretary of State and the hon. Member for North-West Leicestershire (David Taylor) know that it is the strongly held opinion of the Royal Society for the Prevention of Cruelty to Animals and others that cephalopods—octopus, squid and cuttlefish—are capable of feeling pain. Despite what she said, it is hard to find any reason why the owners of such animals should not be subject to the duty of care that is being conferred on the owners of vertebrates.

Mr. Gray: Does my hon. Friend accept that the logic of his argument means that slugs and snails in the garden, which are invertebrates and therefore protected under the Bill, would be subject to the same duty of care?

Mr. Ainsworth: The first and most obvious point is that a person would have to be pretty strange to have a pet slug. I do not think that the duty of care applies. Nor is there a great deal of scientific evidence to suggest that slugs feel pain in the same way as other creatures. However, my hon. Friend makes his point in his own way.

For most people, the new duty of care will have no impact. The vast majority of people who care for animals find it second nature to look after them properly. However, it is a sad fact that much legislation is determined by the actions or failures of a minority. The evidence provided by the RSPCA suggests that a significant number of animals suffer every year because the law is either inadequate or flouted. Clause 8 represents a major step towards ending abuse and neglect. Indeed, the RSPCA goes further and says that it is

"confident that this new offence alone will have an historic impact on animal welfare."

We must indeed hope that it is right.

We also welcome the updating of the enforcement and sentencing provisions that will apply to animal welfare offences. Concerns have been raised that in practical terms the effect of the Home Office's custody plus arrangements will water those down. I hope that the Government look carefully at those suggestions. In addition, I hope that they give further thought to the recommendation of the EFRA Committee that greater maximum sentences should be available to the courts in particularly serious cases of abuse. The Bill also proposes to close a significant loophole whereby people who are subject to disqualification orders flout them by pretending that custody of their animals has passed to somebody else. We very much welcome the closing of that loophole.

Given the frustration that has often been expressed about the way in which the courts frequently do not use the existing powers available to them—the Environmental Audit Committee came across that in its inquiry into wildlife crime not long ago—I am particularly pleased that the courts will now be required to give reasons for not issuing a disqualification order in the event of someone being found guilty of a cruelty offence. All of that, and more, we can agree on.

It will not surprise the Secretary of State to learn that we do have some concerns about a number of measures that will be introduced under the legislation which are not in the Bill. I am talking about the proposed codes of practice and the regulations that are to be introduced by statutory instrument. Rarely can a regulatory impact assessment have contained more information about the Government's intentions than the Bill itself or the explanatory notes. Thank goodness for the regulatory impact assessment—but it would have been much better if the proposed codes of conduct and regulations had been produced in time, if only in draft form, so that their impact could be considered in the context of the Bill.

Mrs. Theresa Villiers (Chipping Barnet) (Con): Is my hon. Friend confident that the Bill will give sufficient protection to the 9,000 or so greyhounds that every year are found to be surplus to the requirements of the racing industry?

Mr. Ainsworth: I cannot say that I am wholly confident of that because it is one of the matters that will be dealt with under regulations, but the Government have stated their intention to deal with that problem. The duty of care will, of course, apply to greyhounds anyway, so there will be some improvement there. My hon. Friend raises a very good example of the uncertainties that surround so much of this legislation.

Patrick Hall (Bedford) (Lab): The hon. Gentleman is right to say that a number of highly important and controversial issues will be dealt with in detail in secondary legislation. Does he agree that that constitutes a strong case for the Select Committee to scrutinise those matters in the way that it scrutinised the draft Bill?

Mr. Ainsworth: I believe that the hon. Gentleman served on the Committee that looked at the draft Bill. It is not for me to say what the Select Committee might want to take up in its future programme—I know that Select Committees have more than enough suggestions for their workload most of the time—but it is an interesting suggestion.

Mr. Edward Vaizey (Wantage) (Con): May I give my hon. Friend a specific example of the contents of the regulatory impact assessment? I refer to regulations governing the selling of pet animals over the internet. That measure has to be debated properly because it appears to exclude the advertising of pet animals or the selling of animals on auction sites, and the trade is one that should be properly regulated.

Mr. Ainsworth: I agree. In fairness, the Government have said that they will consult before introducing any of these regulations, but I shall have a little to say about the inadequacy of Statutory Instrument Committees as a means of ensuring thorough and sound debate.

I shall quote from the regulatory impact assessment; this is the nub of the issue. Paragraph 31 says:

"The Animal Welfare Bill is an enabling measure, setting out certain fundamental principles but leaving detailed legislation to regulation and codes of practice."

That, really, is the trouble. Even with the commitment to consult on the regulations and codes of practice, that is an inadequate way for Parliament to consider detailed legislation. Unamendable statutory instruments get a maximum of one and a half hours of obscure debate in Committee. I speak as a former Government assistant Whip, so I know whereof I speak—Government Members are not exactly encouraged by the Whips to participate in the proceedings.

I think I know why the Government have taken this approach. It is partly to prevent the Bill from becoming too long, complex and inflexible, and I have some sympathy with that. However, the Bill is enabling only in the sense that it enables the Government to do virtually whatever they want.

Mr. Martlew: The hon. Member for Wantage (Mr. Vaizey) just intervened to make a point about the internet, which would not, of course, have been the subject of an intervention 10 years ago. The framing of the Bill means that we will be able to deal with new developments through secondary legislation.

Mr. Ainsworth: That is a fair point. I fully understand the need for flexibility and I am sympathetic to that, as I have just said, but there are issues arising from the Bill's structure, and they are of concern not only here in Parliament but to all those whose lives and livelihoods, duties and responsibilities are likely to be affected by the regulations and codes of practice at a later date.

Rob Marris: The hon. Gentleman is talking about those who will be affected by the proposed legislation. Sadly, some animal cruelty will continue and there are likely to be criminal prosecutions. Does he share my surprise that it is difficult to find in the explanatory notes any trace of a legal aid impact assessment, which is supposed to be provided with all Government Bills now?

Mr. Ainsworth: The hon. Gentleman has sharp eyes; they are sharper than mine. I take his word for it. I have no doubt that it is something that the Secretary of State will have noted in the appropriate way.

I am sure that the Secretary of State would agree with some of the points that I have been making about the unsatisfactory nature of not knowing what the detail of the Bill will involve when it becomes reality for people in the community. For example, in her interview with Sarah Montague on "Today" this morning, she might have felt slightly easier about answering questions to do with circus animals if the Bill had been structured slightly differently and if the draft regulations had been available. My view is that the Bill is less than ideal, but I have no doubt that the Secretary of State would argue that it is the only practical way to proceed without overloading the Bill.

There are numerous issues that have attracted much attention in the course of the lengthy incubation of the Bill on which the Government's precise intentions have remained unclear.

Mr. John Redwood (Wokingham) (Con): Does my hon. Friend think that tail docking should be included in the anti-mutilation provisions? Will we be having a free vote on the issue?

Mr. Ainsworth: I am coming to that very point, on which there is a great deal of interest. I ask my right hon. Friend to bear with me.

Among the questions that remain unanswered is the question of what will be exempt by regulation 5(4) from the general ban on mutilation. The timing of my right hon. Friend the Member for Wokingham (Mr. Redwood) is impeccable. For example, the regulatory impact assessment, as ever the best source of information on the Bill, states, in the context of discussions about the draft Bill:

"Sincere views were held by those who both support and oppose a ban on cosmetic docking and our preference is that there should continue to be freedom of choice."

That suggests to me that the Government are in favour of allowing the cosmetic tail docking of dogs to continue as now. I think that the Secretary of State made that point earlier. I say to my right hon. Friend that if the matter arises in Committee or subsequently on the Floor of the House, my right hon. and hon. Friends will certainly be offered a free vote on the matter and on many of the other issues that are likely to arise in consideration of the Bill.

There are plenty of other ambiguities and loose ends in the Bill that merit further scrutiny. I shall flag up just a few. There is the question of whether wing pinioning of birds should be exempt from the mutilation provision. There is the issue of whether a bird reared for game shooting remains the responsibility of its previous keeper after its release into the wild. I heard what the Secretary of State said earlier about that, and found that welcome. However, there are ambiguities in the text of the Bill.

There is the use of the phrase "good practice" in clause 8, which the RSPCA believes may give rise to lengthy arguments in court. There is the question of whether it should be necessary for authorities to obtain a warrant before entering private premises in the case of an obvious emergency. There is the role of the police, who have questioned whether they should be involved except in cases of serious cruelty. We all know that local authorities are already overstretched. Will they have the funds and expertise to carry out their expanded duties under the Bill? I know that these are details but they are important. It is unfortunate that it appears that many of them will not be resolved by the time that the Bill completes its passage through both Houses of Parliament.

Mr. Martlew: Will the hon. Gentleman give way?

Mr. Ainsworth: Yes, but for the last time.

Mr. Martlew: The hon. Gentleman refers to ambiguities. The new leader of the Conservative party has said that he will bring back hare coursing, stag hunting and fox hunting. Does the hon. Gentleman agree with his leader?

Mr. Ainsworth: I am not surprised that the issue of fox hunting has been raised. I do not think that you would be particularly pleased, Madam Deputy Speaker, if I went too far down that route. One of the advantages of the proposed legislation is the emphasis that is given to sound scientific evidence prior to introducing measures. One of the problems with the fox hunting legislation is that it was not based on scientific evidence. I do not want to go any further on that subject.

Having spoken about the reservations that we have about the way in which the Bill has been structured, it is a good and, we believe, well-intentioned measure, even if it is a sad reflection on human behaviour that such measures are needed. We look forward to a constructive and open dialogue with the Government as the Bill and a long list of subsequent measures pass into law, in the hope that sentient creatures that can suffer pain but cannot speak for themselves will live in a kinder world as a result of our efforts.

Madam Deputy Speaker (Sylvia Heal): May I remind right hon. and hon. Members that Mr. Speaker has imposed a time limit of 12 minutes on Back Benchers' speeches?

4.35 pm

David Lepper (Brighton, Pavilion) (Lab/Co-op): May I join hon. Members who have congratulated the Secretary of State and the Department for Environment, Food and Rural Affairs on introducing this long-overdue legislation? I, too, support the measures that it includes.

There has been some discussion about what is not in the Bill, and matters that will be the subject of secondary legislation and the regulatory impact assessment. I would like to concentrate on annexe C of the regulatory impact assessment, which deals with pet fairs because the terms of the Bill do not pay sufficient attention to the recommendations on pet fairs in the report by the Select Committee on Environment, Food and Rural Affairs on the draft Bill. I do not, for instance, agree with the statement in the regulatory impact assessment that there

"is a lack of evidence to suggest that pet fairs by their very nature cannot maintain acceptable welfare standards."

When considering the draft Bill, a major concern of many members of the Select Committee was the wealth of evidence of poor welfare standards at pet fairs. A number of local councils refuse to license pet fairs, and the Chartered Institute of Environmental Health believes that they are illegal. The Government are right to seek to clarify their legality, but they are approaching it the wrong way.

Worries about pet fairs have, of course, been exacerbated by recent concerns about avian flu, particularly evidence presented by the Animal Protection Agency, which is based in my constituency, about the probable link between a quarantine centre where a parrot died in October with signs of the H5N1 infection and the Stafford bird fair where some birds were previously housed. Concerns, however, predate the avian flu outbreak. As I have said, evidence presented by several organisations to the Select Committee revealed concerns about the health, particularly of birds, as well as of other animals at an event at which, with the best will in the world, five or any number of vets could not properly assess the health of the several thousand animals—as many as 13,000 animals at one pet fair—that are offered for sale.

There are concerns, too, about the ease with which disease can be spread at those events, not only between the animals themselves, but from animals to human beings. In an article published in "Veterinary News" in November last year, Elaine Toland of the Animal Protection Agency, Clifford Warwick and Greg Glendell of Birds First explained how, over a period of time, they had visited pet fairs and purchased six birds, all of which were revealed, within a few days or weeks of purchase, to have a number of diseases from which they died. That is the source of the concern that has been expressed by Animal Aid, the Born Free Foundation and the International Fund for Animal Welfare about the spread of disease, which is a real possibility at such events.

It is right that the Government make it clear in the regulatory impact assessment that although they wish to consider licensing pet fairs, they do not wish to bring within the scope of that licensing regime shows and exhibitions by genuine hobbyists, those concerned primarily with the welfare of the animals or birds that they keep who wish to exhibit those animals and exchange information about their care. But where the Government have gone wrong is in asking whether pet fairs should be regulated by a licensing regime, rather than clarifying the law on whether they are illegal. Should not the question have been whether they should be allowed to exist, rather than whether they should be licensed?

Patrick Hall: I congratulate my hon. Friend on being called in this debate on such an important matter. Does he share my satisfaction that the Government confirmed to the Select Committee that the proposed consultation on the secondary legislation that is to come later this year or next year will be full and include the question whether pet fairs should be licensed, not just how they should be licensed?

David Lepper: I welcome the assurance given to the Select Committee in November 2005 on that issue. The Minister went a little further—I hope that it will be confirmed today—when he said that it would be necessary to consider new means of consultation within Parliament and that he hoped that the Select Committee would want to consider that and other issues covered by the regulatory impact assessment again. That is an issue that my hon. Friend the Member for Bedford (Patrick Hall) has raised already this afternoon.

I also welcome the fact that the Minister and the head of DEFRA's animal welfare division, Mr. Bourne, in his evidence before the Select Committee, made it clear that the Government would be willing, as part of their consultation, to consider the question of an out and out ban. But that is not what the regulatory impact assessment attached to the Bill at the moment says, so I would welcome confirmation on those points from the Minister, perhaps later today.

[David Lepper]

I am pleased that, unlike the draft Bill, the Bill does not, as far as I can tell, seek to repeal section 2 of the Pet Animals Act 1951, which states:

"If any person carries on a business of selling animals as pets in any part of a street or public place, except at a stall or barrow in a market, he shall be guilty of an offence."

There is some confusion here. If that section is to remain on the statute book, how does it gel with the proposal for a system of licensing of pet fairs? By their very nature they should be illegal, and there is no intention to repeal that section, which makes them illegal.

There is a further confusion. I welcome the fact that the Government have taken precautionary measures in relation to avian flu and gone along with the European Commission's directive on banning pet fairs, but there seems to have been a partial lifting of that ban, because as I understand it organisers need merely to have registered their intention to hold such an event two weeks beforehand with a local representative of the state veterinary service. If that is so, it is at odds with my understanding of the current situation, where the local council, as the licensing authority, decides whether to license such events. The Government's approach has a degree of confusion at its heart.

Later this evening, I shall present to the House a petition on the issue containing some 15,000 signatures. The petition asks the Government to think again and hold to their promise to consider an outright ban as part of the consultation on any secondary legislation. It also asks them to go further and deal with the issue now in the Bill, so that the proposed legislation does not overturn the current understanding—this is the view of the Chartered Institute of Environmental Health and a number of councils throughout the country—that pet fairs are illegal.

4.46 pm

Norman Baker (Lewes) (LD): First, may I add my comments to those of other hon. Members about Tony Banks, who did a great deal in this House for animal welfare? It is very sad that he is not with us to see the introduction of this Bill today.

I welcome the Bill and add my support and that of my hon. Friends to that expressed by the Conservative party and Labour Back Benchers. We support the Bill, but we will also seek to improve it. Although it is a matter of party policy for us, Liberal Democrat Members will, like other hon. Members, have free votes on certain issues, one or two of which have already been raised.

Given that the hon. Member for East Surrey (Mr. Ainsworth) mentioned that he keeps a protected animal, I should mention that I have two cats, which do even less of what they are told than his dog.

The legislation is long overdue, and it has had a long gestation. The hon. Member for North-West Leicestershire (David Taylor) was right to say that such legislation normally comes forward only under a Liberal Government. If we had had more Liberal Governments, we might have more legislation to improve animal welfare.

David Taylor: I am grateful to the hon. Gentleman for giving way, which allows me to clarify that I did not say that. The Bill refers to "cruel and inhumane punishment", which has been dished out to his former leader in past weeks and months.

Norman Baker: I am not sure whether that comment falls within the terms of the Bill, and it is not entirely accurate either.

This is a once-in-a-century opportunity significantly to improve animal welfare in this country, and I congratulate the Government on introducing a Bill that cohesively brings together the relevant Acts of Parliament and that allows the prospect of further improvements. I particularly welcome the duty of care in clause 8, which is central to the Bill. It will go a long way to dealing with the abuses, which all hon. Members know about from their postbags, televisions and elsewhere. In some cases, authorities, including the Royal Society for the Prevention of Cruelty to Animals, did not intervene to help animals in distress because an offence had not technically taken place. The Secretary of State has mentioned the extension of protection from farm animals to other animals, and I hope that it will deal with such cases, of which there have been too many.

In this country, we have a tremendous affection for animals and a good record of introducing legislation over the centuries. Almost inexplicably, however, some people derive pleasure from inflicting cruelty on animals, while others are cavalier about animal welfare. We must make it clear that we will not tolerate such behaviour and will introduce legislation to tackle it. The increase in penalties also sends a welcome signal that people who hold such views need to be careful, and I hope that it will reduce instances of animal cruelty and of animals not being cared for properly.

Mr. David Drew (Stroud) (Lab/Co-op): Does the hon. Gentleman agree that one simple thing that could be done is to ban the keeping of primates as pets? I am glad to be sitting next to my hon. Friend the Member for Carlisle (Mr. Martlew), who has led that campaign in this place. That would make a real difference to the quality of life of those animals, at least.

Norman Baker: I entirely agree. I am sure that the Secretary of State will resist a shopping list of desirable activities and argue, as she already has, that the nature of the Bill provides for future flexibility. I understand that, but certain issues are important and should be included in the Bill. If they are not, we should at least have a ministerial statement clearly setting out the Government's position. The hon. Member for Stroud (Mr. Drew) will be pleased to know that I intend to table an amendment in Committee on primates as pets to establish the Government's position on that.

Mr. Vaizey: I offer the hon. Gentleman my wholehearted support for his amendment. I understand that the Animal Health and Welfare (Scotland) Bill contains a clause that allows the Scottish Government to bring forward regulations banning the keeping of certain pets. Will he press for such an amendment if his amendment does not survive?

Norman Baker: It is true that we can learn from Scotland in many ways. One of the advantages of the devolutionary system is that we can try different

legislative approaches in different parts of the United Kingdom, which often leads to good examples such as that cited by the hon. Gentleman.

Tony Baldry (Banbury) (Con): Much has been made of the work done by the Select Committee on Environment, Food and Rural Affairs, but the Government have ignored many of its recommendations, one of which concerns suffering. It said that the whole clause on suffering is unclear in its intent and application. We would not need to discuss primates if the definition of suffering was clear. Part of the reason why it is not is that the Government have merely taken some clauses from case law going back to the 1880s. I hope that in Committee the Government will be more minded to listen to some of the recommendations made by the EFRA Committee than they were previously.

Norman Baker: I certainly hope so. We also need to revisit some issues from the draft Bill. The Bill may be an improvement in some ways, but in other ways it has been weakened.

My main concern for the future is that the good intentions in the Bill may not be followed through because to some extent it relies on external activity. The duty of care provisions in the clauses that I mentioned, which I very much support, will rely on the RSPCA and others taking court action in particular cases to establish case law. That applies to all legislation to some extent, but to a greater extent in respect of the Bill. That pushes the responsibility for the interpretation of this central part of the Bill away from Parliament and on to the courts. The wording is therefore terribly important. At worst, we could end up passing an Act that we all think is very good, but subsequently find that it is flawed when tested in the courts, or that the secondary legislation that we expected is not introduced. We need to push the Government further to try to get a clearer picture than emerges at present.

The hon. Member for East Surrey referred to the terms of the secondary legislation. It will indeed provide flexibility if we have a Bill that can be amended quickly in the light of circumstances; I entirely accept the point made by the hon. Member for Carlisle. However, there is a balance to be struck between that flexibility and some degree of certainty that the measures that we expect, and have been argued for outside, will be introduced. Sadly, we can find in enabling legislation passed under all Governments many examples whereby provisions have been put into a Bill that was subject to cross-party agreement and enacted, yet they sit there unused.

I can go back to my days as a parliamentary researcher and the Environmental Protection Act 1990. It gained cross-party agreement yet some provisions have still not been effected 16 years later. Reliance on secondary legislation is reliance on the good faith of the Government—perhaps not even this Government but the next—in introducing it. It worries me that the provisions may not be effected in their entirety.

Clause 62 deals with the commencement arrangements but its specifications are lax. It specifies one or two provisions that will come into force immediately but it also provides:

> "The remaining provisions of this Act . . . shall come into force on such day as the Secretary of State may by order appoint".

That means that the provisions could simply sit there indefinitely. When the Government get cold feet about tail docking or circuses, they will simply say, "This is too difficult; we won't bother to do it." We therefore need some sort of assurance either from the Under-Secretary about the codes of conduct that he intends to introduce or about the commencement date for all the clauses. We need something more than the current open-ended arrangement if we are to be certain that the Bill will be as we want it.

Vera Baird (Redcar) (Lab): Are not the two issues that the hon. Gentleman mentions interlinked? Is not it likely that the Government want to do all the soundings necessary to effect codes of practice and regulations before they introduce a clause that relies on them? Is not that a sensible way of proceeding?

Norman Baker: Yes. I have tremendous respect for the hon. and learned Lady's legal background, having served on the Human Rights Committee with her, but I stress that the arrangement is open-ended and there is no guarantee that anything will be introduced. There is no provision for returning matters to the House if no action has been taken. We need the flexibility that the hon. and learned Lady rightly identifies and some sort of guarantee, which simply does not exist at the moment.

Several matters are missing from the Bill, but perhaps Ministers will tell us that they will be introduced subsequently. I make it clear that I shall not table an amendment on hare coursing or anything else that is missing from the measure—it will have to stay missing as far as I am concerned.

However, we need clarity about pet fairs. The analysis of the hon. Member for Brighton, Pavilion (David Lepper), who is a close parliamentary neighbour, is correct and the position is unclear. Many of us believe that the Pet Animals Act 1951 bans pet fairs, yet they go on all the time. It appears that they will be licensed or registered and allowed to continue, contrary to the 1951 Act. That is legal nonsense and needs to be cleared up. I shall introduce a new clause on pet fairs to try to achieve a ban. I am not confident that the Government will accept it—the Under-Secretary shakes his head without having seen it, which is to prejudge the matter. Never mind, I hope that it will give the Government the opportunity at least to issue a statement to clarify the position.

The Government's intentions on other issues, with which hon. Members are familiar, such as electric shock collars and circuses, need clarification. The Secretary of State mentioned game birds in her opening speech. When they are in cages, it is unclear whether they are classified for the purposes of legislation as farm animals, to which agricultural provisions apply, protected animals, to which the Bill applies, or something in between. Clarity is important if we expect various authorities to take action to protect their welfare. I should be grateful if the Under-Secretary commented on that in his winding-up speech.

The draft Bill has been watered down in a number of respects and I am not sure about the reason for that. We need to understand the Government's thinking rather than simply abandoning provisions that many of us believed were useful. For example, clause 7 covers

[Norman Baker]

fighting. It appears satisfactory and I hope that no one would object to its content. However, in the draft Bill, the provision contained much more, which has been removed. I should be grateful if the Under-Secretary explained the reason for that in his winding-up speech.

In the draft Bill, for example, the equivalent of clause 7 made it an offence to use photographic and recording equipment at a fight, but that provision has now been removed. Presumably, therefore, under the new arrangements people will be able to film these disgusting activities and escape a penalty. We need to be told why that provision has been removed, but it was not mentioned in the Secretary of State's introductory speech.

Mr. Drew: May I give the hon. Gentleman another example of a provision that has been watered down? It concerns giving pets as prizes. I know that an age limit has been proposed, but some of us find it repugnant that animals can be used as prizes at all, and I hope that the Government will reconsider this issue and go back to the provision in the draft Bill.

Norman Baker: I entirely agree with the hon. Gentleman, and, at risk of sounding repetitive, I shall table an amendment to ascertain whether the Government—or, indeed, the Conservatives—intend to support such a measure.

James Duddridge (Rochford and Southend, East) (Con): Is not there a contradiction involved in proposing all these amendments and new clauses? This is, after all, an enabling Bill, and if we put down too many amendments there is a risk that we shall debate the specifics without focusing on the mechanisms of the secondary legislation necessary for us to scrutinise the workings of the Bill properly.

Norman Baker: The hon. Gentleman appears to be disagreeing with his Front-Bench team, because the argument for more clarity was put forward very eloquently by the hon. Member for East Surrey. I am reasonably happy with the generality of the Bill; the Government have, by and large, got the general provisions about right. However, it is not clear whether there will be the necessary follow-through, and unless we have some guarantees on that, the Bill will not be worth the paper that it is written on. That is why we need further clarification from the Government.

Patrick Hall: The hon. Gentleman has mentioned certain controversial issues that he wants to address by tabling amendments or new clauses in Committee or on Report. Surely, a more constructive and coherent approach would be to find a mechanism whereby the House can scrutinise the secondary legislation. We have been told that there will be consultation on that. Fine, but the legislation will then come back under the existing procedures of the House. The hon. Member for East Surrey (Mr. Ainsworth) rightly pointed out that the Statutory Instruments Committee was not an adequate forum to provide such scrutiny. The Environment, Food and Rural Affairs Committee is minded to scrutinise many of these issues, but would the hon. Gentleman's party support finding an imaginative way—not just through an Adjournment debate or a Select Committee—for the House to make decisions on some of those issues? Would not that be the healthiest way of getting them aired, dealt with and decided?

Norman Baker: The hon. Gentleman makes an interesting point, but it is theoretical because we have heard no such proposal from the Government. If the Government wish to be imaginative in dealing with secondary legislation, I would be happy to listen to their proposals, but, so far, we have not heard any. We have heard that the Bill will be subject to the normal legislative arrangements, and that we are to use a failing system of scrutiny via secondary legislation to deal with important aspects of it, namely all the provisions that are not included in the general proposals set out in the Bill before us today. If there is a better way of doing that, let us hear it from the Government, because so far we have heard nothing from them.

I share the concern expressed by the hon. Member for East Surrey about the inadequacy of statutory instruments. I have raised with the Leader of the House and others the fact that statutory instruments cannot be amended, for example. We either accept them or reject them. The Government bring in their troops, who are told to support the statutory instrument, and even if one of their number points out a fault, they are placed under tremendous pressure to approve it. That is not a good system, and we need to improve it.

On licensing and registration, I am worried that the Government are proposing to allow the registration of certain activities, rather than licensing them. The hon. Member for Brighton, Pavilion raised that point earlier in connection with pet fairs. I remember when the district council in Lewes stopped registering roadside fast-food traders—hot dog stalls—because it could not control them; it could only register them. It found that the stalls were putting up signs saying "Lewes district council registered", as though some kind of mark of approval had been given. It can be counterproductive to register an activity. In the context of a duty of care and of animal welfare, we should consider licensing in most cases, rather than registration. I am not sure that the idea of registration is worth pursuing at all.

We should certainly consider licensing for animal sanctuaries. Some very well-meaning people, who have run what they call sanctuaries, have actually collected large numbers of animals in their house and been unable to look after them properly. Consequently, animal welfare has suffered. We need to deal with that problem and stop describing such places as animal sanctuaries.

I greatly welcome the Bill, which contains some very good provisions, but we need to make sure that its proposals can be followed through. My colleagues and I will seek to do so in Committee and on Report.

5.5 pm

Mr. Eric Martlew (Carlisle) (Lab): First, as the current chair of the associate parliamentary group on animal welfare, I want to pay tribute to Tony Banks, who was a leading member of the group. Only the day before we broke for the Christmas recess, I had a meeting with him in which he outlined his daring proposals to put a ban on Canadian products in order

to stop the horrendous slaughter of seal pups. He is a great loss to us all, and I am sure that he would have made a very interesting speech today.

Unfortunately, I will probably make quite a boring speech. As other Members have said, the reality is that this Bill is the most important piece of animal legislation since Lloyd George was Prime Minister. I support the fact that it is an enabling Bill, as it is the only way forward. Members should cast their minds back to the time of the Factories Act 1961 and the Offices, Shops and Railway Premises Act 1963—I happened to be a safety officer at the time—which were horrendous. The then Government said that they had to be got rid of, as they could not be adjusted and were out of date—they referred to things in the 19th century—and brought forward the Health and Safety at Work, etc. Act 1974, which has served us well ever since. I take the point of the hon. Member for Lewes (Norman Baker) that the Bill provides the opportunity for a Government not to bring forward secondary legislation, but I think that he would agree that the animal welfare lobby in the House is such that any Government or Minister who tried to hide behind that would get a very rough ride. I am sure that our Ministers are not considering doing so.

While I support the Bill in general, I have one or two reservations about it. I wrote to the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Exeter (Mr. Bradshaw) with regard to animal sanctuaries. I must declare an interest as I am a patron of two animal sanctuaries in north Cumbria. One is the Wetheral animal refuge, set up many decades ago by the well-known figure Alfred Brisco to provide a rest home for pit ponies, with the unfortunate slogan, "even pit ponies deserve a fair crack at the whip". It is an excellent facility, is very professionally run and has provided a service in rehousing pets for many years. I am proud to be a patron of it. A much smaller sanctuary, Stonehouse, in Moorhouse in my constituency, is run by an amazing lady called Elizabeth McDonagh and many friends. It is a small sanctuary, known to the Minister for Climate Change and the Environment, who spent a pleasant afternoon there last year when visiting my constituency, and it takes discarded animals, whether farm animals, old greyhounds or ferrets—there are plenty of ferrets. It is very well run.

There have been some horrendous cases, however, of people—I do not think that they are bad people—who have been overwhelmed by the demand to rehouse animals. They have reached the point at which they cannot cope, and there have been cases of cruelty. There is an argument about licensing and registration, and I think that we can probably get away with registration—the advantage of an enabling Bill is that if we are wrong, we can change it. The duty of welfare care will apply to sanctuaries as it will to anywhere else. We should therefore give it a try. There could be a difficulty whereby bureaucracy puts good sanctuaries out of business, but the matter must be considered.

The second issue that I want to raise is the tethering of animals. We have all received briefings, and I am grateful to the Royal Society for the Prevention of Cruelty to Animals for its briefings on many subjects, including tethering. Sadly, I witnessed an instance of it some years ago when returning from a rugby match in Yorkshire. A terrified horse was tethered at the roadside, probably because it was shy of traffic and the owner had decided that that was the way to cure it. Juggernauts were going past all the time. I stopped the car and telephoned the police and the RSPCA. I was told "You are right, and we have received a number of complaints, but the law does not allow us to do anything, because the law is not being broken." I hope that the Minister will ensure that the code of practice includes rules on the tethering of animals, especially horses, near roads.

Tony Baldry: The Select Committee made it very clear that the Government should consider whether mental suffering should be specified in the Bill. The position seems simple to me. The Bill will cover physical suffering; the hon. Gentleman's point relates entirely to mental suffering. Why should we not incorporate mental suffering in the definition of suffering in clause 4?

Mr. Martlew: I do not disagree with that, but I assume that the duty of care would constitute a catch-all, and that we could use it in such cases.

I am a great supporter of circuses, and I realise that they provide the first live entertainment for many children. I do not want them to disappear. I fear that too many children spend too much time in front of the television, and not enough time going out and having real-life experiences. But in the United Kingdom in 2006 there is no place and no need for wild animals in circuses. I think that it is Bobby Roberts's circus that has a lone elephant—not a troupe of elephants—which travels around the country. I believe that it is 52 years old. That should be stopped. Similarly, the welfare of tigers, lions and zebras, which are wild animals, cannot be catered for in circuses.

Martin Horwood (Cheltenham) (LD): The hon. Gentleman has dismissed television, but does he not agree that one of the advantages of modern television and wildlife photography is that children can grow up experiencing what wildlife is really like through television without needing to see it in circuses, which are inherently cruel in their way of presenting it?

Mr. Martlew: I entirely agree. In the 1940s and 1950s there might have been a case for the use of wild animals in circuses—those who wanted to see an elephant might have to go to the circus—but now people can watch the Discovery channel, for instance.

I have a feeling that the Government are running shy of the issue, because they are frightened of being told, "It is a nanny state: you are banning too much."

Rob Marris: A nanny goat?

Mr. Martlew: No, a nanny state. According to MORI, 60 per cent. of people oppose the use of wild animals in circuses. The Government should decide to ban it, or give us a free vote on it.

Vera Baird: I would have preferred travelling circuses to be regulated, or indeed banned. I entirely agree with what my hon. Friend said about their incompatibility with the duty of care specified in clause 8. Is that not the key, however? Will it not prove impossible for travelling

[Vera Baird]

circuses to meet the requirements of clause 8, especially the five freedoms listed in subsection (2), and does that not mean that they will inevitably die out?

Mr. Martlew: That is probably true, but if I asked the Minister, I am sure he would not say that the clause would ban wild animals in circuses. In 1998, the associate parliamentary group on animal welfare went into this issue in great depth and produced a report on it. It concluded that there was no justification at all for such behaviour.

I turn finally to an issue that concerns most of us. I am worried about the Government's commitment to dealing with—I am not going to use the easy phrase—the amputation of young dogs' tails. Such amputations are unnecessary, outdated and unethical, and should be stopped. We in this House have been told for many years that this issue presents no problem. In 1993, we voted through legislation banning breeders from docking puppies' tails. The previous year, the Royal College of Veterinary Surgeons had said that it was unethical for vets to dock tails for anything other medical reasons. Last year, however, some 70,000 of these so-called operations were carried out on puppies in this country. If the breeders and the vets are not performing them, who is? We need to ask that question, and the Government need to make it clear that they are against such practices. Apparently, the draft Bill was of that mind, but the Government have backtracked and said that they prefer to leave this issue to the individual and to individual breeders. If we do that, nothing will change; if we leave it to the Kennel Club, nothing will change.

Mr. Vaizey: Is not the answer to the hon. Gentleman's question that if vets are not doing it, it is illegal under current law? What would he do about working dogs, which are in danger of injuring their tails? In countries where tail docking is banned, tail injuries increase substantially.

Mr. Martlew: It is pretty obvious that if a dog has not got a tail, it is not going to injure it. I would ban all amputation of dogs' tails. We could look at the question of working dogs and if there was a large increase in tail injuries, we could perhaps introduce secondary legislation to change the law. However, that is not what we are talking about. I do not know about other Members, but until I received from the Dogs Trust a photograph of a very handsome boxer with a tail—I have it in my hand—I had not seen a boxer with a tail. Boxers are not working dogs. This is what we should be working toward.

I do not wish to say any more. I thanked the Minister when he came to do the APGAW reception for his command of his brief. I said then that it is a good Bill, which it is, but that it will be made better by amendment, and I still believe that.

5.18 pm

Miss Ann Widdecombe (Maidstone and The Weald) (Con): I join those other Members who have paid much-deserved tribute to Tony Banks. Tony was a tremendous worker for animal welfare. He is obviously most closely associated with the Hunting Act 2004, but he was also involved in a vast range of other initiatives, including even almost declaring war on the Chinese Government over the treatment of bears in China. A lot of his work and his agitation over the years is represented here in this Bill; in many ways, it stands as a fitting tribute to his time in Parliament.

I begin with some extremely unusual words, four of them: I congratulate the Government. *[Interruption.]* Members will never hear it again. That is probably about as friendly as I intend to get during this debate, but to be serious, I do congratulate the Government on introducing the first comprehensive animal welfare measure in a very long time. Many individual pieces of such legislation have been passed by successive Governments, but this is the first comprehensive Bill for a long while. I do not refer to Liberal Governments so I shall not say how long the period has been, but I am delighted that this Bill has been produced.

Very often, people are inclined to be dismissive about the importance of animal welfare and say that we should attend to other priorities. They think that concern for animals is based on a misplaced anthropomorphism or sheer sentimentality, whereas I believe that how we treat our animals is a measure of society. Animals have no voice of their own that they can make heard. Any ill treated human being can speak, but animals cannot: what goes on behind closed doors is determined entirely by human beings. Because animals have to take whatever we dish out, it is right that we should create a proper legislative framework to ensure that any suffering that might be inflicted is both necessary and minimal.

I have never been an extremist when it comes to animal welfare. I am not a vegetarian, nor do I think that it is never justifiable to use animals in medical research, but I do believe that we have a duty to prevent suffering whenever it is unnecessary. However, many of the proposals are grey rather than black or white, and we must clarify them as the Bill passes through the House.

For example, I am very relieved that the Bill deals with the concept of an animal's welfare, and not just with the cruelty that it might suffer. However, most hon. Members will accept that there is a difference between undue negligence—the harm inflicted by people who simply do not care what animals go through—and the sort of neglect that is inflicted through ignorance. I am not sure that the Bill makes that distinction, even though the latter type of neglect is inflicted on animals in this country every day.

Many people approach the ownership of animals with sentimentality, but it is a serious business. My most recent vet's bill came to £590, even though I only have two—admittedly quite fat—domestic cats. Owning animals incurs costs and calls for responsibility and vigilance, and the fact that many people do not understand that is especially evident at this time of year, when many Christmas presents are left tied to trees.

I am not such a child as to propose that we legislate for that lack of understanding. That would be impossible, but we must examine the amount of education available to people at the point when they acquire an animal. I believe that, at that moment, people

should be given a considerable degree of education about what is involved in keeping an animal throughout what might be quite a long life.

The number of people who do not know the life spans of the animals that they take on is amazing. For example, some people think that a tortoise will live for only five years or so, when in fact it might live longer than most people. It is crucial that people understand what is involved in owning a pet.

Mr. Vaizey: I do not want to pre-empt any of my right hon. Friend's remarks, but does she think that there are some animals that are wholly unsuitable for keeping as domestic pets?

Miss Widdecombe: My hon. Friend's timing is immaculate, as was the case earlier with an intervention on my hon. Friend the Member for East Surrey (Mr. Ainsworth), the Opposition Front-Bench spokesman. In fact I was going to speak about primates in a few seconds.

With some animals, ownership can be justified only very rarely. In the case of primates, it may very occasionally happen that a scientist rescues one that is not suitable for release into the wild and which cannot be placed in a zoo because it is not au fait with others of its species. Such circumstances may come about on very rare occasions, but most people will cleave to the proposition that a human being does not need to own a primate as that would not be in the animal's interest.

The Bill does not deal with the matter of keeping primates as pets, and another large grey area in the proposals has to do with circus animals. Children of my generation used to love going to the circus, where the animals' performance gave us much innocent pleasure. I remember, of course, the chimps' tea party. I did not see anything like it again until I saw Prime Minister's questions. I also remember seeing elephants balancing on an amazingly small space. I have seen balancing acts in this place, but nothing in between that was as spectacular. Now, of course, I understand, as I suspect we all do, that much of the conduct used to persuade animals to act in that fashion is not benign—and that is a deep understatement.

It appears that under present legislation it is legal to beat an animal in a circus in order to produce the required performance, although it is not legal to beat the animal once the performance has been produced. In other words, one may use physical punishment to train an animal in a particular method. That has to be wrong, because there is no gain for humanity in a successful circus performance. I am therefore concerned—and that concern is shared by animal welfare organisations—about some of the changes that have been made to clause 4. We are told that it has been tidied up, but the provision in clause 4(3)(d) seems to be a get-out clause, because it provides that an assessment of suffering may include whether it was

"proportionate to the purpose of the conduct concerned".

For performing animals, the purpose of the conduct is a perfect act, and a fair amount of physical ill-treatment could be justified as technically in proportion to the conduct.

Tony Baldry: My right hon. Friend may be surprised to learn that that line comes from case law—Ford *v.* Wiley—from the 1880s. The Government have lifted decent case law and put it into that clause at the behest of parliamentary counsel, which is one reason why this part of the Bill has become so confused.

Miss Widdecombe: My hon. Friend has just enlightened me and probably a large section of the House with his learned discourse. I did not know that, but it is undeniable that that part of the Bill is confused or, at least, a grey area with insufficient clarity.

Mr. Gray: Will my right hon. Friend give way?

Miss Widdecombe: Yes, for the last time, although I may regret doing so.

Mr. Gray: My right hon. Friend will not regret giving way, because I entirely endorse much of what she has said about circuses. However, what is her attitude towards the use of performing horses in circuses?

Miss Widdecombe: Wherever cruelty or unnatural treatment is involved in the maintenance of an animal for no good reason, it is wrong.

I would like to see a proper debate on electric shock collars. I speak with caution, because I was deeply involved in prisons for some time and I am aware of the role played by electric shock collars in training. Nevertheless, I have come to the view that other methods are just as effective and we should have a full debate and a free vote on the issue in this House. I would also prefer it if it were on the Floor of the House and not in Committee.

The question of tail docking has already been covered fairly extensively. It is an important issue. Tails are docked for one of two reasons. First, it is done for cosmetic reasons, which can never be justified and should be outlawed, with no vet allowed to do it. The second is applied to working dogs, especially gun dogs, and others whose tails may become damaged in the course of their rather regrettable duties. However, other parts of the animals may be damaged in the course of those regrettable duties, such as paws, ears and noses. We are talking about preventive mutilation. That is not justifiable.

The farce is that whereas the hon. Member for Carlisle (Mr. Martlew) rightly said that he had not seen a boxer with a tail, I have seen many working gun dogs with tails. Their tails were not docked and they did not appear to have come to grief. Once again, I hope that there will be a full debate on anti-docking on the Floor of the House, rather than merely in Committee, with a free vote. Docking includes the cutting through of muscles, tendons and up to seven pairs of nerves. It also means severing bone and cartilage connections; it is not a small, cosmetic operation, but something that causes a great deal of pain.

We should also consider the purpose of tails. I shall not say that if a dog loses its tail it loses its smile, but the tail is a means of communication. We even use the word metaphorically. I might say that my hon. Friend the Member for North Wiltshire (Mr. Gray) had his tail between his legs—[*Laughter.*] That would of course mean that he was somewhat dispirited after the hunting result. I might say that I was feeling waggy-tailed today,

[Miss Widdecombe]

which would mean that I was happy. The tail is not just a point of communication for humans. We have to understand that the tail is a genuine means of communication between dogs, and aggression can result if dogs cannot communicate with each other. In case anyone says that bans are unworkable, I point out that there has been a ban in Norway since 1987, and in Sweden and Switzerland since 1988. Those bans have worked and none of those countries has seen fit to repeal them.

Finally, whatever laws we pass after our debates on the Bill must be observed. It demeans democracy when the House passes law, sometimes by a large majority, yet some people out there decide that because they do not like the law, they will not obey it. If, for example, following a ban on docking, we do not see boxers with tails, we will know that the law is being disobeyed. This law, like the hunting law or any other law, must be observed when it is passed.

I am delighted to have had the opportunity to contribute to the debate, and hope that the final resolutions will mean a much better world for our dumb friends.

5.32 pm

Paddy Tipping (Sherwood) (Lab): I am delighted to follow the right hon. Member for Maidstone and The Weald (Miss Widdecombe) who, with my old and dear friend, Tony Banks, formed a remarkable and dynamic duo across the Chamber on these issues.

I am pleased to speak strongly in support of the Bill, which has been long awaited and is much needed. It revises out-of-date laws—the 20 pieces of legislation dependent on the Protection of Animals Act 1911, whose cruelty provisions have never been changed.

I congratulate the Government on the way that they put the Bill together. There have been suggestions in the debate that the Government are not prepared to listen, but their record belies that. When the Bill was put out for consultation between 2 January and 13 April 2002, 2,351 responses were received. A number of working groups and stakeholders involved in animal welfare have added substance to the Bill.

Reference has been made to the Select Committee, on which I was delighted to serve, even though it took longer than I had anticipated. The Committee received 220 written memorandums and took oral evidence from 51 organisations. It produced 101 recommendations, and I am delighted that the Government have shaped and changed the Bill in the light of those comments. I am confident that given that approach and model of good practice, the House will have further opportunities to change the Bill.

I was also impressed as I served on the Select Committee by how warmly the Bill was welcomed in general terms, although there were deep and strong differences on matters such as wild animals performing in circuses, tail docking, shock collars and pet farms, and we have heard several concerns about them today. The hon. Member for Lewes (Norman Baker) made his position clear. People will table amendments in Committee to try to change the Bill, but the structure of the Bill is essentially right. It is an enabling Bill that will bring about remarkable and much-needed changes in animal welfare, so we should support and stick with it.

The key provision in the Bill is clause 8, which provides for the duty of care of pet owners to look after their pets properly and sets out the so-called five freedoms. The significant aspect of the Bill is the fact that it takes the focus away from prosecution for cruelty and puts it on the prevention of suffering, which is a new and important change. I was extremely impressed by the evidence that the RSPCA gave on numbers and the individual detailed case studies that showed that suffering could have been prevented by early intervention.

I hope that the Minister will argue strongly in Committee against the kind of amendments that have been talked about this evening. The important thing is to get the structure, values and framework of the Bill right—after all, we have waited 100 years for it. If we get that right, the rest will follow. I was interested that the Secretary of State said that she would consult widely on regulations and codes of practice and give adequate time to examine them. That is the trade-off. Let us get the structure of the Bill and a commitment from the Government that when they bring forward important regulations and codes of practices, there will be real consultation both inside and outside Parliament so that important individual issues, such as wild animals in circuses and shock collars, can be properly debated. I am against such activities, but I am confident that the values of the Bill will ultimately—we might have to wait some time—lead to their demise.

I hope that we will have the opportunity to examine clause 4 in detail in Committee. The hon. Member for Banbury (Tony Baldry) has already pointed out that we need to consider mental, as well as physical, suffering. The right hon. Member for Maidstone and The Weald talked about clause 4(3)(d), which offers the defence of

"whether the suffering was proportionate to the purpose of the conduct concerned".

That has real relevance to performing animals in circuses, so I hope that we will be able to test the principles in the clause and push them to their limits in Committee.

I want to make three further points. First, the RSPCA has briefed hon. Members on both sides of the Chamber extremely well. It has asked for no further powers under the Bill and has been granted no further powers. There is confusion about the term "inspector" in clause 45. I understand that such an inspector will be appointed by the Secretary of State at a national level, or by local authorities. I think that the Government have in mind people such as state veterinary inspectors, or environmental health officers who work for a local authority. There is confusion between the person referred to in clause 45 and the traditional hard-working, uniformed RSPCA inspector. The RSPCA has many friends, but it has detractors as well, and we heard the voices of some of them in correspondence quoted in the Chamber. There will be no new powers of entry. The RSPCA will continue to be reliant on the powers of entry of the police.

Secondly, the regulatory impact assessment, mentioned by the hon. Member for East Surrey (Mr. Ainsworth), argues that because of earlier

intervention and the licensing system, there will be no extra cost to local authorities. I am sceptical about that. This is a major and important piece of legislation, for which many of us have pressed for many years, and it will be a tragedy if its success were denied because of a lack of resources.

Thirdly, the Bill's strength—we will see this throughout our discussions—is that it provides a vehicle for debate and change. I have been very interested in the recent discussions on shooting, which has been mentioned. Unlike hunting with hounds, people—even implacable opponents, such as the British Association for Shooting and Conservation and the League Against Cruel Sports—are prepared to talk about shooting in a sensible way. Over recent months, I have noticed a growing awareness that shooting will have to change to survive. Our Labour party manifesto makes it clear that we will support shooting and not restrict its practice, and I have three examples from the shooting sector. First, what I found so exciting was that the BASC came out strongly against breeding cages and intensive methods of rearing poultry. It was also exciting to hear the League Against Cruel Sports recognise and accept that.

Secondly, snaring is also important. It is legal, but has many deficiencies. Through the good offices of the Department for Environment, Food and Rural Affairs, a new snaring code has been put together. The Bill will encompass that code of practice. There is more work to be done on it, but I am impressed by the willingness of supporters and opponents of shooting to get into a dialogue.

My third example is what has become known as industrial shooting—large shoots that often pay remarkable fees for big bags of birds that are not used for food or retail. There are stories that many of them are buried in pits. That is wrong. Shooters who want the sport to survive know that there needs to be change. Again, it is interesting that there is an overlap of views between the BASC, which is pro-shooting, and the league, which is against it.

I hope that the Bill proves a vehicle for sensible discussions about animal welfare. What struck me—perhaps I should not get into this—about the debate on hunting was how entrenched people were in their positions. Change will be necessary if shooting is to survive. I hope that the Bill provides us with a framework and set of values so that we can all have sensible and rational discussions about animal welfare activities. I am against wild animals in circuses, tail docking and pet farms, but I strongly believe that the Bill's structure, although we may have to wait for it, will ultimately lead to a sensible discussion and the demise of those activities.

5.44 pm

Derek Conway (Old Bexley and Sidcup) (Con): It is a delight to follow the hon. Member for Sherwood (Paddy Tipping), who made a reasoned, and seasoned, contribution to the debate in his usual sincere manner, and I am grateful to him for that.

A number of people have commented on their memories of Tony Banks in this place. Although he became famous, or even infamous, for his campaigns on hunting with dogs, he did, as my right hon. Friend the Member for Maidstone and The Weald (Miss Widdecombe) mentioned, take a great interest in many animals. During my time as chief executive of the Cats Protection League, or Cats Protection, as it now prefers to be called, Tony was made one of the patrons of the league, along with my right hon. Friend. Tony was a strong supporter and a great cat lover. I like to think that he would have a wry smile on his face at the thought that he, like the cats he loved, left a mark on this place. He was a man who will be well thought of in the animal welfare world for the sincerity with which he cared for the pets he owned and the pets he argued for.

It is a pleasure to take part in a debate in which there are so many Members present who over the years have expressed such keen interest in animal welfare work. I am glad that we can now have this debate, which has been delayed for so long under Conservative Governments and under this Government because there was always the danger that the Bill would be hijacked and would concentrate only on hunting with dogs. Every time Ministers suggested trying to do something about the legislation, the business managers on all sides would run for cover because they knew that it would be a Christmas tree Bill, with everybody wanting to hang a bauble on it, so it would be completely lost in this place. Now that hunting with dogs has been taken care of in a different way, we can concentrate on how legislation affects animals more widely.

The contribution of my right hon. Friend the Member for Maidstone and The Weald about our responsibilities, particularly to domesticated animals, was well made. When I represented the largest cat welfare charity in Britain and went to different places, I often got quite hostile questions from people in the audience. We raised £27 million a year for cats, and people would ask, "Why aren't you giving that to children or to people abroad? How dare you have 300 employees spending so much time and effort looking after cats?", without realising that, as my right hon. Friend said, how we treat our animals is very much a mark of our society.

What helped to make the cruelty debate more realistic was when, eventually, the police came to the conclusion that a person—sadly, often, a man—who will kick a dog is often the same individual who will as likely kick a child or a partner. The same is true of cruelty to cats. Some of my friends used to tease me about my work with Cats Protection, saying, "I bet you mix with some pretty strange people." The term "mad cat lady" was always being thrown at me and the people with whom I was dealing. I well remember when my right hon. Friend visited one of the shelters; I went with her because the manager was a bit nervous about having someone so famous come to look at a cat. My right hon. Friend went round to decide to which one or two cats she might give a home. There was one that she particularly liked, and the manager came up to me quietly and asked, "How do we tell her that this cat is an ankle-biter?" I approached my right hon. Friend and said, "You might want to be careful because one of the cats you're looking at is an ankle-biter." She said, "Only once." We understood exactly. Of course, she went on to give the animals a wonderful home.

The thing that I have discovered, having met thousands of men and women who work in cat welfare, is that the vast majority are perfectly normal—but,

[Derek Conway]

every now and then, we get a really odd one. What the Bill does, particularly for sanctuaries, is deal with the odd one: the person who ostensibly loves the animal and means well and takes in a cat or two; then it is five and then 10, and because the cat is one of the most proficient breeding animals in the world, before very long it is 100. We would then have to try to move in vets, the RSPCA and social workers to do something about it.

The message that we always used to try to put across to people is, "You don't have to be kooky to look after a cat. You don't have to be an extreme animal welfare person. You just have to be normal." We would say to those with a dog, "Have a cat as well" because dogs and cats get on well together. I would then get hostile letters from cat ladies saying that one should never have cats with children or with dogs. What I found increasingly with some of the smaller sanctuaries where we had to put in vets to try to help is that some people's love for the animal was completely overtaken by their inability to cope with the care of the animal. Although they meant well they just could not cope.

I am glad that the Government are bringing forward measures to tackle licensing and registration. The Secretary of State, in her welcome opening remarks, mentioned that there would be greater need for welfare sanctuaries. The right hon. Lady is probably right in saying that. As a result of that, there will be much greater need for care standards. The Cats Protection charity introduced cat care standards. It was hugely controversial because it was designed to limit the number of cats that people could look after—rather than hundreds, say a maximum of five. It was rather like declaring war on some of our supporters.

When it comes to sanctuaries, vets are not always the best inspectors. I found it surprising that some vets can have a pretty hard-hearted approach to pets. I am not decrying the profession generally, but I have met a number of vets who have a pretty tough approach to animals. Although they would obviously care for them from a veterinary point of view, welfare was less of a strong point for them. When secondary legislation is brought forward, especially that dealing with sanctuaries, it is important that proper care and attention is given to the way in which animals are kept.

Members receive a lot of lobbying from the RSPCA, which has its detractors. Sometimes it is more political than some people would like. My experience of working closely with it over seven years is that it means well and that the political dimension of its activities is only a small, although controversial, part of its work overall. The RSPCA undertakes a vast iceberg of work through its paid staff and also through voluntary helpers. It is remarkable. It is right that Members and Government advisers take note of the RSPCA's views.

We must have a mind to some of the other welfare societies that have particular expertise. Reference has been made to the work of the Dogs Trust. My hon. Friends the Members for Southend, West (Mr. Amess) and for Romford (Andrew Rosindell) have been great supporters of the trust. It is a wonderful organisation. It used to be called the National Canine Defence League. In our well-educated society, people did not understand what canine meant, so it was thought that the title "Dogs Trust" would be a bit easier and better to market. It has a dedicated chief executive called Clarissa Baldwin, who has sent a briefing pack to us all. I hope that Members who are appointed to the Committee will consider it closely. The trust does a marvellous job in looking after dogs, as does the Battersea Dogs Home, which is across the river from this place. It takes in cats as well, and its work has been continuing for 100 years.

Some of us might get into hot water over the business of mutilation. I find it a difficult issue. I can understand the point that is made about working dogs and the problems of maggots and faeces, for example, and there is also the domestic issue. I am confused because for many years I had a wonderful dog, which was a Labrador. It was not a gun dog or a working dog but a family pet. I lived in Shropshire and I saw many gun dogs at work. I cannot remember seeing a Labrador with a docked tail. It may be that some dogs are more appropriate to be gun dogs than others, but I think that Labradors are quite well used. Those who are in favour of the mutilation of tails will have to persuade me on the Labrador point.

Mr. Charles Walker (Broxbourne) (Con): I have some sympathy with my hon. Friend on the issue of tail docking. How would he see the matter being policed? I have a five-year-old terrier without a tail. I am sure that she is very sorry that she does not have one. If I get another terrier, I will make sure that it has a tail. If a ban is introduced, how will I prove that the dog's tail was docked before the ban came into place?

Derek Conway: I take my hon. Friend's point. Our family pet has a docked tail, and had one when we took it in. Many people give homes to rescued animals that have docked tails. Whatever the regulation that takes effect, from that moment on no doubt prosecutions will occur, if the practice continues.

I can understand why the Kennel Club is arguing on behalf of its members. It guards the purity of the breeds with great care, and it does a remarkable job. Many people forget that the club is not only about the defence of the breeds—it is a generous charity, together with other welfare charities. It has a policing job within breeds as well as a supportive role, and it is generous to other dog welfare charities. I understand what my hon. Friend is saying, but I think that there will be a way round the issue once the proposed legislation is in place.

It is what will come from the legislation that worries me. We have all praised the Government for what they are doing, and that praise is meant genuinely, but I urge them to think back to the Environment Bill, which was enacted last year. Within that measure was a clause dealing with stray dogs. It provided for how they would be collected, cared for and all the rest of it. It was a flimsy part of the Bill. The Minister who was responsible for the Bill—not the Minister on the Front Bench—was nervous about it. There was not much time for it to be considered by the Committee. Dog wardens throughout the country are confused about what is going on.

The dog welfare charities, particularly the Dogs Trust, are trying to re-home stray dogs, and they are under great pressure. The measure was sold to us as enabling legislation and it was said that we would return to the details later. We have not done so, and stray dogs are still very much at issue. My hon. Friend the Member

for East Surrey (Mr. Ainsworth), speaking from the Opposition Front Bench, had a bit of a dig at the Government about the Bill being open-ended. I have given an example of where previous open-ended legislation has passed through the House and has not worked.

There are so many issues of animal welfare to talk about. Clearly, everyone will wish to participate in consideration of the Bill in Committee. I hope that the business managers will ensure that consideration on Report will be of a decent length. What tends to happen is that Bills return from Committee and we find that there is no real time for the House to express its opinions. This is one Bill where the business managers can afford to be generous with time. We are talking not about party political issues, but issues that are widely felt not only in this place but by those who send us here. I look forward to the Bill's consideration in Committee and I wish the Committee well. I am glad that the debate can take place without extreme views dominating the agenda. It is because of that that so many aspects of animal welfare have had to sit on the back burner. I congratulate the Minister on bringing the Bill forward and on all the work that he has done. We look forward to seeing what he produces in Committee and when we consider the Bill on Report.

5.56 pm

Shona McIsaac (Cleethorpes) (Lab): I am delighted to take part in the debate and to follow the hon. Member for Old Bexley and Sidcup (Derek Conway).

There is genuine cross-party support for the Bill, and that has been reflected in my constituency and, I am sure, in the constituencies of all other hon. Members. On the publication of the draft Bill, I consulted those of my constituents who had an interest in animal welfare issues, and asked for their opinions on the Bill. I am pleased to say that the majority of those people expressed their support for the measure. In line with many of the opinions that have been expressed in the debate so far, they had certain reservations and certain concerns, one of which was the issue of performing animals in circuses. I have questions about animal sanctuaries.

A number of the constituents to whom I spoke accept that there will be increases in penalties and punishments. A significant number of them—probably about half of those who expressed an opinion to me—wanted tougher penalties. They wanted prison sentences to be longer. They wanted fines to be higher and they wanted tougher disqualification from owning animals in future.

This relates to an issue raised earlier on the penalties issue, which concerns custody plus. The penalty of imprisonment could be reduced to about 13 weeks without custody plus. I understand that that is less than under current sentencing arrangements. We must consider this issue. My constituents are saying that the penalties should be greater, so that if we have custody plus people will be put away for what they consider to be a reasonable time.

I shall now discuss performing animals in circuses. My constituents have strong opinions on this issue. I found that 95 per cent. of people felt that the use of wild animals in circuses should be banned. Like other hon. Members, I share that view. Many years ago I served as a councillor on the same council as the hon. Member for East Surrey (Mr. Ainsworth). It introduced one of the first bans in Britain on performing circuses on council land, and many local authorities followed suit by refusing to allow circuses to perform on council-owned land. The issue has therefore received strong support up and down the country for many years. MORI opinion polls consistently show that over 60 per cent. of people in Britain would like to ban performing animals in circuses.

Mr. Gray: Does that include the use of horses as performing animals in circuses?

Shona McIsaac: Certainly, my constituents would wish to include them, given the way in which they can be trained. They have expressed concern about that, and I shall come to the issue of horses in circuses in a short while.

Last year, I took part in a peaceful protest against the use of wild animals in circuses when a circus visited Laceby in my constituency. Interestingly, it arrived on the 14th anniversary of the night on which four lions escaped from Chipperfield's circus on a nearby site in Grimsby, mauling a man and terrorising many local residents. My hon. Friend the Member for Sheffield, Hillsborough (Ms Smith), who is from the area, probably remembers the incident in which lions marauded through Grimsby. They were subsequently caught. When I took part in that protest, many people who visited the circus were not interested in the animals—they were more interested in the acrobatic displays. However, after the show they were deeply concerned about what they had seen. One of my constituents was reported in my local newspaper, the *Grimsby Telegraph*, as saying:

"I help with horses and I noticed the horses had muzzles and the zebras appeared to be biting the horses . . . while the llamas seemed to me to be petrified. I thought it was cruel and I won't be coming again."

A large body of evidence collected by the Born Free Foundation, Animal Defenders International, the Royal Society for the Prevention of Cruelty to Animals and others shows that a circus environment cannot provide for the needs of such animals. The transportation required and housing arrangements constrain their natural behaviour. The Secretary of State and other hon. Members have said that we were one of the first countries to introduce legislation to protect animals. However, we shall not be the first to introduce legislation to ban performing animals in circuses, because other countries have already done so. If they can do so, the majority of my constituents and I do not see why Britain cannot do so as well.

Briefly, on the subject of animal sanctuaries, the right hon. Member for Maidstone and The Weald (Miss Widdecombe) said that people can speak for themselves, but that animals cannot. There is, however, a breed of person who cannot speak for themselves in the Chamber—my hon. Friend the Member for Brigg and Goole (Mr. Cawsey), who is a Whip. I shall be his voice tonight. I was a sponsor of the Animal Sanctuaries (Licensing) Bill, which he introduced in 2001. It would have provided for the licensing and inspection of animal sanctuaries, but he withdrew it when the Government made it clear that the issue would be addressed in the

[Shona McIsaac]

Animal Welfare Bill. I certainly welcome that, but I have a number of concerns. While the draft Bill proposed the licensing of larger sanctuaries and the registration of smaller ones, the Bill before us today no longer includes the licensing requirement. Instead, it proposes that sanctuaries should register with the local authority for a five-year period. Animal welfare organisations and I are concerned about that, as such a period between inspections may not be appropriate.

We must undertake work to define sanctuaries, and the new regulations must be put in place urgently.

The hon. Member for Old Bexley and Sidcup mentioned problems in defining sanctuaries. What on earth is a sanctuary? If someone takes in a few cats because they like cats and they think that those cats are not being treated properly, are they running a sanctuary? We therefore need to clarify those definitions, and we also need a proper licensing system for sanctuaries. As I said when I intervened on the Secretary of State, the duty of care in the Bill will put more pressure on animal sanctuaries in future, so we should not leave that secondary legislation until a later date. We need to address the issue at an early stage, so that animals that have suffered from cruelty and have been taken into sanctuaries receive proper protection. The sanctuary sector is unregulated, so we should act speedily. Overall the Bill is welcome, and I support it, but I hope that the Government will take into account my concerns about circuses and sanctuaries.

6.6 pm

Mr. James Gray (North Wiltshire) (Con): The hon. Member for Cleethorpes (Shona McIsaac) follows a long succession of speakers in our debate, including her hon. Friend the Member for Sherwood (Paddy Tipping), who have taken a reasoned, sensible and well-informed approach to an often controversial and difficult subject. I very much welcome the tone of the debate. I entirely agree with most contributors, as I wholly support the principle underlying this excellent Bill, which has been a long time coming. I very much support the consultation and the debates that preceded it, as well as the work of the Environment, Food and Rural Affairs Committee on the draft Bill and so on. I shall return to that when I speak about the regulations.

It is easy for hon. Members to express heartfelt sentiments on the subject of animals. Our mailbags attest to the fact that our constituents have extremely strong feelings about the way in which we treat our animals. It is easy for us to stand up in the Chamber and express sugary, schmaltzy sentiments about the importance of animals to us. My goodness, that is true—there is no greater animal lover than I. However, we are not merely expressing wonderful sentiments about those animals; we are discussing the means by which we should protect them. After all, the English are the greatest animal lovers in the world, and we have some of the best law already in place. We want to make sure that we do not introduce law that does not work, is bad law, or which makes the lot of the animals that we are seeking to protect worse. Merely saying that we are concerned about those animals and must do something about the problem is not necessarily the right approach to legislation. In particular, there is confusion at the heart of this afternoon's debate. Most contributors—the hon. Member for Cleethorpes was typical in this respect—expressed strong views on subjects such as circuses, tail docking and animal sanctuaries. Many of us hold strong views about those issues, and most hon. Members and people across the nation would agree that it is probably not right to keep lions and tigers in a circus, because it is an entirely unnatural environment for them. However, we should think carefully about the subject of horses in circuses, as performing horses may well perform naturally and enjoy what they are doing. That is a matter for debate but, broadly speaking, we agree about the issues.

The Bill, however, does not deal with those issues, and that is the fundamental flaw of our debate. The Government are seeking to put in place the biggest Henry VIII measure that I have ever encountered. In it, they say that they do not have a particular view about tail docking. They know that it is controversial, and that some people, including myself, think that prophylactic docking is a good thing for working dogs but cosmetic docking may not be appropriate for other dogs. They know that that is what some people think, and that there are strong views on both sides of the argument. However, apart from giving hints in the documents that accompany the Bill, the Government say that they do not have a view. They have said that they are not entirely happy about animal sanctuaries although they do not intend to say anything about that during today's debate, but will put in place a mechanism by which to return to such issues later.

Both sides of those controversial arguments dislike that situation. Those of us who believe in prophylactic tail docking would like to see the Government's hints on the subject much more clearly spelled out. Those who are totally opposed to it—we have heard from many of them this afternoon—would equally say that the Bill should clearly specify what will happen when it becomes an Act. The Government seem to be seeking to kick many of these difficult, controversial and awkward issues and details into the long grass, and I do not accept that that is necessarily a good thing.

In that context, while welcoming all the consultation and discussion that we have had on the Bill in general during the last three or four years, I should like to be certain that when we come to a complex and difficult technical issue, such as whether to use horses in circuses or whether livery yards should be subject to the same regulation as riding schools, we have the same degree of consultation and discussion on each as we have had on the main Bill.

My hon. Friend the Member for East Surrey (Mr. Ainsworth) made the extremely powerful point that our procedures for the consideration of statutory instruments are weak. They are considered for one and a half hours in Committee where Government Members do not speak, where no amendment is possible and where the measure is either passed or not, but because of the whipping system is extremely likely to be passed. Not once during many years has the House of Lords overturned such a measure, so if controversial or wrong measures were put through, the other place would not be able to correct them. That is an unsatisfactory mechanism for the consideration of matters that are technical, difficult and need to be considered carefully.

We have reached 2006 allowing tail docking and other animal practices because some people believe them to be good. Perhaps some hon. Members right now do not, but others do, and those matters should be considered carefully, not on the basis of sentiment or political pressure. We could not have a situation where the Secretary of State was under terrible pressure from his Back Benchers and so agreed to ban lions and tigers from circuses, or safari parks, which might be next, or zoos—or the many other things that could be banned, bowing to political pressure, sentimentality or anthropomorphism, doing something that he would not otherwise do and which might not necessarily be to the benefit of the animals themselves. I therefore have some concerns about the Bill's structure. It would be better if the Government could find a way of putting more on the face of the Bill.

A number of detailed and specific matters have not necessarily been thought through as carefully as they might. For example, there is the question of the ownership of animals. Under the law at the moment, the farmer owns a wild animal until such time as it has grown up, so baby foxes, badgers or deer on a farmer's land are owned by the farmer. As I read the Bill, the farmer would have a duty of care for such small animals until such time as they are grown up. The Minister shakes his head, but if he examines the Bill, I think that he will find that I am right. We need to refer to substantive ownership, rather than effective ownership.

The use of snares and live trapping have been mentioned. A magpie caught in a magpie box perfectly humanely would be in the ownership of the person who set up that box. Under the Bill, to what degree does that person have a duty of care to the magpie? Is shooting it sufficient, or do they have to look after it in some other way? The whole question of ownership needs to be examined carefully.

We have talked about mutilation in a variety of ways, and there are arguments on both sides of the case, although now may not be the time to air them all, but let us take it one stage further. It is extremely common practice in farming. For example, all sheep and pig tails are docked. It is considered to be good practice under the law. My hon. Friend the Member for Old Bexley and Sidcup (Derek Conway), who for many years served as chief executive of the Cats Protection League, talked about docking, but virtually every dog and cat in the country is neutered. Is castration of a dog necessarily any worse than cutting off its tail? That could well be the position that we are moving towards. Mutilation is therefore not something to be talked about in light-hearted terms. One should consider carefully why it might be that gun dogs or other working dogs, such as terriers working underground—that is still allowed under legislation introduced last year—should be allowed to have their tails docked.

None of us supports animal fighting. That is one of the most vicious things and I welcome the Bill's clarification of the fact that that can no longer happen. But we need to be certain that the perfectly legitimate use of animals against other animals—particularly the use of terriers against rats and mice, which was acknowledged in a debate last year to be a perfectly acceptable use of a dog against another animal—is not inadvertently misunderstood.

It is important that we do not allow dogs, cats or other animals to be abandoned. I am a strong supporter of the important principle that dogs should be for life, not just for Christmas. But what about animals that are released back into the wild? A number of animal welfare organisations catch foxes in towns and release them in the countryside. Would they have care for those foxes? What about those people who are illegally shifting badgers, trying to disrupt the Krebs process? To what degree do they come under the Bill? What about the release of wild animals back into the wild? We all loved the films about Keiko the whale and Elsa the lioness who were released back into the wild. There are a variety of ways in which animals are released back into the wild.

We need to think carefully about the issue of abandonment and precisely what that means. There is a particular problem with regard to horses. The International League for the Protection of Horses, an outstandingly good organisation, has raised with me the fact that, because of a number of changes in horse legislation recently, there may be an increased tendency towards the abandonment of horses. The precise way in which the regulations affect that disgraceful practice must be looked at extremely carefully.

Those and a number of other areas are inadequately addressed in the Bill, which has been structured in such a way that almost no one could object to it on principle. As has been said, most of its measures are demonstrable goods, but inside the fine print there is a significant risk that the end result for many types of animals would be significantly worse than it is today.

The Government should not take part in legislative idleness. They should be ready to address these difficult issues of circuses, animal welfare, animal sanctuaries and docking. They are difficult, complex and technical matters that the Government should be ready to address in debate, not kick into the long grass and leave to a Statutory Instrument Committee at some dim and distant date in the future. From the point of view of those who believe that some practices should be allowed in order to protect animals, and from the point of view of those who believe strongly that those practices should be outlawed, we should take the opportunity of this Bill today and in the months that lie ahead to address those issues for real, not merely to hide behind the fact that at some stage in the future we may or may not introduce regulations to deal with them.

I have a fundamental difficulty with the Bill's structure. The Government should address the issues up front and be much bolder in their approach. I hope that in Committee and on Report they will be ready to do just that.

6.18 pm

Mr. David Drew (Stroud) (Lab/Co-op): I am delighted to take part in the debate. We have all made comments about the late Tony Banks. I am sure that he would have some comments about those pleasantries, which he would express in his own inimitable way. I hope that the Bill will to some extent be a memorial to his wonderful work in the House on animal welfare.

This is a substantial Bill. Some say that it should go further in the sense of, as the hon. Member for North Wiltshire (Mr. Gray) said, clarifying some of the issues that we have debated, but there is some merit in keeping

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the Bill reasonably lean. I am interested less in the regulatory impact assessment than in the codes of practice. I hope that, if I am selected to serve on the Committee, we will have the opportunity to hear from the Minister what real authority will lie behind the codes of practice. In some respects that will test whether the legislation will be as effective as some of us want it to be. Like my hon. Friend the Member for Sherwood (Paddy Tipping), I earnestly hope that the Government are brave in Committee and on Report.

Although I am not a "banner" by inclination, the Government must make the matter clear. Even if they do not spell out the position in the Bill, they should clarify the situation through their subsequent use of the regulatory process. The issues raised by tail docking, electric collars, pet fairs and circuses, and arising from the treatment of crustaceans, cephalopods, game birds and greyhounds cannot be wished away, and those are just the subjects that hon. Members have mentioned today. If the Government do not want to make their position clear in Committee, they must set out how they will revisit those issues and what they intend to do. As my hon. Friend the Member for Carlisle (Mr. Martlew) said, there is merit in keeping the Bill flexible, and the right hon. Member for Maidstone and The Weald (Miss Widdecombe) also referred to the advantages of flexibility. We cannot do everything immediately, although some of us want to.

In passing, I congratulate the Environment, Food and Rural Affairs Committee on its work. I am a member of the Committee, but I was ill during some of the pre-legislative scrutiny, which the Government have pioneered and which has proved its worth in this case.

I welcome the redefinition of cruelty. Unlike the hon. Member for Banbury (Tony Baldry), I think that the Bill clarifies the concept of cruelty in relation to abandonment, neglect and mental cruelty, although those points may require further explanation through challenges in the courts. The Bill contains clear legal judgments that will help us to define how to attack cruelty, and although the five freedoms that form the basis of the duty of care will be tested, we have got a good Bill to fall back on.

I pay tribute to the RSPCA, which is clear—this point was borne out by recent briefings—that cruelty is a growing problem. It is difficult to prosecute people under the current legislation, but the number of cases in which the RSPCA is involved is increasing. In her excellent speech, the right hon. Member for Maidstone and The Weald discussed how different organisations have faced up to that trend, and it is good to be on the same side as her in that regard, if not in all regards.

The RSPCA supports the legislation because of the problems that it faces. Whatever fine words we use in this House, what happens on the ground is most important in the long run. If nothing else, I hope that we can amend the ridiculous idea that a RSPCA inspector must make 25 visits to the most awful cases in order to prosecute someone due to the worst excesses of ownership or the neglect of ownership. The RSPCA inspectors with whom I have been out would welcome clear guidance on the grounds on which they can enter a property, and they are looking forward to the Bill's enactment at the earliest opportunity.

I urge the Government to examine the Veterinary Surgeons Act 1966, which is parallel legislation to the Bill, because I regularly talk to vets, who want their particular powers to be updated. No doubt the DEFRA team will argue for such an examination as part of the future legislative programme. Vets need their powers, which need to be brought into the 21st century, to be clarified in areas such as charging and responsibility.

Concerns have been expressed in the Environment, Food and Rural Affairs Committee about the custody and control of animals, and I hope that my hon. Friend the Minister will put on the record that the Government are sure, having listened to the Committee, that the wording will clarify the issue. Hon. Members have discussed some of the problems, and I shall raise another: given bovine TB, what would happen if someone wants to adopt a friendly badger? What would be that badger's status if there were a subsequent cull, which might cover a wider area than some of us might want? Such test cases must be thought through very carefully.

My hon. Friend the Member for Sherwood has covered some of the issues associated with shooting and fishing, on which various organisations will want the Standing Committee to test the impact of the Bill. The Government have made it clear that they do not want the Bill to impact on shooting and fishing, but the matter will undoubtedly be debated. I am against snaring as a form of animal control, and I hope that we clarify what is allowable—I know where I stand on that issue.

The Bill will have cost implications for local authorities, which will take on additional responsibilities, and for the RSPCA. Perhaps we will get some figures about the real cost of the Bill on Third Reading.

In conclusion, I hope that the Bill is passed tonight without a vote, which would send a signal to people who want to see the implementation of animal welfare legislation that the House can act unanimously, even if differences and disagreements subsequently arise over the detail. The devil will be in the detail, but this is the right time to introduce the Bill. I congratulate the Government on introducing the Bill and hope that some of the difficult issues are clarified in subsequent debates.

6.28 pm

Andrew Rosindell (Romford) (Con): As hon. Members will know, I am the proud owner of Buster, a two-year-old Staffordshire bull terrier. Buster's welfare is fully provided for. He is well fed, well exercised, has a vet when he needs one, and is microchipped. Overall, he has a very comfortable existence.

As a nation of animal lovers, one would assume that most people in the United Kingdom would treat animals in a similar way. Since my election as a Member of Parliament, I have often supported charities and organisations that strive to improve animal welfare in foreign countries, assuming that the problem of animal cruelty was more urgent elsewhere—abroad rather than at home. Sadly, however, it does not take much effort to find a lot of evidence of unacceptable animal cruelty and maltreatment taking place here in Britain. One has only to open a newspaper to see a report detailing stomach-churning atrocities committed by human beings on animals.

In the past few years, the media have reported many acts of cruelty that are so despicable as to be almost beyond belief. *The Sun* recently drew attention to the plight of Spot, a Dalmatian found hanged from a tree by thugs. In August 2003, a particularly vile individual physically bit the head off a kitten at a barbecue. In Colwyn Bay last year, a rabbit was snatched from a children's farm at a zoo and thrown into the alligator house next door. In the space of two days in September 2005, a cat was thrown from a bridge on to the M6, another cat was found decapitated in Gloucester, and more than 100 cats were found dead in a house in Leeds. Even in my own constituency, last year a small dog called Harry was, for no apparent reason, beaten to death with a broom handle by an intruder and left in a pool of blood, causing untold distress to that family in Romford.

Such offences are so inhumane that one almost cannot believe that they could possibly occur in our country—but they did, and they are not isolated cases. It emerges from the Bill's regulatory impact assessment that in 2004 the RSPCA rescued or picked up more than 150 animals, answered more than 1.1 million telephone calls and investigated more than 100,000 cruelty cases. The neglect of animals is clearly a growing problem, with cases of ill-treatment rising by 78 per cent. in 2004 on the previous year. Current legislation seems powerless to deal with it. Also in 2004, only 870 people were found guilty of offences under the Protection of Animals Act 1911.

So many people seem to be getting away with acts of cruelty, and so few are punished. A perfect example of animal cruelty occurring on a weekly basis is the abhorrent practice of dog fighting. The RSPCA estimates that this barbaric act is staged by more than 100 people on a regular basis. The dogs are trained on treadmills, often with live pets shackled just out of reach of their jaws as an enticement for the animal to keep running. The dogs' jaws are strengthened by forcing them to bite tyres and wooden sticks, while their bodies are primed with the aid of steroids. Their trainers turn these animals into killing machines before throwing them into combat with other dogs, the contest finishing only when one dog can no longer fight. If a dog flees, it will be killed. The animals are brave and vicious, so injuries sustained to the head, neck and front limbs are horrific, often including crushed and broken bones and torn-off ears. Because of their owners' fear of being reported, the dogs are not even allowed proper medical attention to their wounds. If a dog somehow manages to remain alive following a fight, it may well die subsequently as a result of its injuries. The owners of these dogs seem to see themselves as coaches and their animals as warriors that they are training for gladiatorial combat. The reality is that they are animal abusers—a minority of thugs who subject animals to a doomed existence of violence, pain and inevitable death. The lives of these dogs are allowed to be destroyed purely so that a minority of sick spectators can get their kicks and have a bet.

Under existing laws, the penalty for partaking in dog fighting is just six months' jail or a fine of £5,000. After a three-year RSPCA investigation, the nine men and a woman prosecuted were handed puny jail sentences of no more than four months, a conditional discharge, and community service orders for offences associated with pit bull ownership. Those people, who were responsible for such abuse of dogs, were given a completely inadequate punishment under current legislation. That must change, and it is a key reason why I fully support the Bill. The penalty will be increased to 51 weeks' jail or a £20,000 fine, or both. It will be illegal to arrange an animal fight, to take bets on an animal fight, and to be present at an animal fight. The increased penalty, combined with the new laws, will place a far heavier deterrent on this savage blood sport, which truly belongs in the dark ages. However, I should like to voice the concern, which I share with the RSPCA, that it is not an offence under the Bill to be in possession of dog-fighting paraphernalia. We have a duty to do our best to eradicate this foul practice, and that is an issue that the Minister should address.

As many hon. Members will know, particularly those who are members of the all-party greyhound group, we have in my constituency a first-class greyhound stadium, and many Romford residents regularly enjoy a night out at the dogs. Last year, I was honoured to accompany Lady Thatcher on her visit to the stadium, where the noble Baroness watched the lunch time races and was introduced to two of the winning greyhounds.

Nevertheless, there is grave concern over the plight of many greyhounds once their racing career is over. About 35,000 greyhounds are at racing strength at any given time, beginning their racing life at 16 months, but usually finishing before the age of three. As a result, 9,000 greyhounds cease to race every year. Despite valiant efforts by the Retired Greyhound Trust, which re-homes about 3,000 dogs, and locally based groups such as the Romford Greyhound Owners Association, little information is available about what happens to the remaining animals. The industry is self-regulating. It wishes to sustain that arrangement because of the huge income that is generated, but the system has proved open to abuse, and in the absence of consistent monitoring of any dog's whereabouts, animals can end up being disposed of ruthlessly.

Although virtually all those involved in the greyhound industry are animal lovers, there are exceptions, and I am sure that most of the industry will appreciate the extended protection that the Bill provides to dogs. It will legally enforce many of the practices undertaken by those within the industry. It will ensure that those owning greyhounds provide a safe home for them; if they do not, the consequences will be severe. With increased power, the RSPCA will be able to intervene earlier, and potentially save the lives of thousands of greyhounds.

So far, I have spoken of the plight of fighting dogs and greyhounds. Any Bill that helped to protect those animals would be commendable and have my full support, but this Bill covers many other areas and reaches beyond the protection of dogs. It also provides legally binding protection for non-farmed animals so that their welfare is assured as much as that of farmed animals. Farm welfare legislation allows earlier intervention on grounds of poor welfare, so it is simple common sense to align the welfare of non-farmed animals. The Bill will reduce animal suffering by enabling preventive action to be taken before more suffering occurs, replacing the current outdated legislation that allows only small punishments to be enforced once the act of cruelty has been committed.

[Andrew Rosindell]

The Bill ensures that animal owners take responsibility and simultaneously helps to make sure that only responsible people are in a position to look after animals in the first place. By increasing from 12 to 16 the minimum age at which a child may buy an animal, and prohibiting giving pets as prizes to unaccompanied children under the age of 16, the Bill prevents irresponsible minors from being responsible for an animal's life.

The Bill will also help open the door for future welfare measures, while deterring persistent offenders by strengthening penalties and eliminating many loopholes in the system. By punishing cruelty and mutilation and enhancing law enforcement for animal welfare offences, we can ensure that an animal's experience of life is of the highest quality.

The outdated language, confusing ambiguities and frustrating loopholes of the 1911 Act will no longer stand in the way of the safety of our animals. Those who neglect their duty of care will not be allowed to own animals—a proposal that merits complete support.

Let us prove that we are a nation of animal lovers by supporting the Bill.

6.41 pm

David Taylor (North-West Leicestershire) (Lab/Co-op): I am in the rare position of agreeing with almost every word of a speech by the hon. Member for Romford (Andrew Rosindell). It was fascinating to hear that Lady Thatcher had been going to the dogs for years—I wonder whether that started before or after 1979.

As a member of the Select Committee on Environment, Food and Rural Affairs since 2001, I witnessed the genesis of the Bill at close quarters. When we consider content, flexibility and process, the Government are to be congratulated on the way in which the measure has been introduced. Admittedly, it happened over a long period and examining the Bill in draft form took a great deal of time and energy. However, that was worth while given the improvements to the measure.

I want to refer briefly to four subjects: horse welfare, cephalopods, duty of care and tail docking. Tethering horses is one of the most common equine welfare issues with which RSPCA inspectors deal, affecting more than 3,500 horses in 2004 alone. By the time there is evidence of suffering to provide legal grounds for action, the horses have often sustained significant or even fatal injuries. Current law does not allow for intervention before cruelty can be proved and I am pleased that progress has been made on that. If animals are to be tethered, it should be only a temporary measure and done in such a way that the animal's welfare is protected. Tethering also affects dogs so a code of practice to back up preventive laws and stronger penalties for animal cruelty would be useful in ending the excessive and cruel reliance on tethering animals such as horses and dogs.

North-West Leicestershire is a former mining area that is now at the heart of the national forest and close to several former fox hunting groups. As I expected, equine activity is expanding at a rapid rate in the wake of the ban on fox hunting. There are increasing numbers of livery yards in my constituency and throughout England and Wales. It is estimated that there are between 7,000 and 10,000, covering a wide variety of activities, providing from accommodation and full care to simply a paddock and a stable. Livery yards are not regulated and I am pleased that the Government propose to extend licensing arrangements to them.

It appears that the Government will allow livery licences to cover more than 12 months. That runs counter to the Select Committee's conclusions on the Department's proposals. We did not support the proposal to introduce licence periods of more than 12 months because it

"would reduce the frequency with which business or premises would be inspected, and would therefore not promote the highest standards of animal welfare because it would increase the period of time during which breaches of legislation could go undetected."

I therefore regret that provision. However, I welcome the Government's proposal to license livery yards and I would add a provision to make licences renewable every 12 months on the ground of welfare.

Licences for riding establishments should not be extended from a year to 18 months. Again, that increases the risk of animal neglect and cruelty going undetected. The responsibility for inspecting riding establishments should not be passed to local authorities. Although I am a strong supporter of local authorities, I do not detect the necessary knowledge and professionalism that would allow them to carry out that specific regulatory activity satisfactorily.

Clause 1 does not include cephalopods, for example, octopuses, or decapod crustaceans, such as, lobsters and crabs, in the definition of "animal". The Bill therefore gives them no protection. The Select Committee took the issue seriously in our pre-legislative scrutiny. We said that we believed that a strong case had been made for the inclusion of octopuses, crabs and lobsters in the definition of "animal". There is continuing research in the field—perhaps more than was believed to be the case.

Our report shows that cephalopods and decapod crustaceans have a nervous system and that there is considerable similarity between the nervous systems of vertebrates and those of cephalopods and decapod crustaceans. As I said earlier, cephalopods have complex brain and sense organs that rival those of vertebrates. Indeed, a report to the Norwegian Scientific Committee for Food Safety described them as some of the most advanced in the animal kingdom. I was therefore pleased to receive an assurance from the Secretary of State that, as science advances, the flexibility in the Bill may be used to widen the definition of "animal" satisfactorily.

Strong neurochemical and behavioural evidence shows that cephalopods and decapod crustaceans can experience pain and stress. For example, their opioid systems, which are involved in pain relief and response to injury, appear to function in the same way as in vertebrates. Those animals clearly try to avoid painful or aversive situations or objects. That constitutes substantial evidence that they should be treated as animals. Some experiments on those categories of animal, which I shall now call them, are based on the assumption that they can experience pain. Electric shocks are used as an aversive stimulus.

Octopuses are intelligent animals that display a wide range of complex and flexible behaviour, including problem solving, tool use and play. They are capable of associative and even observational learning and have individual responses and temperaments. Decapod crustaceans have the ability to learn, discriminate about their environment, remember and form stable social hierarchies.

Scientists from Bristol university and the Silsoe institute have developed a humane electric stunner called the "crustastun". *[Interruption.]* I can understand hon. Members finding that slightly humorous but the scientists would not have done that if they did not believe that crustaceans can experience pain.

Evidence in the "Advocates for Animals" report shows that those animals are capable of experiencing pain and suffering. In the light of that and pursuant to the precautionary principle, I believe that cephalopods and decapod crustaceans should be included in the Bill's definition of "animal".

At the heart of the Bill is the first major leap forward for 95 years. In a sense, that gives the lie to the oft-cited description of Britain as a nation of animal lovers. It has taken that long to make the huge leap forward that constitutes the welfare offence that the measure introduces. As I said earlier, under current law, the animal has to suffer before action can be taken to improve its situation and prosecute its owner. However, the new offence—which will be supported by the Government's codes of practice to provide animal owners with the information that they need to ensure that they are delivering the right level of care—has the potential to make a real difference to the lives of many thousands of domestic and captive animals in England and Wales.

For the purposes of the new welfare offence, the Bill will oblige the owner of an animal to do what is reasonable to meet its needs, involving the five criteria of environment, diet, behaviour patterns, housing, and protection from pain, injury and disease. It is important that the Government make it clear that the offence does not impose an unqualified or absolute obligation on those responsible for an animal. It requires only that they do what is reasonable to meet the animal's needs. This will help to answer the detractors of this legislation, who, although not large in number, have been very voluble recently.

My final point is on tail docking. The Government intend to introduce an exemption from the ban for the tail docking of dogs that are likely to be working dogs, on the ground that they are particularly prone to injury. I am pleased that the exemption of entire breeds of working dogs is no longer being considered. I regard such an exemption as utterly unjustifiable, as very few dogs within those breeds actually work, in any real sense of the term. The Select Committee concluded that

"tail docking in dogs should be banned for cosmetic reasons. Tail docking should continue to be permitted for therapeutic reasons where it is in an animal's best welfare interests."

Many animal welfare campaigning organisations and individuals urge that any exemption on tail docking in dogs should be delayed for at least two years in order to gather evidence of the real extent of the necessity for tail docking in working dogs because of injury, compared with the circumstances involving non-working dogs. The issues that should be examined during that research period include whether the incidence of tail injury in working dogs is any greater than in non-working dogs; whether the injuries sustained could be adequately addressed by methods less severe than tail amputation; whether the injuries could be reduced or avoided by other measures such as tail trimming or working the dogs in different terrain; whether, as a DEFRA paper on this topic suggests, careful breeding might result in naturally shorter tails; and whether less vulnerable breeds of dog could be used in terrain particularly likely to cause tail injury.

I warmly welcome the Bill. I have been a lifetime campaigner on animal welfare issues, and I am very pleased to be a member of the Select Committee. There are other issues that we would like to see addressed: shock collars and goads should be restricted to use in the Government Whips Office, for example, and I regret that there are no planned improvements for the conditions of farmed animals. Apart from that, however, I believe that the Bill is a worthwhile and long overdue piece of legislation.

6.53 pm

Greg Mulholland (Leeds, North-West) (LD): First, I would like to say how pleased I am to be taking part in what has been an excellent debate on both sides of the House. The Bill represents a significant step forward in the cause of improving animal welfare, and I particularly welcome the new duty of care that all animal owners will now have to demonstrate, and the welfare offence associated with it. Some concern has been expressed, in the light of the events of the past few days, that the Liberal Democrats do not take seriously the duty of welfare, especially towards creatures in distress. However, I can assure the House that we are fully committed to a duty of welfare, at least when it comes to animals.

Mr. Peter Ainsworth: I am fascinated by what the hon. Gentleman has to say about his own party. He need not be over-sensitive, however, because the Bill applies only to vertebrates.

Greg Mulholland: Luckily, we are not particularly sensitive, as I think we have proved. I shall ignore the hon. Gentleman's comments, which is what they deserve.

Last summer I paid my first visit to the Yorkshire animal shelter, which is in my constituency. Like many other such shelters up and down the country, it is run solely by volunteers. It takes in animals ranging from cats and rabbits to ponies and goats. The majority of the shelter's work involves taking in animals that have been abandoned by their owners. The shelter is, like many others, in a very difficult situation. It receives no public funding and is constantly full to capacity.

The shelter manager tells me that, every week, it receives between 50 and 100 animals that have been abandoned. However, it simply does not have the capacity to deal with them all. To its credit, it manages to rehouse between 25 and 30 of those animals every week, which is a tremendous achievement considering the limited resources of the operation.

[Greg Mulholland]

This illustrates a serious national problem. The RSPCA investigated complaints of the abandonment of 14,311 animals between December 2004 and November 2005. Yet in 2004, the organisation managed to secure just 88 convictions. From those figures, we can estimate that the number of abandoned domestic pets nationally must total thousands every week. The problem of abandoned animals is one of the biggest animal welfare issues in the country, yet it is not even a grey area in the Bill. Rather, there is a gaping hole where any provisions on it should be. The Bill at last introduces the duty of care of an animal's owner to ensure its welfare. I am sure that we all agree that that is the most positive measure in the Bill, and it will make a difference to many of the animals looked after by people in this country. However, the Bill does not address the problem of abandoned animals.

The Bill repeals and replaces the Abandonment of Animals Act 1960. This was discussed by the Environment, Food and Rural Affairs Committee, in regard to what was then clause 3(3) of the draft Bill. I am sorry to say, however, that that provision has been removed. The Committee's recommendations stated that

"we recommend that the Government amend the draft Bill so that the act of abandoning an animal continues to be treated as a cruelty offence without the need for evidence of the animal having suffered as a consequence of abandonment."

Unfortunately, the Government did not agree that that would be necessary. They claimed in their response to the Committee:

"Under the welfare offence in the Bill, an offence will be committed if an animal is abandoned, and the abandonment amounts to a failure to take all responsible steps to meet the needs of the animals concerned."

That is ridiculous. How could abandonment not amount to such a failure? Perhaps the answer would be popping a tin of cat food in the sack as it is left outside the gate, or leaving a "happy new home" card attached to a dog's collar as it is left to roam the streets?

The explanatory notes attempt to clarify this matter. They state:

"anyone who leaves an animal without taking reasonable steps to ensure that it is capable of fending for itself and living independently will commit an offence under clause 8".

Are the Government seriously arguing that a domestic pet can, in any circumstances, be released to live independently as a stray or in the wild? The Minister may nod his head, but the reality of the Bill is that abandonment will not in itself be an offence. In fact, anyone who abandons an animal in the right way will have no problem at all. This omission gives the impression—and possibly even a case to be argued in court—that, so long as someone leaves an animal near a sanctuary or a refuge, they will not be doing anything wrong. What kind of message is that? It will certainly be received with heavy heart by the many excellent organisations attempting to tackle the problem of abandoned animals. Abandonment of domestic pets is wrong. To omit that from the Bill is to fail to face up to one of the most serious and under-reported problems of animal welfare in the country.

Mr. Walker: Undoubtedly, abandonment is cruel, but how would the hon. Gentleman trace the owner of an abandoned animal, in order to bring a prosecution, without any form of identification? Is he suggesting the chipping of all domestic pets?

Greg Mulholland: The hon. Gentleman has pre-empted part of my speech. He makes a fair point, to which I will refer later.

The offence of abandonment must be treated as a specific issue and problem, and it must therefore be highlighted in the Bill. Ultimately, the organisations involved know that the problem of abandoned animals will be eased only when both the supply of animals is better controlled and the responsibilities of the owner better defined and enforced. In terms of supply, therefore, I welcome the provision in the Bill raising the age at which people can buy pets to 16. The law contains a worrying loophole, however, whereby it will still be perfectly legal to allow animals to be given away free with animal-keeping equipment. That is the kind of issue that needs to be addressed. The issue of prizes has also been mentioned. We need to address those matters, tighten up the licensing of pet shops and move with the times to include the internet. I welcome the fact that that will be dealt with in secondary legislation, which I hope will be introduced soon.

To echo the comments of the right hon. Member for Maidstone and The Weald (Miss Widdecombe), more emphasis should be placed on educating people as to their responsibilities in owning an animal. How effective will the new duty of care be if owners are not legally obliged or educated to understand what their legal obligation is to ensure that pets will be both properly nourished and housed and have access to proper care where necessary? If that is not communicated at the point of purchase, it becomes irrelevant. I would only disagree with her in that I believe that it is possible, albeit in a limited way, to legislate to do that. I welcome annexe E of the regulatory impact assessment report, which suggests that pet vendors should have to issue a compulsory standard document to anyone purchasing an animal from them, outlining the responsibilities of owning that animal. As has been outlined, there have been serious situations in which people have simply not understood what is involved in owning even a cat or dog.

Justine Greening (Putney) (Con): The hon. Gentleman makes a good point, with which I thoroughly agree. That is potentially a way in which the Government can at least signal what they believe constitutes responsible pet ownership, whether in relation to neutering, pet insurance or microchipping. That sort of advice is vital when people first get their pet.

Greg Mulholland: I thank the hon. Lady for that helpful intervention, which brings me on to the issue of microchipping.

I know that microchipping is a potentially divisive issue, but it is time that the House took it seriously. At the moment, I am afraid that the Bill shies away from it. Microchips cause absolutely no harm to animals and are already used by the RSPCA, Cats Protection and many smaller organisations. Back in 2000, the Government-sponsored dog identification working group recommended that a system of microchipping should be introduced and that 75 per cent. of dogs could be

registered within five years. I am sorry that that recommendation was not taken up. It is regrettable, and it leads to the situation in which the Yorkshire animal shelter and similar organisations still find themselves today.

So much of the suffering of animals is unnecessary as well as disgraceful. I applaud the Bill for tackling many aspects of the problem. The Bill does not sufficiently address the suffering of abandoned animals, however, which begins the moment that they are abandoned. While, broadly, I welcome the Bill, it must be considered thoroughly. We must reintroduce a clause specifically outlawing the abandonment of domestic animals. We must properly tackle the ongoing problem of the irresponsible supply of pets. We must do more to educate people, including introducing some form of compulsory information at the point of purchase.

Broadly, the Bill is good and contains many provisions that will make a huge difference to animal welfare, to which I am proud to add my support. I am also pleased to have had this opportunity to point out an area in which the Bill is inadequate, however, and I hope that the Government will listen and address that before the legislation is finalised.

7.5 pm

Bill Etherington (Sunderland, North) (Lab): It is a great pleasure and privilege to speak in this debate, which is one of the best that I have heard for quite a long time.

The right hon. Member for Maidstone and The Weald (Miss Widdecombe) was perhaps being diplomatic when she said that many members of the public do not put animal welfare high on their agenda of importance. She was perhaps too kind as, unfortunately, a large swathe of the population are completely indifferent to animal welfare, which is very sad. We have three categories of people. There are those in the middle, whom she described so well. There are those who are ardent supporters of treating animals—farm animals, companion animals or any animals—with respect, consideration and kindness. At the other end of the spectrum is a very small minority who treat animals cruelly, sometimes through intent and sometimes through indifference. The end result is the same, however—the suffering of an animal.

I am pleased that the Bill has been introduced. My right hon. Friend the Secretary of State said that it had taken four years to prepare. It has been worth it. Most people, despite some reservations, will think that it has been four years well spent. Few of those who have been eagerly awaiting the Bill for some time will be disappointed overall.

Importantly, the Bill recognises that society has a problem that will not just be put right by legislation. We will only put right the problem in society through education and changing the culture. That is one of the things that legislation can do. If we legislate to say that, no matter what the circumstances, a certain thing will be considered illegal, people will end up accepting that, there will not be any doubt, and we will start to bring about improvement.

We have heard some harrowing tales of animal cruelty, and the RSPCA says that in some areas it is getting worse. In my part of the country, Sunderland, there have been some deplorable instances. Against that, a growing number of people who are not necessarily animal owners will not accept that animals should be treated in such a way, from which we should take hope. Our prognostication should not be gloomy, because things can be improved. I heard it stated in a previous debate that many people look at life and say, "That's the way things are. You can't do much about it." That is not true. Over the years, politically, we have seen many changes take place, although perhaps not to as great an extent as we would like in animal welfare. Changes have taken place, however, and things can therefore be made better.

I want to take exception to one or two issues. First, I do so on my right hon. Friend the Secretary of State's position on tail docking, which the right hon. Member for Maidstone and The Weald was the first to describe correctly as mutilation. The term was used once or twice after that, but she was the first one to use it, and she is exactly right because that is what it is.

I am disappointed to hear from the Dispatch Box justifications for doing nothing on the ground that the same views are held sincerely on both sides. That is not exactly the nub of political action. No one denies that people are well-intentioned and sincere, but sometimes they are wrong. Tail docking is an example. It is deplorable and unacceptable that the small minority represented by dog breeders, those who show dogs and those who organise dog shows can bring about a degree of mutilation that I do not think the public accept. Moreover, no good argument has been presented for docking the tails of so-called working dogs. There is a view in its favour, but it does not seem to have been substantiated by any scientific evidence. I should have been much happier if the Government had expressed an intention of doing away with that deplorable practice.

I am, however, pleased that we have been promised a free vote—as are the Anti-Docking Alliance, the League Against Cruel Sports, the Dogs Trust, the British Veterinary Association and the People's Dispensary for Sick Animals. It is fair to assume that that is because they think that a free vote will lead to abolition of the reprehensible practice of tail docking. Nothing that causes pain should be done to any animal unless there is some justification for it. It is bad enough when it can be justified, but when there is no justification it borders on evil.

Two Members mentioned the 9,000 greyhounds that go out of service each year. Many excellent organisations try to rehouse them, and they do a good job, but it does not always work. Let us not forget that greyhounds are working animals and that a lot of money is involved in the greyhound industry. It seems to me not unreasonable for every greyhound owner to be required to register his dog, and for greyhounds that are to be disposed of to be found homes or humanely or properly destroyed by vets. There should be no more of the business of dogs being weighed down and thrown into rivers, because it is barbaric.

Unfortunately, the tail end—excuse the pun—of the dog track organisations is not particularly well thought of in that regard. We hear a great deal of anecdotal evidence about cruelty to greyhounds. If a greyhound cannot run, if it cannot make money, if it is not a winner, many people decide that it must be disposed of because it is worth nothing. We do not do such things in a

[Bill Etherington]

civilised society; we look for a better way of going about matters. There should be a proper registration system, and proper obligations. I know that the greyhound industry has some good systems in place, and I understand that in 2008 the Government will introduce regulations involving the industry. I hope that they will subject every dog track to statutory legislation. Self-regulation is possible, but if it is to work there must be a proper code of practice. The Government have an important task to perform in that respect.

I want to say something about tethering and snaring. Snaring is a very emotional subject. I consider it intolerable that in this day and age we should snare animals in any circumstances, but let me issue a challenge to those who claim that the practice is acceptable. Until it can be proved that no animal is ever caused unnecessary pain and suffering as a result of snaring, intentionally or otherwise, it should be banned. If someone can demonstrate a humane system of snaring under which the wrong animal will never be snared, no animal will be caught in the wrong way and no unnecessary pain will be suffered, I just might be prepared to modify my views; but I am not prepared to do so now. I ask Ministers to examine the issue, although I accept that this is a very fine Bill—one of the best that we have seen. It has been long awaited, it is comprehensive and it is very much a modernising Bill. I use that term in the proper sense, not in the new Labour sense. The word "modernisation" regains its pleasant tone when applied to something worthwhile like the Bill, rather than to a measure that takes us down the wrong road, as some measures do.

Tethering is another deplorable practice that should not be allowed. People who own animals should be allowed to enclose them and keep them safely, but not tether them—not least because tethering means that an animal is captive and prey to predators. I remember the heart-rending plight of a pet donkey in a village near where I lived some years ago. It was very well loved and spent much of its time with small children, but it was tethered and it was butchered by some thugs. We shall never know what might have happened if it had not been tethered, but it would have had a much better chance of not being butchered. If animals must be kept, they should be kept in proper, enclosed premises. They do not need to be tethered. What they need is some freedom so that they can protect themselves, even if that means running away.

7.16 pm

James Duddridge (Rochford and Southend, East) (Con): The hon. Member for Sunderland, North (Bill Etherington) mentioned greyhounds. I agreed with much of what he said. I shall say something about the subject towards the end of my speech, although I shall reach slightly different conclusions because I have slightly different views on the industry.

As an animal lover, I support the Bill. My hon. Friend the Member for Romford (Andrew Rosindell) has his dog Buster and, previously, his dog Spike; I have my cats Boris and Barney, although they are not as ambitious as Buster and Spike, who have received plenty of publicity. I think that we are all animal lovers, which is why we support the Bill and why there is a broad consensus on it. I believe, however, that some elements are flawed.

I support the Bill because it moves away from a narrow definition of cruelty. It is more welfare orientated, and is designed to ensure that there is a duty of care. The 1911 Act consolidated a number of 19th century Acts. This 2006 Bill faces a great challenge: to last, and to support the rising standards of welfare over time rather than simply addressing today's needs.

The Environment, Food and Rural Affairs Committee, of which I have the honour to be a member, considered the Government's response to the pre-legislative scrutiny that took place before my election. That showed me the value of Select Committees, and I believe that my Committee can play a greater role in overcoming some of the problems of secondary legislation.

I recognise that this is an enabling Bill. I asked the hon. Member for Lewes (Norman Baker) why he wanted to propose so many amendments. He may believe that they will allow the enabling legislation to become broader. I do not think that that will happen, but if he intends to table probing amendments, I think that that is a good idea. It is only through the prism of the various issues such as tail docking and circus animals that we can make sense of the legislation and establish whether it will work.

I hesitate to mention my father, because when I quote him people always assume that he is dead, whereas he is very much alive. However, he told me that the devil is in the detail—and in the Bill the devil is the question of how we will deal with secondary legislation. If we did not raise all the individual issues and consider how the Bill will be translated into secondary legislation, we might be subjected to fair criticism. The public would accuse us of leaving aside the hard decisions, as the DEFRA Select Committee put it. I am happy that secondary legislation will be subject to the affirmative procedure, but I am concerned and surprised that, rather like other codes, the farm codes, which date from the Agriculture (Miscellaneous Provisions) Act 1968, will go from the affirmative procedure to the negative procedure.

I must admit that I am very unimpressed with the regulatory impact assessment, which I believe the Under-Secretary has to sign, but it must be said that a number of such assessments of Bills are not entirely satisfactory. I am particularly concerned about the extra long-term pressures that this regulation will put on councils such as Southend, which is already underfunded. Secondary legislation is likely to impose even greater responsibilities on councils. This issue was raised during pre-legislative scrutiny, but it has not been sufficiently dealt with.

I welcome the inclusion of clause 10, which obliges the Government to consult the "appropriate national authority", but I am concerned that that is too broad a definition. Perhaps we should extend the obligation to regional authorities, particularly devolved Assemblies, and a number of interest groups also want to contribute to the process. I appreciate that the Government cannot extend the terms of the clause too widely, but extending them would assist the secondary legislation process.

There is no duty on the Government to look at the science and the facts behind the decisions that they are taking, which concerns me. Animal welfare is a particularly emotive subject. When someone says, "This is an animal welfare issue", almost all of us think, "Such a view must be right." However, there are people on both sides of the fence examining animal welfare issues, and not all objections made on the basis of animal welfare are right. Members in all parts of the House doubtless received briefings on this issue from various organisations. Some were very good; others were very emotive and lacked scientific fact. My worry is that during the secondary legislation process, the Government and members of the Committee will be swayed by emotive and impassioned pleas, rather than by science.

I am also worried about the likely pace of introduction of secondary legislation. I implore the Under-Secretary to consider quality, rather than sticking rigidly to the timetable. Matters such as riding schools, livery yards, cat and other animal homes, pet shops, pet fairs, mutilations and the tethering of horses must all be dealt with and legislated on, according to the current timetable, before the end of 2007. That might prove a little too much to take on, given that the current situation has evolved over time since 1911. It is more important that we get this legislation right than that we simply to get it on to the statute book.

Mr. Andrew Turner (Isle of Wight) (Con): Does my hon. Friend accept that one danger associated with secondary legislation is that it cannot be amended? Unless Ministers get it right before it even reaches this place, we have only two options: approval or rejection. In many cases, the law of unintended consequences applies even more strongly to regulations than to statute. All too often, the unintended consequence is that the people who are trying to implement, with the best will and with the best of intention, the purpose behind the legislation are damaged.

James Duddridge: My hon. Friend makes a very good point, and I am worried about the degree of scrutiny. Members of the Select Committee have pointed out to me privately that Select Committees in general could be more helpful in examining draft codes and regulations before they go through the legislative process. That said, I defer to my hon. Friend's knowledge of matters of this House.

On animal welfare, there is always a balance to be struck between the benefits to the animal and civil liberties. We have heard the term "nanny state" used several times today. I consider myself something of a libertarian and I believe that people should do as they please. But when there is an animal on one side of the debate and a human being on the other—when the situation is finely balanced and we are having difficulty deciding—I believe that we should side with the interests of the animal, even when the status quo goes the other way. The Government should be slightly bolder on tail docking for cosmetic purposes, for example, even if they intend to be slightly more cautious when considering working dogs. I have tried to engage with this issue and both sides of the argument have their merits, but on balance, in cases involving tail docking for cosmetic purposes we must side with the animal.

I come to greyhound racing. Alas, Southend does not have a greyhound track, although I am told that it did once. Perhaps I can visit Romford's dog track, as Lady Thatcher once did, although I certainly will not take Boris and Barney with me, as someone from the National Greyhound Racing Club suggested. The NGRC and the British Greyhound Racing Board have done an excellent job—this is where I differ slightly with the hon. Member for Sunderland, North—in developing a code of practice. The real problem lies with the 20-odd unregulated tracks. One of those tracks has recently improved and not all the others are terrible, but most do not have veterinary officers on the premises, so there is a case for greater regulation. One benefit of a phased approach involving secondary legislation is that it puts pressure on the different sectors to make changes and to improve self-regulation. So even if we regulate formally through this House, the base point has moved on through the pressure that is being applied.

Finally, I want to join in the goldfish debate. It is appalling to give any animal as a prize. It matters not whether it is a child or an adult—it is entirely inappropriate.

This is a good enabling Bill and I certainly support it, but it falls short of providing sufficient detail on the secondary legislation that is needed. It will be much better if it is discussed in far greater depth in Committee, and if more detail on secondary legislation is added.

7.27 pm

Mr. Michael Wills (North Swindon) (Lab): Like all other Members, I very much welcome this Bill, which will be as significant in our time as the Protection of Animals Act 1911 was in its time. I welcome the flexible approach that is being taken. It is sensible and practical and allows the law to keep pace with changes not only in science, but in moral sentiment in society.

I want to touch briefly on three issues on which there is an emerging common view, and I hope that the Government will consider crystallising that view as the Bill makes progress through the House. The first issue is the definition of suffering. Everybody accepts that there is a mental component to suffering, and I should be grateful if Ministers reflected, as the Bill makes progress, on whether that definition is as clear as it could be.

The second issue is pets and prizes, which has just emerged—again. Nobody wants unnecessary regulation or an unnecessary extension of state powers, but I am slightly puzzled by Ministers' resistance to the prohibition of giving pets as prizes. Giving pets as prizes is not a fundamental human right that raises questions of principle about the extension of state powers, but it does seem to be at odds with one of the fundamental principles underlying the Bill: respect for the welfare of other sentient beings. Such respect must underpin the acquisition of any companion animals. This is both a practical issue and an issue of principle. Inevitably, the acquisition of a companion animal as a prize—such acquisition will always be casual, because of the element of chance—will not be approached with the same seriousness of intent as a more considered acquisition. The welfare of the animal is obviously less likely to be paramount, so it is also a matter of principle that, if people are serious about animal welfare, they should approach their relationship with animals in a serious manner, and not as part of a game.

[Mr. Michael Wills]

Finally, I turn to the question of the docking of dogs' tails. I shall not spend a lot of time on this matter, as it has been discussed exhaustively already, but the practice cannot be justified in any way, except when it is used for genuine and proven therapeutic purposes. That has not been disputed in this long debate, and I hope that Ministers will take note of the common view in the House about that barbaric practice. I hope that we shall soon see the end of it in this country.

I welcome the genuinely open and consultative approach adopted by Ministers. That has been a model for legislation and I thank the Government for it, on my own behalf and on behalf of all the constituents who have written to me about this matter. I am grateful to Ministers, their officials and all colleagues on the Environment, Food and Rural Affairs Committee. We are all indebted to them for their hard work in bringing the Bill this far towards the statute book, and I shall certainly be supporting it.

7.30 pm

Justine Greening (Putney) (Con): I am delighted to be able to speak in this debate, and I begin by declaring two interests. First, the RSPCA animal hospital is situated in my constituency of Putney. The hon. Member for Leeds, North-West (Greg Mulholland) said that the sanctuary in his constituency had goats. We do not have many goats in Putney, but if we did, I am sure that the RSPCA hospital would take excellent care of them.

The second interest that I should declare is that I own two cats that I got from the RSPCA rehoming service in Southall. When the cats arrived in my house, they realised that they had fallen on their feet—or should I say paws?—and had entered a great home. They are lucky, and most of the time lead a life of rest and relaxation, but there is no doubt that many pets in this country are not so fortunate. The Bill is to be greatly welcomed for the progress in animal welfare that it represents.

The Bill is badly needed. Other speakers have mentioned the RSPCA statistics in respect of animal welfare; the statistic that I find the most worrying tells us that the number of visits by officers rose by about 40 per cent. between 2003 and 2004. In addition, officers are worried about a greater proportion of the animals that they see on those visits. That is a definite problem, and we need to tackle it.

I have three broad areas of concern that I want to bring to the House's attention, and which I hope will be addressed in Committee. The first has to do with the use of secondary legislation, about which other contributors have spoken already. The second problem is that the Bill needs to be made wider in its application, and the third has to do with the proposed sanctions against people who are found guilty of animal welfare offences.

We have heard that the Bill is an enabling measure, and I accept that things can change over time and that legislation needs to be flexible as a result. Ninety-five years have elapsed since the last Bill dealing with animal welfare, and unfortunately it may be that another 95 years will go by before we revisit the matter. However, concern has been expressed in the debate that the proposals place great reliance on secondary legislation, so it is incumbent on the Government to make that secondary legislation, and the details that underpin it, very clear.

The regulatory impact assessment is very short on detail. We do not know whether the document to be published will be full and comprehensive, or whether other elements will be introduced at a later stage. We are also lacking information about the codes of practice and other details, with the result that the Bill is like a Christmas tree without decorations. I want to agree with the decorations that will be put on it, but it would be nice if we had a clearer idea of what they are likely to be before we are asked to ratify their use.

Moreover, I share the concerns that have been expressed about how the secondary legislation will be adopted in the future, given that we have not been able to see the substance of the first tranche of that legislation. I hope that the Minister will give the House some assurances about the procedures that will be used. There needs to be strong consultation before proposals are developed into statutory instruments. In addition, those instruments—whether they be regulatory, or take the form of codes of practice—should be subject to positive resolution achieved through the affirmative procedure.

Such an approach is not especially unusual. The codes of practice in section 3 of the Agriculture (Miscellaneous Provisions) Act 1968 were subject to positive resolution, and the Bill already suggests that regulations should be handled in a similar manner. With this Bill, therefore, I urge the Government to adopt the same approach with regard to statutory instruments introducing codes of practice.

As I said, my second reservation about the Bill has to do with the breadth of its application, and the additional offences that it introduces in respect of cruelty to animals and of animal fighting. I believe that new offences should be introduced to cover the making, distribution and possession of images of animal cruelty and of bestiality for which there can be no lawful authority or excuse. That is the approach adopted in respect of child pornography.

I know that the Government responded to the Environment, Food and Rural Affairs Committee by saying that they did not want to go down that road because there was no guarantee that the animal welfare offences captured in such images were being committed in Britain. However, that is not seen as a hindrance to taking strong action against child pornography, and I urge the Government to take the same approach with videos of animal cruelty.

The RSPCA will confirm that it is very difficult to prosecute people who organise animal fights, so we should give ourselves a chance to take as much action as possible against them. If the law makes it hard to prosecute the main offence, we should at least strengthen our ability to prosecute on a secondary level. That is my second suggestion.

My third suggestion—and perhaps it is the most emotive for me as an MP—is that we should strengthen the sanctions proposed in the Bill. The Bill is a great step forward, in that it will enable us to prevent cruelty and prosecute it more thoroughly. The original 1911 Act focused on the prosecution and punishment of people convicted of cruelty, whereas this measure focuses more

on prevention. That is long overdue, and I welcome it very much, but I am concerned about the practical effect of the sanctions that the Bill introduces.

I hope that the Minister, when he sums up, will correct me if I have misunderstood the proposals. At present magistrates can give custodial sentences of up to six months to people convicted of animal cruelty, yet the Bill's apparent increase of that sentence to as much as 51 weeks' imprisonment is affected by the custody plus provisions in the Criminal Justice Act 2003. As a result, the term "imprisonment" is somewhat misleading, and the custodial sentence handed out to people will amount to just 13 weeks. That is about half the length of sentence that is available under the current provisions for people convicted of animal cruelty offences. That really concerns me, not only because it sends out a very bad message about how our society wants to punish people convicted of offences against animals, but because it is just plain wrong when seen in the context of the sanctions available for other crimes. For example, people convicted of criminal damage can be referred to the Crown Court, where a penalty much harder than the 13 weeks available under custody plus can be handed down.

To me, it seems ludicrous that a person who damages an inanimate object—for example, by burning down a large building—can receive a custodial sentence of two or three years, when a person who commits horrific acts of cruelty against many animals over a long period of time cannot be punished with anything more severe than a sentence of 13 weeks. That is what the Bill provides, and the sentence may even be reduced or replaced with a community service order.

The Government have recognised that different levels of offence should be considered in connection with manslaughter and murder—or homicide, as we may end up calling it. In the same way, they should recognise that different degrees of cruelty are involved in the way that people act in relation to animals. The law should not be clipped to prevent harsh sentences being given to those who commit the very worst offences of animal cruelty.

I welcome the Bill, which is a big step forward. My right hon. Friend the Member for Maidstone and The Weald (Miss Widdecombe) talked about dumb animals, but the science we have today suggests that animals are not necessarily dumb. We know that chimpanzees have 98 per cent. of the DNA of humans. It may never be possible to train a marsupial to do quadratic equations—although if we could we would, depending on where we lived in the world, say "Eureka!" or "Carumba!"—but we should take care of animals, whether dumb or smart. We need sanctions to use against people who do not look after animals, and if we have harsh penalties for that it will say something about our society. I hope that the Minister will be able to address some of my concerns.

7.40 pm

Anne Snelgrove (South Swindon) (Lab): It is a pleasure to speak in a debate in which a Bill is welcomed on both sides of the House, albeit with differences of opinion about the interpretation of some of the clauses. I am pleased to follow the hon. Member for Putney (Justine Greening), who spoke passionately—as have other hon. Members—but with great understanding of the issues. It has been suggested that some of the debate has been emotive, but I think that hon. Members have spoken with passion as well as an understanding of the science and technology involved in the issues.

We are known as a nation of animal lovers, but I wonder whether we really deserve that description, given the research on animal cruelty. A small minority of people cause suffering to animals, and the Bill rightly seeks to stop that and to deal with those people. That is why it is warmly welcomed by me, by other Labour Members and, I am glad to hear, by Opposition Members.

Unfortunately, figures released last year by the RSPCA showed a rise in the number of convictions for animal cruelty in the Swindon area from four to 15. The number of animals rescued from cruel treatment and abandonment in the south-west rose by 1,000. Some of the cases made grim headlines, as the hon. Member for Romford (Andrew Rosindell) graphically described earlier. I hope that the Bill will outlaw some of those practices and bring the perpetrators to book.

Later this year I hope to work as an RSPCA inspector for a day and I hope that other hon. Members will take advantage of the opportunity to do so. I am a little apprehensive about it because their work, while very worthwhile, can be harrowing. However, it is important for hon. Members to have some understanding of what is happening in our areas. There are many animal welfare organisations operating in Swindon, as in other parts of the country, and my office has consulted them about the Bill. They welcome it, and it will help them to deal with the results of the senseless animal cruelty that we have heard about today.

I hope that the Bill will cause a reversal of the statistics that I mentioned earlier and we can maintain our good reputation for animal welfare through our protection for animals. The Bill has seen a high level of public engagement. Since I have been a Member of Parliament I have noticed that people who care deeply about animal welfare tend to be open to working with their MP to bring about change, and that is obvious on both sides of the House. My postbag is full of letters expressing delight that the legislation is to be updated. As we have heard, the original legislation is nearly 100 years old and was the first parliamentary legislation on animal welfare in the world.

Like my correspondents, I have been waiting for better legislation and I am aware that many people in Swindon are counting on us to ensure that the Bill is robust enough to stand the test of another century if necessary. One area in which I fear the Bill will not be robust enough is tail docking. My right hon. Friend the Secretary of State repeated earlier her statement at the weekend that she will listen to the views of Parliament on that issue and I welcome that. I did not interpret that to mean that she would retain the status quo. I hope that she will listen and see the necessity of banning tail docking. Vets and the RSPCA have opposed tail docking for many years on the grounds that it causes pain and serves no useful purpose. I see a conflict between the Bill's new obligation on the owner of an animal to do what is reasonable to meet its needs for appropriate protection from pain and injury and the practice of tail docking. There is a real need for concrete evidence about whether tail docking is justified for working dogs because of the risk of injury, compared

[Anne Snelgrove]

with non-working dogs. A seven-year study at the university of Edinburgh showed insufficient evidence of statistical significance to suggest a positive association between tail injuries and undocked tails. We would need evidence of some weight before we could say that we should retain that practice. I believe that the House should legislate to ban tail docking in all dogs, including working dogs. It is a controversial issue, as we have heard, with strong views held on both sides, and I hope that it will be examined in detail in Committee.

The Bill has the potential to make a real difference to the lives of many domestic animals in Swindon and those at the Swindon greyhound track in the constituency of my neighbour, my hon. Friend the Member for North Swindon (Mr. Wills), when the secondary legislation is made in the next few years. The new welfare offence will prevent many animals from enduring serious ongoing neglect by legally obliging owners to care for their pets properly. Too often, offenders have walked away. The Bill will strengthen the penalties and eliminate loopholes. For example, as we have heard, there will be a fine of up to £25,000 and an available sentence of nearly a year in prison, although I take the point that that may not be the final outcome.

The Bill sends a strong message to would-be abusers of animals and backs it up with real deterrents. That is why I have welcomed it and supported it in principle. I look forward to working with organisations and residents in my constituency to make it an even better Bill.

7.47 pm

Mark Pritchard (The Wrekin) (Con): I pay tribute to the Government for introducing the Bill, which I support, but I would ask the Government to go further on the range of issues that I will set out in the next few minutes. The Bill is perhaps a little confused in parts. Some hon. Members have said that it has some grey areas and some have gone as far as saying that it has some large holes. I would not go that far, but we do need clarification on several points.

We have heard some excellent contributions. I congratulate my hon. Friend the Member for Old Bexley and Sidcup (Derek Conway) who said that one only had to be normal to be a cat owner, which might explain why I have always only ever owned dogs. I declare an interest as a dog owner with two miniature schnauzers. I am a proud member of the miniature schnauzer club of Great Britain and I am secretary of the all-party group on wildlife trusts.

I also pay tribute to the Dogs Trust in Roden in my constituency, which I have visited several times. The head office of the PDSA is in Shropshire, and I also pay tribute to the Hilbrae kennels, which I have also visited and which does a marvellous job taking in abandoned dogs. I also pay tribute to the *Shropshire Star*, which campaigns for animal welfare.

I shall make some general points and then some points about specific clauses. There has been no mention of the epidemic of dog-napping. Up and down the land, even as we speak, dogs are being kidnapped, which causes great distress and misery not only to pets but also to owners. I hope that the Minister will look at the excellent work of dogslost.co.uk and consider how the Government might help that organisation in reuniting pets with owners, perhaps by encouraging the police to take the crime of dog-napping more seriously.

Members have referred to suffering due to internet sales of animals. I am disappointed that the Bill does not explicitly make provision for stricter controls on internet sales. Although the Government recognise the need for a code of conduct, there are no proposals for tightening up the controls and no guarantee that they will be forthcoming, as they should be. I encourage the Minister to come to the House on 31 January when I shall present a 10-minute Bill that would end internet sales of endangered animals. I hope that we can safeguard the keeping and transportation of animals by regulating auction sites and internet sales of pets, and that the secondary legislation will cover that in detail.

Members on both sides of the House have made excellent speeches and have made many of the points that I wanted to raise, so I shall speak about some issues that have not been mentioned. Have the Government held discussions with the Town and Country Planning Association with regard to the effects on animal welfare of the design of new houses? As the majority of domestic animals spend most of their time in houses, unfortunately, I hope that due consideration to their welfare will be given in the design of new houses. Homes can be made pet-friendly, and I should welcome the Minister's comments on that point.

Even as we speak, tens of thousands of cats and dogs are locked up in homes throughout the country while their owners are at work. The simple installation of a dog or cat flap would make their lives much easier. Animals do not have our privileges. When nature calls, I can approach the Chair and you are always generous, Mr. Deputy Speaker; you release me from the Chamber for a few moments, but pets in homes up and down the land do not have that privilege. I hope that the design of new homes will be taken seriously, so that people can have gardens.

In refutation, it is often said that burglars can get in through the dog or cat flap, but if a burglar wants to get into someone's home, they will find a way. I do not know of many burglars who have confessed to and been convicted of entering a house through the dog flap. They usually get in through an open bathroom window or simply smash down the door.

Mr. Vaizey: Will my hon. Friend give way?

Mark Pritchard: In a moment. I want to finish an important point. As we know, according to the Government's statistics, burglary is decreasing in any case.

Mr. Vaizey: I was not aware that the provision of a dog or cat flap was a planning issue. Can my hon. Friend take his argument further and give examples of design features that would help the dog or cat trapped in the home?

Mark Pritchard: I suspect that my hon. Friend is leading me into a trap, but I shall not go there. I agree; such provision is not a planning issue. The Government spend too much time interfering in planning, but I

commend the Town and Country Planning Association's report on the issue. I know that my hon. Friend will go post haste to the Library to retrieve it after the debate.

I welcome the proposals for longer sentences and higher fines, but as other Members have rightly said, records reveal that few magistrates courts give custodial sentences. I agree with my hon. Friend the Member for Putney (Justine Greening): Members on both sides of the House would like magistrates to give custodial sentences. I encourage the Minister to consider mandatory custodial sentences for people convicted three times of offences of animal neglect or cruelty, rather than just another fine or a short sentence. Will the Minister reassure us that time served will increase as a result of the Bill? That is a substantive point.

I welcome disqualification orders. I remember a case in Newcastle when a Shetland pony had been locked into its stable and burnt alive. I was visiting the area on business and read about the incident in the newspaper and got involved in trying to find out who was behind it. I discussed the case with some people and it occurred to me that a person convicted of such an offence against their own or another animal—probably the latter—could be disqualified from keeping an animal but could then move away, for example, from Newcastle to London, and buy another animal. Nobody would be any the wiser. Will the Government consider introducing a national register of people convicted of cruelty to animals? Responsible dog breeders or people selling cats or other animals could access a national database to find out whether the buyer is a responsible owner. I hope that the Bill can eventually close that loophole.

Members have rightly spoken of the promotion of animal welfare through education and of the need for intervention and prevention. I endorse those calls and support that element of the Bill. Will the Minister inform the House whether he has held discussions with the Department for Education and Skills about establishing a national animal welfare day? I do not think there is one. Perhaps the Minister could respond. Will the Government find time in the national curriculum for young children for some input on animal welfare?

Mr. Andrew Turner: Has my hon. Friend received a report from the WAVE—Worldwide Alternatives to Violence—Trust, whose chairman is Sir Christopher Ball? It sets out the causes of the massive increase in crimes of violence in this country since the 1950s. Has my hon. Friend associated crimes of violence against the person with crimes of cruelty to animals? There is a close correlation between the perpetration of crimes of violence against people—especially domestic violence—and of crimes of cruelty to animals. The report's most telling conclusion was that the wires in the brain that create such attitudes are in place by the age of three, which is something on which the DFES should concentrate.

Mark Pritchard: My hon. Friend raises a helpful and interesting point. It is not a matter of either/or but of both. I am not aware of that report, but I know of reports that link violence against human beings, especially children, to violence against animals. Often, people convicted of cruelty to animals sadly go on to be cruel to children as well. It would be worth the Government taking a close look at that.

Justine Greening: I believe that research conducted in America shows that there is a close link between child abuse and animal abuse. I understand that the RSPCA is starting to examine the matter with a bit more rigour and to do its own studies, the results of which will be available later this year.

Mark Pritchard: I am grateful to my hon. Friend for endorsing my point. I hope that the Government will examine the matter in detail because hon. Members on both sides of the House are worried about cruelty towards, and the neglect and abuse of, children, which has been ably addressed by the campaign of the National Society for the Prevention of Cruelty to Children, which I hope that all hon. Members will support and endorse through the relevant early-day motion.

I hope that the Government will consider educating people who have been convicted. Perhaps such people could attend compulsory classes that could be put on by the RSPCA or the Dogs Trust. Offenders could be educated about what their actions had brought about in the life of an animal and how they could be prevented from repeating their offences in the future.

We need to lift the debate so that we speak more about the stewardship of animals and not just about the ownership of them. I do not support the docking of animals' tails for cosmetic reasons, but I am open-minded and flexible about tail docking for working dogs. Several hon. Members have asked how one can prove that tail docking affects animals' welfare, but hunting dogs and gun dogs can be caught up in undergrowth and brambles and I know of circumstances in which dogs have suffered as a result of that. We need a debate on the matter.

It is interesting that the Government say that they want to license pet fairs because that presupposes that the House has given its consent to the re-emergence of pet fairs. I do not support pet fairs. They would lead to even more abandoned and stray dogs. It is interesting that the local authority that destroys more dogs than any other authority in the land is Sedgefield, so I hope that relevant dispatches will be sent off to No. 10. I was also briefed that the authority was perhaps Liverpool, but Liverpool has had its fair share of stick from the Conservative Benches in the past—I do not want to contribute to that today because I think that it is a fantastic city.

I support the Bill. I hope that inspectors will be given the appropriate amount of training and that local authorities will get the appropriate amount of resources. I hope that clause 29 will not lead to more dogs being killed as a result of their owners' cruelty.

8.2 pm

Nia Griffith (Llanelli) (Lab): I welcome the Bill, especially because I know that in its long gestation period—something like twice that of an elephant—there has been considerable consultation with people who work in animal welfare day in, day out. Rather than

[Nia Griffith]

repeat many of the good points that hon. Members have already made, I shall simply make a couple of quick points on the tail docking of dogs.

As any dog owner will know, dogs use their tails to communicate. Any frustration that I might have felt when my late dog, George, flapped his mighty tail across the coffee table and caused absolute chaos was quickly subdued by the immense friendship, enthusiasm and excitement that he communicated with that tail. Most importantly, dogs use their tails to communicate with other dogs. Some behaviourists believe that if a dog cannot use its tail to communicate, it can feel insecure and vulnerable. The result of that can be that dogs show unwarranted aggression towards other dogs and humans. The tail is also important as a means of counterbalancing, especially if a dog wants to do something such as leap across a gap or walk along the edge of a canal.

The initial process of tail docking is painful, and I have heard gruesome tales from experienced vets who have had to clear up the mess when tail docking has gone terribly wrong. As my hon. Friend the Member for South Swindon (Anne Snelgrove) said, studies that were conducted as far back as 1985 have shown that there is no link between tail injuries and undocked tails. Many of us know of working dogs with tails that have come to no harm. I would ask that the Bill's mutilation clause does not make an exception for the tail docking of dogs. In the event that the decision is left to Parliament, I would urge all hon. Members to support a ban on the tail docking of dogs.

8.4 pm

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Member for Llanelli (Nia Griffith) on her speech. I shall speak about the welfare of racing greyhounds, following on from the comments made by my hon. Friends the Members for Romford (Andrew Rosindell) and for Rochford and Southend, East (James Duddridge) and the hon. Member for Sunderland, North (Bill Etherington).

My contention is that although greyhound racing is a fine sport, when one considers it in the context of animal welfare, it is essentially the use of vulnerable animals by the gambling industry for profit. The Government are not taking greyhound welfare seriously enough. They are too influenced by the British Greyhound Racing Board in their approach to the issue. As animal welfare Bills come round only once every 100 years, we have a wonderful opportunity to make a real effort to save greyhounds from unnecessary suffering and—ultimately and sadly—death.

I wish to expand on the brief remarks that have been made about the greyhound industry. There are 30,000 active racing greyhounds on tracks that are owned by members of the National Greyhound Racing Club. There are also about 20 independent tracks that are not controlled by the NGRC. I know that the Minister has taken a close interest in greyhound welfare and that he responded to an Adjournment debate on the matter on 7 June 2004. However, it might be for the benefit of other hon. Members if I point out that the typical racing life of a greyhound is just two to three years. Some 10,000 of the 30,000 active greyhounds retire each year, but only about 2,500 are re-homed. No one really knows where the other 7,500 go. Some 5,500 greyhounds are bred for racing each year, but 2,000 of those greyhounds never make it to a racing track, and no one really knows where they go, either.

The greyhound racing industry makes huge amounts of money. It is mainly the bookmaking part of the industry that is reaping the rewards. Some £2 billion is bet on greyhound racing each year, which represents almost a quarter of the total amount of off-course betting in this country. The Government receive a staggering £350 million in betting duty from greyhound racing. The British greyhound racing fund receives 0.6 per cent. of the turnover on greyhound betting. That voluntary contribution goes towards improving the infrastructure of greyhound racing tracks. Only a fraction of the money raised, which is somewhere between £7 million and £16 million, goes towards the welfare of the greyhounds themselves. Sadly, none of the money goes to independent tracks, which do not have the same standards as NGRC tracks.

Many of the greyhounds that disappear suffer an unfortunate demise. It is suspected that most are put down inhumanely. Some are injected with antifreeze. Some are dumped on the side of motorways and left to wander off, or to be run over. Those with registration marks on their ears often have their ears cut off and others are shot. In an especially cruel case in 1994, 19 greyhounds were left in an empty quarry to starve.

This is a wonderful opportunity for the Government to impose statutory requirements on an industry which, although it has said that it will introduce voluntary improvements, is, sadly, not doing nearly enough or acting quickly enough. There needs to be a compulsory levy on all bookmakers because 20 per cent. of them do not take part in the voluntary scheme. We need strict statutory standards of welfare, not just a voluntary code; a mandatory provision of vets at all track meets; and a proper registration system and microchipping of greyhounds. All retired greyhounds need to be re-homed, and those bred for racing but which do not make it to the racing tracks also need to be sent to proper homes. All track and trainer kennelling needs to be to a minimum statutory standard. It is not just me saying this. The EFRA Committee said:

> "We are unconvinced by the argument that the greyhound racing industry should be allowed until 2010 to regulate itself and improve its own welfare standards."

The Secretary of State started the debate by saying that many of the Select Committee's recommendations are included in the Bill. Sadly, for Britain's 30,000 greyhounds, that particular recommendation is not included.

The Government need to ensure that independent scrutineers—vets who are independent of the promoters of events—are at all greyhound racing tracks. The greyhounds cannot blow the whistle if their welfare is not being safeguarded, so we need an independent inspection agency that does.

The Government have set up a greyhound welfare working group, which has already set about its business. The problem is that there are eight industry representatives on the group and only three representatives from animal welfare charities. I suggest

that that balance is wrong. I also suggest that the industry could all too easily stand of being accused of trying to bully animal welfare charities that are legitimately challenging the standards of care set by the industry.

In the gambling legislation that the Government have put through the House, they have emphasised the strength and the importance of an independent regulator for the casino industry. Yet greyhound racing is in effect the use of vulnerable animals by an arm of the gambling industry. Therefore, there should be strong, independent statutory regulation. I very much hope that with this welcome Animal Welfare Bill, which has come along for the first time in the best part of 100 years, the opportunity to look after Britain's greyhounds is not lost.

8.13 pm

Ms Angela C. Smith (Sheffield, Hillsborough) (Lab): I welcome the Bill for the reasons outlined: because it updates and consolidates animal welfare law, provides a framework for more effective regulation of animal ownership and welfare, and increases the range of sentencing powers. The debate has principally been about what is not in the Bill. I shall say no more about that except that I support entirely any legislation that would prevent the mutilation of dogs and the use of animals in circuses.

I principally want to refer to the new duty of care, which has not received a great deal of attention in the Chamber. It has the potential to make a huge difference to the lives of many thousands of animals because it gives animals a right to the five freedoms referred to by my hon. Friend the Member for Sherwood (Paddy Tipping). Let us not underestimate the importance of the rights that the Bill gives to animals: the right to the provision of adequate food and water; the right to health care, appropriate protection from pain, injury and disease, and to diagnosis and treatment of those afflictions when they occur; and the right to a suitable environment for everyday existence and the capacity to exhibit their normal behaviour.

It is a sad reflection of society that we need to introduce that duty of care and to put it on the statute book. It is necessary for two sad reasons. First, there is a wide range of reasons why people go for domestic pet ownership. It is not always because pets are loved by their owners. Many are acquired for other reasons, such as personal security or as protection against burglary. I am not suggesting that we cannot have a range of legitimate reasons for acquiring pets, but there is a frequent risk that the interests of the animals are compromised because they were not adequately considered at the time of acquisition.

We have all seen the more extreme consequences of careless pet ownership. Every time we witness a stray dog in the street or the sorry sight of animals being rescued from cruel treatment, we witness the failure of society adequately to protect animals from cruel treatment. I welcome the provisions to establish a code of practice for the duty of care which will make the responsibilities of pet owners explicit. I urge the Minister to assure us that he will find ways of ensuring that the code of practice is, in one way or another, made readily available to all current and future pet owners, whether it is through pet shops or pet breeders. I support what was said by the hon. Member for The Wrekin (Mark Pritchard) and the right hon. Member for Maidstone and The Weald (Miss Widdecombe) about educating pet owners. The introduction in the national curriculum—via citizenship classes perhaps—of the care of pets would be welcome.

My second reason for supporting the new duty of care relates to the greater protection that it offers to those animals that are bought by parents for their children. We all know which animals are popular with children. Cats, dogs, rabbits, hamsters and guinea pigs are among the most popular choices. There is no doubt that when the animals are purchased, the children concerned have every intention of caring for them and giving them all the attention they need. What happens, however, when a child loses interest and when the desire to care for the animal disappears and turns out to be a mere whim, rather than a genuine commitment? Neglect is often the consequence. It is not cruelty as we commonly understand it, but a form of treatment that could be viewed as cruelty because it exposes the animal to a limited and miserable existence. Of course, it is often the very small animals that suffer that treatment—the guinea pigs, hamsters and rabbits—because they are easy to overlook and forget. The duty of care will make it clear to parents that they must take responsibility for ensuring that animals in the care of the family are not merely protected from the worst consequences of neglect, but properly cared for to a standard agreed by society as the minimum acceptable. The new responsibility is inescapably laid at the door of the parents because of the measure to raise the age of acquisition of pets from 12 to 16. I welcome that because it makes it crystal clear where the responsibility lies for the welfare of an animal within the family home.

I support the Bill because I believe strongly that one of the key measures of a civilised society is how well it looks after its animals. I am not what people would call an animal lover in the traditional sense of the term. I know it is not easy for a British person to say that. My husband and I do not have pets, and neither do we have any intention of acquiring any. However, I detest cruelty to animals and feel passionately that they deserve the fullest rigour and protection of the law. In that respect, I would have preferred to see stronger measures in the Bill, such as the creation of a new offence to outlaw the possession of fighting equipment.

Nevertheless, the Bill has much to commend it, and I finish my remarks by paying tribute to all those organisations in the voluntary sector that have contributed so much to getting us to where we are today. We owe them our gratitude for all that they do and for their dedication to creatures that are so often vulnerable to the activities of a cruel minority in our society.

8.19 pm

Mr. David Amess (Southend, West) (Con): I am absolutely delighted that all the animal welfare issues that I and other hon. Members have campaigned on over the years come together in this Bill. I simply say to the Minister that I much regret that Tony Banks is not here with us. I have always enjoyed people who have a sense of humour. He certainly had a sense of humour—how else can one describe someone who represented West Ham, where I was born, and supported Chelsea

[Mr. David Amess]

football team? He will be greatly missed by all hon. Members, and I agree with my right hon. Friend the Member for Maidstone and The Weald (Miss Widdecombe) that the Bill serves as an epitaph to him.

Unlike the hon. Member for Sheffield, Hillsborough (Ms Smith), I have kept all sorts of animals over the years. At the moment I specialise in Siamese fighting fish; I breed them. The House will be glad to know that I do not allow the males to fight. Those of us who are keen on animals are labelled as cranks. I do not know whether it is such a bad thing to be labelled a crank. I simply observe that there appear to be an awful lot of cranks around at the moment.

The hon. Members for Carlisle (Mr. Martlew) and for Sunderland, North (Bill Etherington) referred to tethering. I was a little disappointed in their remarks because in 1987, via the ten-minute rule, I successfully piloted through the House the Protection against Cruel Tethering Bill. The noble Lord Houghton of Sowerby, who is dead now, took it through the House of Lords. It caused a stir at the time, not so much because of the legislation but because I arrived at the Commons on a horse, and the horse was not particularly impressed with what was on his back. The Act protects horses, ponies and donkeys from being cruelly tethered; they have to be properly watered and fed. I am surprised that the Act was not called on, and I say to the Minister that it is another example of legislation of which we take no notice.

I say also to the Minister that in the time that I have been a Member there have been many animal welfare Bills that have not entirely turned out as we would have wanted. I remember speaking on the Third Reading of the Protection of Badgers Bill, being piloted through the House by the now Lord Waldegrave. The Minister will understand when I refer to a number of homes in a tiny urban area in my constituency where it seems that the badgers got together one night and decided to nip through the front door and take up ownership of the gardens. In two weeks I am having a meeting with the Minister, one or two of his officials and others to discuss that great problem. The Dangerous Dogs Act 1991 is another example of legislation that did not turn out entirely as we would have wished.

I welcome the Animal Welfare Bill, however, because it goes much further than the Protection of Animals Act 1911. However, I say to the Minister, as other Members have, that some of the clauses should be more carefully defined so that the Bill will be workable and its provisions enforced. We do not want to waste our time celebrating the introduction of the Bill after 100 years only to find out that much of it is difficult to enforce. Some practices that have not been included in the Bill should be regulated through secondary legislation to ensure the protection of animals.

For example, both the Kennel Club and the RSPCA are, as the Minister knows, disappointed that the Bill fails to prohibit the use of electric dog collars. They have not been proven an effective means of dog training. I do not know whether they could be used to train Members of Parliament, but they are no good for dogs. They scare the animal so that it conforms through fear rather than addressing more deep-seated behavioural problems. Furthermore, these instruments are available through mail order. I ask the Minister to look very carefully at that matter in Committee.

I certainly welcome clauses 4 to 7, which deal with prevention of harm. I welcome the fact that they make it an offence to cause mental as well as physical suffering to animals through a direct act, through negligence or by failing to prevent suffering inflicted by a person on an animal for which he is responsible. That redefinition of animal cruelty is long overdue; it recognises the psychological impact of mistreatment and neglect which can affect animals long after their physical rehabilitation.

I welcome clauses 8 to 10, which deal with the promotion of welfare. It is excellent that welfare legislation for domestic animals is being brought into line with provisions for farmed animals in the Welfare of Farmed Animals (England) Regulations 2000. Also in this part, the restriction of the sale of animals and the awarding of animals as prizes to persons over the age of 16 will, to a certain extent, ensure that the person to whom the animal is being transferred will be responsible. I made two or three attempts to introduce legislation on that in the House, and I am going to take a tiny bit of credit for the fact that the matter has been included in the Bill. I agree with everything that hon. Members have said about that. The duty of care that people are given in their ownership of animals has to be dealt with very carefully.

The hon. Member for Brighton, Pavilion (David Lepper) made a point about pet fairs which I know will slightly annoy the Minister. We do not have the time to go into the minutiae of what has gone on behind the scenes, but I ask the Minister to look at the issue carefully. Pet fairs are currently banned under the 1983 amendment to the Pet Animals Act 1951 which outlaws the business of selling animals

"in any part of a street or public place, or at a stall or barrow in a market".

I can remember my father, who is now dead, so I can say this, taking me to the animal market in Club lane, Petticoat row. I thought that it was marvellous, but I now realise that it was a very wrong way to sell animals. I am not happy with the two or three pet fairs that exist. The Minister has all the documentation on them and I ask him to look carefully at the issue. I know that the hon. Member for Brighton, Pavilion will tonight present a petition of 15,000 signatures. The RSPCA, Animal Aid, the Dogs Trust and the Animal Protection Agency have been campaigning tirelessly against the practices of animal traders.

My right hon. Friend the Member for Maidstone and The Weald, in yet another magnificent speech, touched on the issue of tail docking. I do not know whether she made an intentional faux pas, but I tell the House that she presented our youngest child with a black Labrador puppy called Michael. Michael has not stopped wagging his tail since he entered our household, and there are occasions when my wife says, "I wish he would stop wagging his tail—there goes another bit of china." I am very content that he continues to wag his tail. I do not know that any of us would like to have our tails docked. Of course we do not have tails, but I should not think that we would be terribly pleased. This is a very difficult issue, and I know that one or two hon. Members have

said that the Minister has sat on the fence. The Kennel Club welcomes the Bill's stance on the issue; indeed I see that it has placed an information advertisement in "The House Magazine" this week maintaining that tail docking should remain a matter of choice for the owner. That view is supported by the Essex and Eastern Counties Boxer Club, which insists that the breed of the dog and the purpose of its breeding should be considered if regulations were to be introduced on tail docking. It is a difficult issue and I hope that the House will be given the opportunity to come to a conclusion on it.

The hon. Member for Sherwood (Paddy Tipping) referred to the qualifications of inspectors. Concerns have been raised about changes to the way in which animal welfare regulations are enforced through the introduction of inspection officers with new powers to transfer the custody of animals away from abusive owners. Currently, the RSPCA is the largest private prosecutor for animal welfare offences. It has been investigating abuses and enforcing laws relating to animals for more than 100 years in conjunction with the police, the state veterinary service and Customs and Excise. The Bill will not alter this process despite suggestions that the Crown Prosecution Service should be the sole instigator of prosecutions. The Environment Food and Rural Affairs Committee considered the draft of the Bill in 2004 and concluded that, even though concerns have been raised about links between prosecution and the campaigning arms of the RSPCA,

"there appears to be no body other than the RSPCA with the requisite experience to undertake animal welfare prosecutions"

and the RSPCA

"should be able to continue to institute private prosecutions on its own behalf."

The training of inspectors is essential. There are not enough inspectors and the street-wise attitude which I suppose has developed only in terms of length of service somehow has to be shared with as many inspectors as possible.

I welcome the Bill, as do many other right hon. and hon. Members. It effectively amalgamates previous legislation. It updates our approach to animal welfare, recognising psychological as well as physical needs, and includes clauses on the prevention of cruelty. I am concerned that the codes of conduct, regulations and licensing codes that will be drafted under secondary legislation should be subjected to full parliamentary scrutiny. To have the legalisation of itinerant pet fairs or a ban on tail docking put into statute without wider public consultation that takes in the most recent scientific evidence would be a great mistake. However, I think that all animals can celebrate tonight.

8.31 pm

Barbara Keeley (Worsley) (Lab): I join right hon. and hon. Members on both sides of the House in welcoming the Bill. It is gratifying to support a Bill that has so much support in the House and, more widely, from the many agencies that are concerned with animal welfare.

In speaking at this point in the debate I am faced with the dilemma that is known to all Members of the new intake. Having waited for hours to speak, it seems that much that I wanted to say has already been said. However, it is important that as many Members as possible have a chance to speak and to air their views on the issues that have been raised.

We have heard from many colleagues who have a long history of concern about animal welfare issues. My right hon. Friend the Secretary of State mentioned that we were the first country to legislate to protect animal welfare. Yet, as my hon. Friend the Member for South Swindon (Anne Snelgrove) said, it is curious that in a country such as ours, with so much concern for animal welfare, there are still so many instances of animals being subject to suffering and living their lives in stressful and unnatural conditions. At its extreme, this emerges as examples of cruelty sent to right hon. and hon. Members in the briefings from the RSPCA. It is to be seen in reports of, for example, the party-goers who microwaved a pet cat during a party over the Christmas season.

It is therefore most welcome that the Bill promotes a duty of care among animal owners that is surely to be applied to those such as the people who had the party during which the cat was microwaved. Account must also be taken of the needs of animals. The Bill covers needs such as a suitable environment, food and water, protection from pain, the suffering of injury and disease, housing with or apart from other animals and the ability to exhibit normal behaviour patterns.

From that list, I think that the two most important needs are protection from pain, injury and disease and the ability to be able to exhibit normal behaviour for the species. Those two aspects of an animal's welfare are important in determining our responses to the issues that have been highlighted earlier, such as mutilation in the form of tail docking, electric shock collars used for training, pet fairs or intensive factory-level farming for the rearing of game birds.

If we take account of an animal's welfare needs as expressed in the Bill, it is clear what our response to many of these issues should be. Ways of mutilating animals such as the non-therapeutic docking of dogs' tails should no longer be allowed in my view. Tail docking undoubtedly causes pain. If the reasons are cosmetic and mainly to do with the dog's breed, that pain seems to be unnecessary. Tail docking will also inhibit normal behavioural habits. The dog cannot wag its tail or use it for balance or movement. Mutilating a dog's tail seems to be one of those outdated and unnecessary practices that it is time that we planned to end. In common with other hon. Members, the dog owners to whom I have spoken recently share that view.

Several hon. Members, including the hon. Member for Southend, West (Mr. Amess), have raised the issue of pet fairs. Given the emphasis in the Bill on regulation, licensing and a duty of care, a fair is not the right place to buy and sell animals. There is evidence that some pet fairs sell animals caught in the wild, so there is clearly a health risk to the public, particularly given current concerns about wild birds. Pets undoubtedly suffer stress if they are taken to a crowded fair and exhibited for sale. For those reasons, we should revisit the issue of banning pet fairs. Some local authorities already do so, and it would be helpful if good practice were clarified for the benefit of all local authorities.

Concern has been expressed about farming conditions for the millions of game birds reared every year for shooting. My hon. Friend the Member for

[Barbara Keeley]

Sherwood (Paddy Tipping) aired the issues very well. It is good that shooting organisations such as the British Association for Shooting and Conservation have now expressed opposition to the intensive rearing of game birds. It should therefore be clear to people who rear such birds that the time has come to look at more traditional methods, to abandon the intensive farming of game birds, and to try to return to free-range methods of rearing.

I should like to close my remarks by congratulating the Government on the Bill, which will raise animal welfare standards and make owners responsible for their animals or suffer increased penalties if they fail to do what is reasonable to meet the animal's needs. I welcome, too, the prosecution of people responsible for arranging, or being present at, animal fights, or causing unnecessary suffering in other ways described by hon. Members. When I was an elected member in local government in Trafford, we introduced our own animal welfare charter, which covered many aspects of animal welfare. It did not have the force of legislation, but we introduced it to promote debate on the issues and to foster best practice. I am pleased that the framework of the Bill will allow debate and the fostering of best practice, both now and in the months and years to come.

8.36 pm

Mr. Edward Vaizey (Wantage) (Con): I am grateful for the opportunity to contribute to our debate. Mine is the last Back-Bench contribution, so the debate will conclude early, thus allowing hon. Members to return home to their pets, which will be wondering what on earth has become of them. It often strikes me that it is a misnomer to describe people as pet owners, as clearly it is the pet that owns the human. Indeed, as a young boy I was brought up by two Burmese cats which ruled the roost in my house. Our debate is ending early not because of a lack of interest among hon. Members—many of them have studied the Bill with great care and have an intense interest in the issues that it raises—but because there is significant consensus that the Bill is welcome and necessary. It is timely, it has been the subject of consultation, and it has been examined in great detail, so it will have a relatively smooth passage through the House and the other place.

As a new Member, I continue to enjoy participating in our debates and seeing how the issues develop, and it is clear from today's debate that two or three issues will be contentious, including tail docking. Having been lobbied by constituents and organisations that are interested in the issue, I have studied the subject closely in the past few weeks and months in an effort to reach a conclusive view. The Government should ask themselves three questions. First, does the current system work? It is a rigorous system, based on amendments in 1991 and 1993 to the Veterinary Surgeons Act 1966, which permitted vets alone to carry out tail dockings. Anyone else who docks a dog's tail performs an illegal act, as I pointed out to the hon. Member for Carlisle (Mr. Martlew).

We should accept that the system works well, given the strong position of the Royal College of Veterinary Surgeons, which opposes tail docking except where it is necessary. Secondly, if we opt for a total ban on tail docking, the Government should ask what the consequences will be. Like many unpleasant practices that we regulate or allow to be legal, we do so partly because we do not want to see the consequences when those practices are illegal. Those consequences are that the practice goes underground, is carried out by inexperienced people, and leads, possibly, to more cruelty by being carried out in an unregulated environment than in a regulated environment.

At the heart of the debate on tail docking is the issue of whether it is cruel. Again, the evidence is finely balanced. I have been referred to at least three senior veterinary sources who have come to the conclusion that tail docking is not cruel because young puppies do not have the same nervous systems as grown dogs. In particular, I refer to the research of Professor Grandjean, a French professor whose name loosely translates as Big John, and therefore not a man to be trifled with, from the veterinary school of Alfor in France, who is the author and scientific co-ordinator of the "Royal Canine Dog Encyclopaedia". I shall carry on talking as my right hon. Friend the Member for Maidstone and The Weald (Miss Widdecombe) is ready to spring on me. He describes the period shortly after birth as a "vegetative phase". The dog has few reflex actions and the nervous system is not fully developed.

Miss Widdecombe: I am very grateful to my hon. Friend for giving way. First, how young a puppy has he dealt with, and was that puppy a vegetable, or did it actually exhibit reactions? Secondly, does he agree that unless there is a serious purpose to docking, even if it causes only minimal pain it is wrong because of the other consequences? Finally, after all that, does he accept that there is also research, which I think was quoted earlier, that shows that puppies do feel the pain?

Mr. Vaizey: As I say, the research is worth considering in some detail, but the sources that I am quoting appear to me to be extremely senior veterinary surgeons. As to the age of the puppy, I would refer to the research of Professor Hales from Sydney university, who says that tail docking up to the age of 14 days would not lead to pain for the puppy. Returning to Professor Grandjean, his view is that major surgery could be carried out on a puppy that was very young because the nervous system is not yet developed. The point—

Miss Widdecombe: Will my hon. Friend give way?

Mr. Vaizey: This is an extremely important point to which my right hon. Friend referred, which is whether I would support tail docking where it is not for working dogs or absolutely necessary. Again, that goes back to my point about driving tail docking underground and the unintended consequences of doing that.

Miss Widdecombe: Will my hon. Friend give way?

Mr. Vaizey: I just want to develop this point very quickly. As the Kennel Club has pointed out, many breeds are bred specifically as tail-docked dogs, and those breeds would no longer be bred by their owners were a complete ban introduced, and that would have unfortunate consequences for those breeds.

Miss Widdecombe: If tail docking is about to be driven underground, it seems to me to be an

extraordinary underground. If the purpose of tail docking is to have a particular form for a particular breed, quite clearly the people who sell dogs with docked tails are registered known sellers. If it becomes an illegal act, they will not let it happen because they could be prosecuted. Where is the underground in all this?

Mr. Vaizey: That is precisely my point. They will stop breeding these unfortunate breeds. However, I have no doubt that other people who dock the tails of dogs who are not registered or perhaps use them as working dogs will continue to do so without any veterinary supervision, and that is my major concern. In conclusion on that point, I simply say that if the system is not broken, why try to fix it? A closely regulated system by the veterinary profession seems to me to be the best system to take forward.

I want to examine two other issues. *[Interruption.]* That takes me back to my days on "Newsnight" with my right hon. Friend the Member for Maidstone and The Weald. As I have said, the regulatory impact assessment points out that anyone who sells an animal over the internet requires a licence under the Pet Animals Act 1951. Without further clarification of "selling an animal", however, there is an enormous loophole, because one could advertise animals without specifically saying that they are for sale. The legislation also misses out internet service providers that carry such advertising or websites that allow people to buy or auction animals.

An enormous variety of animals, some of which are endangered species or should not be kept domestically, are available for sale on the internet, including a gorilla, which is apparently based in London, a giraffe and even a Siberian tiger. *[Interruption.]* Yes; hon. Members have heard me correctly—a gorilla, a giraffe and a Siberian tiger.

Mark Pritchard: Will my hon. Friend join me in condemning a certain person currently appearing on "Big Brother", who has allegedly boasted about wearing a coat made from the fur of a gorilla, which is an endangered species?

Mr. Vaizey: I certainly will. I visited the "Big Brother" house this morning to discuss the conduct of the hon. Member for Bethnal Green and Bow (Mr. Galloway). In my remarks at the "Big Brother" house, I also condemned the wearing of gorilla fur, which is atrocious, by the hon. Gentleman's colleague, Mr. Peter Burns from Dead or Alive. This morning, I told executives at Channel 4 and Endemol UK Productions that they should be ashamed for allowing a coat made from gorilla fur into the house, and I hope that the Minister takes up the issue with them.

Finally, the will of the House is clear on keeping primates as pets. The House would like the opportunity to vote on a complete ban, and I hope that the hon. Member for Lewes (Norman Baker) introduces his amendment. Primates are extremely sociable animals that live comparatively long lives—20 to 40 years—and which are wholly unsuitable domestic pets. The Scottish Parliament is currently considering a Bill that would allow the Scottish Executive to impose a ban on keeping specific species of animal. Clause 10 of this Bill gives the Government broad powers to introduce regulations, but it does not make it explicit that the Government have the power to ban the ownership of specific species. I hope that the Government will revisit that clause and introduce an amendment to give them the power to ban the ownership of specific species of animal.

8.48 pm

Bill Wiggin (Leominster) (Con): In the Chinese year of the dog, I should declare that I have some chickens and at least three cows—hopefully, I will have more than three cows in the coming months.

The Secretary of State opened the debate and did very well until she hit the thorny issue of the size of fines and prison sentences—I was tempted to make a joke about the amount of bird that one might end up doing for animal offences.

I shall move quickly on to the excellent contribution by my hon. Friend the Member for East Surrey (Mr. Ainsworth), although it says in my notes that I should not mention "the Kevin Keegan hair". *[Laughter.]* I hope that he will forgive me—he has not kicked me yet, anyway. His excellent speech was concerned, sincere and questioning on issues such as longer sentences for severe abuse. He discussed his concerns about Statutory Instrument Committees, and as he is a former Government Whip we should take his points seriously. He promised a free vote on tail docking and, importantly for the Government, a constructive and open dialogue.

The hon. Member for Brighton, Pavilion (David Lepper), who is a member of the Environment, Food and Rural Affairs Committee, discussed pet and bird fairs.

The hon. Member for Lewes (Norman Baker) talked about the lack of deadlines for introducing the code of conduct, which is an important point. He also took a hard line on bird fairs and animal sanctuaries.

The hon. Member for Carlisle (Mr. Martlew) said that he would be boring, but then told a rather good story about the sanctuary of which he was a patron, saying that pit ponies deserved a fair crack of the whip. After that, sadly, he must have wrestled with his conscience, and he stuck to his word.

My right hon. Friend the Member for Maidstone and The Weald (Miss Widdecombe) observed that undue negligence and ignorance are the two reasons why acts of cruelty take place. She said that it is a very serious business and talked about the costs and responsibilities. She made a good case for the better education of people who own pets. Having described this place as a chimpanzee's tea party, she spoke with passion about animal training, circuses and the ownership of primates. Perhaps I misunderstood her when she said she had come across electric shock collars while she was Prisons Minister, as I did not think that we had that as a punishment. I guess that she must have been talking about dog training for warders. She is a clear and powerful voice for what she described as her dumb friends, and I pay tribute to her for that.

The hon. Member for Sherwood (Paddy Tipping), who also served on the Environment, Food and Rural Affairs Committee, pointed to the provisions on duty of care as an improvement. He expressed concern about the cost to local authorities, which is another important point for the Government to consider. He spoke in a positive way about shooting.

[Bill Wiggin]

My hon. Friend the Member for Old Bexley and Sidcup (Derek Conway) talked about the history of animal welfare legislation, the £27 million raised for cats, and the fact that people who treat animals badly often go on to treat people badly, which is a mark of our society. He spoke eloquently about sanctuaries, particularly odd ones, and the problems of people who tend to collect cats. He handled the issue extremely sensitively and with enormous common sense. Apparently, love may conquer all except large numbers of cats, sometimes hundreds. He talked about welcome improvements in this area and pointed out that most of the work of the RSPCA—which is, like most of an iceberg, unseen—is not political and very much benefits the animals that it seeks to protect. He referred to mutilation. He also made an important point about the time allowed for the Report stage of the Bill.

The hon. Member for Cleethorpes (Shona McIsaac) talked about custody plus and the stretch that people will spend inside if convicted. She mentioned performing animals and lions in Grimsby, which surprised me. She referred to natural behaviour being constrained and spoke up for her Whip, which was good of her.

My hon. Friend the Member for North Wiltshire (Mr. Gray) noted that the Bill should not make the lot of animals worse. He talked about the missing codes of conduct and the risk of kicking important issues into the long grass, thereby avoiding the transparency that the Government say that they want when having to tackle such difficult decisions. He made some interesting observations about the ownership of baby animals and live trapping, and went on to make a crucial point about abandonment, especially of horses. He spoke in his usual clear, concise and concerned way.

The hon. Member for Stroud (Mr. Drew), who also served on the Committee, is a very caring man, and he talked about cruelty being a growing problem. He also raised a crucial matter that the Government would do well to bear in mind—the need to modernise laws relating to the Veterinary Surgeons Act 1966. He volunteered to test the wording, which probably means that he can be confident that he will not serve on the Bill Committee. If the Whips missed him saying that, I am sorry for dishing him, as they will not have missed it a second time.

My hon. Friend the Member for Romford (Andrew Rosindell) clearly has a tremendous fondness for Buster, his bull terrier. He recited a horrible list of acts of abhorrent cruelty and inhumane offences and stressed the importance of increasing penalties. He also made a crucial point about removing dog fighting paraphernalia, which would help considerably in stamping out that revolting activity. He mentioned greyhounds, spoke passionately and was, as always, an excellent advocate for man's best friend.

The hon. Member for North-West Leicestershire (David Taylor) spoke about tethering animals. He, too, served on the Select Committee.

I fear that I missed the contribution of the hon. Member for Leeds, North-West (Greg Mulholland) but I believe that he took a little stick because the Bill applies to vertebrates and therefore not to the Liberal Democrat leadership. However, I did not hear that so I am sorry.

The hon. Member for Sunderland, North (Bill Etherington) made a caring speech.

My hon. Friend the Member for Rochford and Southend, East (James Duddridge) spoke on a wide range of issues clearly and with great authority. He ranged from greyhounds to goldfish and I think that I heard him say that he did not approve of giving children as prizes, with which I agree.

The hon. Member for North Swindon (Mr. Wills) presented a compelling argument about pets as prizes. It was an excellent contribution but it was a shame that it was so short.

My hon. Friend the Member for Putney (Justine Greening), who has the RSPCA animal hospital in her constituency, welcomed the Bill. She talked about three important issues: the secondary legislation, the breadth of the measure and the punishments for the guilty. The Government have described the Bill as a Christmas tree and my hon. Friend said that we want to welcome the decorations to hang on it but that we want to know what they are. She put her finger on the nub of the problem with the Bill, which is that the meat is not on the face of it.

Norman Baker: The meat is not on the face of it?

Bill Wiggin: I am sure that the hon. Gentleman will forgive me for that—I think he understood perfectly what I meant. The important parts of the Bill are not written on the face of it.

My hon. Friend the Member for Putney mentioned custody plus and made the important point that it means that the sentences could be as little as 13 weeks instead of the 51 weeks that the Government have promised.

The hon. Member for South Swindon (Anne Snelgrove) shared her anxieties and will be an RSPCA inspector for a day. I am sure that she will find that rewarding.

My hon. Friend the Member for The Wrekin (Mark Pritchard), who has two miniature schnauzers and is a club member, paid tribute to the *Shropshire Star*. That newspaper is kind enough to publish my press releases from time to time. He called on the Government to tidy up the rules on internet pet sales. That is an important point. He mentioned the sensitive issue of cat flaps and referred to serious cases and the list of animal offenders. That is an important aspect of the Bill because I do not think that it would be practical for pet shop owners to check lists of previous offenders. However, I believe that the Government plan to introduce a list of offenders and we will deal with that in Committee.

The hon. Member for Llanelli (Nia Griffith) talked about tail docking with some passion and mentioned her dog.

My hon. Friend the Member for Kettering (Mr. Hollobone) talked about greyhounds and the £350 million in revenue from greyhound racing. He referred to the plight of greyhounds and the number that are put down and abandoned. He made the case for hurrying up with the codes of conduct to safeguard their welfare. He made an excellent speech.

The hon. Member for Sheffield, Hillsborough (Ms Smith) talked about the duty of care, reasons for ownership and children losing interest in their pets. We have witnessed that with the ninja turtles and fish like Nemo. It was brave of her to say that she was not an animal lover but she made an excellent contribution.

My hon. Friend the Member for Southend, West (Mr. Amess) keeps fighting fish—a fascinating creature that can breathe through its mouth—*[Laughter.]* Fish normally breathe through their gills. It lays its eggs in a bubble nest. He talked about the Protection against Cruel Tethering Act 1988 and other measures on which he has worked. He has a tremendous pedigree on animal legislation. He said that he was unhappy about electric collars and pet fairs but entertained us greatly with talk of his dog, Michael, which he clearly adores.

The hon. Member for Worsley (Barbara Keeley) related a revolting example of a microwaved cat and then unfortunately repeated it. She referred to tail docking, the duty of care and industrial or large-scale pheasant egg production. She will be pleased to know that the number of farms in the UK that do that is down to approximately three—it is certainly in single figures.

My hon. Friend the Member for Wantage (Mr. Vaizey) advised Members that they should be ready to return to their pets. He talked about Grandjean the vet and about driving tail docking underground. He made a brave and amusing speech, and he will realise that there is great strength of feeling in the House on tail docking. It is important that we should have a balanced debate, however, and I appreciate what he tried to do. He also talked about the loopholes that allow animal sales on the internet. He then mentioned that he had visited the "Big Brother" house, which was a tremendous aside. However, his important point was about keeping primates as pets.

There have been some extremely helpful contributions to the debate today. The Conservatives agree with the aim of the Animal Welfare Bill, and we will co-operate to bring about its improvement and its enactment. Parts of the Bill are welcome, just as parts of it are most worrying. I suspect that the duty of care has not been absent from the statute book for the past 95 years by accident, but because of the difficulties that it presents. I am pleased that the Bill includes provisions for a duty of care to be placed on those responsible for animals, and I share the belief that we must safeguard the welfare of animals prior to an actual cruelty offence taking place.

As presently drafted, the clauses relating to the promotion of welfare and the duty of care are somewhat ambiguous. These definitions will take time and resources to clarify, unless amended. Anyone who has seen horses standing on wasteland without food, water or shelter, or seen dogs with their fur matted and bones sticking out, will, I hope, want to see these concepts enacted with crystal clear clarity now. This is not only because we value our animals but because we have the support of scientific evidence. We must ensure that responsibility accompanies the concept of a duty of care as it journeys towards becoming law. Consequently, there are matters that we need to resolve.

It is not just the concepts of welfare promotion and duty of care that require clarity and constructive improvement. The other crucial areas that need debate are: the role of the RSPCA; the missing regulations which are the codes of conduct that relate to the duty of care; the problems of devolution; the costs of implementation; and certain definitions that could be clearer. We are aware that, in its present form, the role of the RSPCA remains unclear. The Government should have done something about this after the Select Committee highlighted the issue in its report. The organisation's position as both a welfare promotion charity and a prosecutor creates a conflict of interest that needs to be resolved.

I welcome the extra powers that will be given to local authorities, but I am concerned that inadequate central Government funding could lead either to an ineffective service in some areas or to higher council tax bills.

Norman Baker: I want to pick the hon. Gentleman up on his point about the RSPCA. As I understand it, the organisation has been given no new powers under the Bill. Indeed, its representatives have told me specifically that they do not want any. In those circumstances, what is the problem with the way in which the organisation is operating, given that its welfare advocacy and prosecution roles appear to have been working quite well recently?

Bill Wiggin: The hon. Gentleman is absolutely right. The RSPCA has asked not to be given, and has not been given, more powers. It has, however, been given a huge range of offences on which to prosecute. That is the difference, because the Bill will give it a huge opportunity to pursue prosecutions, while at the same time, it will have a vast range of animal welfare jobs that are totally separate from its prosecution role. Those conflicting roles are the problem, rather than what it has done in the past or the question of extra powers. I hope that the hon. Gentleman understands that. It is very difficult to go round raising money to fight court cases at the same time as trying to protect sanctuaries.

Mr. Vaizey: May I endorse the point made by my hon. Friend in answer to the hon. Member for Lewes (Norman Baker)? I forgot to mention in my speech a letter that I had received from a constituent who makes precisely that point. There is a debate worth having about the dual role of the RSPCA in campaigning on animal welfare issues and in leading prosecutions.

Bill Wiggin: My hon. Friend is absolutely right. The hon. Member for Lewes should not see this as an attack on the RSPCA, which is walking a very difficult tightrope.

Mr. Martlew: I think that it is an attack on the RSPCA, unless the hon. Gentleman can come up with an answer to the problem that he is posing.

Bill Wiggin: I refer the hon. Gentleman to what the Select Committee said on the subject. I think that he will find that most helpful.

With regard to devolution, the handing down of secondary legislative powers to the Welsh Assembly might lead to different sets of regulations, codes of practice and licensing regimes operating for England and for Wales. That is unnecessary if we retain the principle of law being driven by scientific evidence. Why

[Bill Wiggin]

should we need different laws over the border if the science is irrefutable? That is not what devolution is about. If something is bad for the welfare of an animal or even cruel in England, surely it is just as bad and just as cruel anywhere else in the UK.

The codes of conduct are probably the most glaring absence from the Bill. Because a breach of the code of conduct means a possible prosecution for failing in the duty of care, those codes of conduct are essentially law. We should therefore debate on the Floor of the House the important issues touched on today such as electronic training collars, tail docking, circuses and bird fairs. We should also have free votes on them, and not leave them to be determined at some unspecified date in the future through statutory instruments put before a Committee heavily stacked with Government supporters whose selection was determined by the Whips Office.

Mr. Gray: Has my hon. Friend noticed a worrying aspect of this evening's debate, which is that most Members who have supported the structure of the Bill have done so because they believe that the outcome of debate on a statutory instrument will be that which they seek, whether the abolition of tail docking or pet fairs? Surely the principle of parliamentary democracy is that debate in a Statutory Instrument Committee might go one way or the other. Presuming that the debate will necessarily result in the abolition of such practices is a fundamental abnegation of parliamentary democracy.

Bill Wiggin: My hon. Friend makes a very good point. We all know, from the number of letters that we receive, how much these matters concern our constituents. Even if we are going to say something unpopular, we should at least be able to debate it in a creative and constructive way. We all know that such Committees do not provide much opportunity to improve on the Government's intentions, which is a great shame.

It is also therefore a shame that such an important part of the Bill is taken on trust. Nobody, regardless of his or her position and prejudices, would want such contentious and divisive matters dealt with in this manner. Such matters of morality and conscience should be resolved on the Floor of the House. After all, we must remember that the duty of care applies to our legislative process as much as it does to our pets and animals.

A little over a year ago, I was a member of the Select Committee that gave the earlier draft of this Bill pre-legislative scrutiny, and I am saddened that the current version does not contain some of its important recommendations, including broadening the definition of "protected animal" to include octopuses and other cephalopods, and the separate offence of abandonment. The warning order or "statutory improvement notice", which gives the owner of an animal the chance to correct any care issues before a case needs to be formed against him or her, is an opportunity missed in the Bill. If we had seen the missing codes of conduct, which we are expected to agree on trust, the position would be clearer.

Needless cruelty is a concept that revolts all civilised people. I hope that the Minister will be willing to adapt the Bill if we can convince him of the necessity of doing so. I have drafted my amendments with the best will in the world. I look forward to discussing their merits, and I hope that the Minister will not adopt an entrenched position. I have noticed that Ministers are reluctant to introduce even their own amendments if a Bill has received pre-legislative scrutiny. I took part in that pre-legislative scrutiny, and I want this duty of care to become law as quickly as possible. Like my colleagues, I care passionately about animal welfare, and that is why I am delighted to be here to see this Bill take further shape.

9.8 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): I thank Members on both sides of the House for what has been an excellent debate. It was at all times educative, sometimes serious and sometimes entertaining. I have learned a lot, and Members have given me plenty of food for thought to take away to Committee, in which I hope that the debate between the right hon. Member for Maidstone and The Weald (Miss Widdecombe) and her hon. Friend the Member for Wantage (Mr. Vaizey) on tail docking might continue.

As the hon. Member for Old Bexley and Sidcup (Derek Conway) said, and as one or two other Members pointed out, this is not a Christmas tree Bill as generally understood. It is not a Bill on which either non-governmental organisations or hon. Members are encouraged to hang their pet issue. Much of the debate about the Bill has centred on its nature and on whether it is too permissive in terms of enabling legislation. I will deal with that in a moment. It is important to emphasise, however, that although the debate has focused on a number of separate issues, the Bill is not primarily about banning practices; it is essentially about improving the welfare of animals. The Government have decided that prohibition is the best option in a few instances—pet sales to children, for instance, and mutilation—but the introduction of a duty of care and a welfare offence represents the real step forward.

I shall try to deal with the points that have been raised, but if I forget one or two Members I shall write to them. There was, for example, the issue of the definition of "animal". It was inevitable that there would be a debate about where the line should be drawn. There will always be those who want it to be drawn that little bit further to include cephalopods and crustaceans and those who are happy with the proposals as they stand, accepting the Government's belief that there is not yet enough scientific evidence to support their inclusion. What is important is that we have made clear that we are prepared to listen to Members' views in Committee, and will always be mindful of new evidence. According to strong advice that I am currently receiving, however, only one country in the world has included cephalopods in its animal welfare legislation.

Bill Wiggin: New Zealand.

Mr. Bradshaw: The hon. Gentleman is right: New Zealand. Norway has included crustaceans, but not cephalopods.

There is still a great deal of scientific uncertainty, and as the Bill will introduce fairly wide powers, sanctions and punishment, as well as a burden of proof, we

thought that we should act according to science rather than—in this instance—the precautionary principle. As I have said, however, we have power to extend the definition of "animal" by the appropriate national authority if we think it necessary.

Discussing suffering, the right hon. Member for Maidstone and The Weald expressed a fear that the words "proportionate to the purpose" in clause 4(3)(d) might constitute a get-out. Let me try to reassure her. That is just one factor to which a court will be invited to have regard in determining whether suffering is unnecessary: it is not a get-out, or an absolute defence. Other factors—for example, whether suffering could be reasonably avoided—must be taken into account. There are instances in which we feel that the wording is necessary. For example, a police horse used for riot control may or may not be put in danger to protect the police. We are satisfied that the wording constitutes a significant strengthening of the current requirement. The status quo provides that beating in the context cited by the right hon. Lady is illegal only if unnecessary suffering can be proved; the Bill goes a great deal further.

A number of Members raised the issue of mental as opposed to physical suffering. We are satisfied that the definition in the Bill encompasses mental as well as physical suffering, but, again, I shall be happy to listen to Members' views in Committee.

Mr. Gray: What does the Minister think about the use of the whip in horse racing? Would it be covered by the Bill's definition of physical suffering?

Mr. Bradshaw: Action can already be taken if such treatment is deemed abusive or cruel, but there will be no fundamental change in relation to horse racing.

The right hon. Member for Maidstone and The Weald, along with a number of other Members, stressed the importance of educating people in good care for animals. As my hon. Friend the Member for Sheffield, Hillsborough (Ms Smith) pointed out, codes of good practice will be issued relating to different types of animal, and will be made available at the point of purchase. They will form the basis of any subsequent action taken under the provision for a welfare offence.

I hope that the Bill will enable us to achieve a step change in education on good practice. Such education is not readily available in relation to many species, although Sweden, whose animal welfare legislation is similar to that in the Bill, has produced codes of good practice applying to the vast majority of pets that are available on the market. We hope to do the same.

On the fighting offence, the hon. Member for Lewes (Norman Baker) expressed concern about our having removed from the Bill the reference to having equipment for use in, and keeping a place for, a fight. We got rid of that wording because we wanted a clear and simple Bill, in line with the Government's better regulation agenda. We are confident that the phrase that remains in the Bill—

"making, or carrying out, arrangements for an animal fight"—

should, and will be, interpreted widely by the courts. It covers any arrangement relating to an animal fight, including keeping premises or equipment for fighting, planning a fight, transporting animals, and so forth. I hope that that reassures the hon. Gentleman.

Norman Baker: Not entirely, but I am glad that the Minister has picked up on this point. It is perfectly possible for someone entirely unconnected with the arranging of a fight to appear at a fight and video it. That person, who has not been involved in making arrangements for an animal fight or in carrying them out, would not be covered by the new wording.

Mr. Bradshaw: I take the hon. Gentleman's point, but there are all sorts of difficulties and complications associated with burden of proof when it comes to videoing fights. However, we can flesh out these issues and explore them in more detail in Committee.

The hon. Member for Leeds, North-West (Greg Mulholland) spoke at some length about abandonment, but his argument is probably based on a misunderstanding. Abandoning an animal in a manner that is likely to cause suffering will continue to be illegal under this Bill. We have dropped specific reference to abandonment because it leads to all sorts of difficulties associated with definition. Other Members have raised the issue of keeping game—

Greg Mulholland: Will the Minister give way?

Mr. Bradshaw: In a second; let me first explain that our removing from the Bill specific reference to abandonment does not fundamentally change the law. Releasing game birds into the wild, or releasing fish into ornamental ponds, gives rise to great difficulties with the definition of abandonment. We have a much better way of dealing with abandonment—through the welfare and cruelty offences.

Greg Mulholland: I do not doubt that the definition gives rise to certain issues, but does the Minister not agree that the abandonment of domestic pets is by nature a bad thing that automatically causes suffering? We are talking about a tautology—abandonment should be an offence in itself.

Mr. Bradshaw: It is and it will be prosecuted as such under the Bill, but it does not need to be referred to specifically because it is covered by the welfare offence.

Those who sell pets over the internet as a business have to have a licence, just as pet shops do. Those who sell them privately do not, just as those who advertise in a local newspaper do not. We accept that there are particular issues connected with the internet, which is why we are proposing introducing a code of conduct. As with other internet issues, there are particular problems with enforcement, but again, we can examine this matter in more detail in Committee.

A number of Members expressed concern about the extent of the delegated powers. As I have said, the Bill tries to strike a balance between being flexible and allowing future Governments to change the law in the light of changing scientific evidence, mores and public attitudes, and not giving Governments so much power that they can ride roughshod over public, or even parliamentary, opinion. I remind Members that we have had similar secondary legislative powers in respect of farmed animals for 30 years and they have worked extremely well. They have enabled us to keep up to date with the latest advice, public attitudes and what we learn about how animals feel, without needing to come back to Parliament every time to seek primary legislation.

[Mr. Bradshaw]

The general mood of this House was to support the Bill in that respect, while seeking assurances that we intend to come back to the House and deal with such matters through secondary legislation. My right hon. Friend the Secretary of State gave that assurance in her opening remarks, and I repeat that a number of safeguards will be in place to ensure that new orders, regulations and codes will be subject to the appropriate level of scrutiny. We are committed to public consultation on any regulations or codes that we wish to introduce, before final approval by Parliament. The vast majority of them will be subject to the affirmative procedure.

I said that this was not a Christmas tree Bill on which hon. Members should try to hang baubles, but I shall deal with some of the baubles brought forward in the debate. I assure the House that all the matters to be dealt with in secondary legislation will be considered in full, both in Committee and when the regulations arising from them are debated. However, it may help hon. Members if I outline the Government's approach to some of the most contentious issues.

I turn first to the use of wild animals in circuses. Very few circuses in this country still use wild animals in acts. To our knowledge, only seven circuses in total use animals at all, while only three use wild ones. By the way, Ellie the Elephant has been retired: she is no longer used in an act, and is only photographed.

Mr. Martlew: That means not only that she is not with others of her species, but that she is carted around the country all the time. Does my hon. Friend find that acceptable?

Mr. Bradshaw: I was about to explain that, although Ellie is no longer used in acts, she has been in captivity all her life. Given the level of public interest in the case, we have looked at the matter very carefully, as I am sure that my hon. Friend will acknowledge. The expert veterinary advice that we have received is that, at her age, and given that she is used to her present environment, it would be more distressing for her if she were put into a different one. That will hold true as long as her welfare needs are met, and I assure my hon. Friend that she has been inspected.

Although the Bill does not set out to ban activities, the welfare offence that it introduces, and the requirement that the welfare needs of animals must be met, will in effect mean that many wild animal acts in circuses will no longer be possible. Again, that is a matter to which we will return in Committee.

Mark Pritchard: Does the Minister agree that the Government are in danger of causing the greatest harm to animals through clause 29? If an animal's owner, or the person who is responsible for an animal, is convicted under the Bill, the court will be able to dispose of that animal. That might lead to its death: if, like Dr. Dolittle, we could ask the animal involved whether it would rather live with some abuse or die, I think that it might choose the former.

Mr. Bradshaw: I shall come to some of the sanctions in a moment, but I do not agree at all with that analysis. I listened extremely carefully to the views about tail docking expressed in the debate from hon. Members of all parties. I note that there was very little support for the status quo, but the Government are not persuaded about what is a very contentious issue. There is still a dispute about the science involved, and many people think that this is a matter of ethics. As my right hon. Friend the Secretary of State said in her opening remarks, we will continue to listen very carefully to the views of the House, and we will take soundings about the issue in Committee.

I visited Crufts the year before last—I think that I was the first Minister to do so—and a number of owners of docked breeds told me that they felt that the time when tail docking was acceptable had passed. As I say, we will listen very carefully to what hon. Members have to say, and act accordingly.

On pet fairs, I am not sure that all hon. Members appreciate that the term can cover a wide range of gatherings. Some of them involve the sale of animals or birds, whereas others merely involve the exchange of expertise by enthusiasts who come together to share good practice. Therefore, there are some arguments—although they were not offered in the Chamber today—for the retention of pet fairs in some form. That is one reason why the Government are considering licensing rather than banning them. We have not seen any convincing evidence that it is impossible to meet the welfare needs of animals at pet fairs.

David Lepper: I believe that the Minister is wrong in that, and in my contribution I made it clear that I wanted to make a distinction between pet fairs and markets where birds and other animals are sold, and gatherings of enthusiasts who want to exhibit, and exchange information about, the birds or other creatures that they rear. I think that he will find that most of the animal welfare organisations that believe that there is evidence to justify banning pet fairs distinguish between them and gatherings of enthusiasts for the purposes of exhibition and the exchange of information.

Mr. Bradshaw: Some may, but others would like a ban on all such gatherings. The Government are not convinced that that is justified, but we think that strict licensing requirements are the best way forward.

My hon. Friend made a point about the repeal or otherwise of the Pet Animals Act 1951. It is our intention to repeal section 2 of the Act, as amended, and to clarify its provisions with respect to pet fairs. I apologise that the final version of the Bill includes a power to repeal section 1 but has inadvertently omitted the repeal of section 2. We intend to address that through Government amendment at the appropriate stage.

We also want to ensure good provision of welfare for all racing greyhounds, whether they race under the National Greyhound Club racing rules or at independent tracks. We believe that that can be achieved through good regulation and, as several hon. Members have said, considerable progress has been made. However, we do not rule out regulation if we become convinced that self-regulation will not be effective. We should not forget that greyhounds, and all the other

animals about which Members have expressed concern, will be immediately subject to the welfare provisions when the Bill is passed. The welfare of animals will not have to wait until the secondary legislation is made: animals will benefit immediately from the introduction of the welfare offence.

Several hon. Members raised concerns about snares, and I have to disappoint my hon. Friend the Member for Stroud (Mr. Drew), who called for a complete ban. The Government are not convinced that that is justified at this stage. Gamekeepers and wildlife managers have a legitimate use for snares and if we were to ban them, other methods that are more cruel, more dangerous and less easy to control would be used. That is not a sensible way forward. The Under-Secretary, my hon. Friend the Member for South Dorset (Jim Knight), recently published a new code of conduct on snares which is a big step forward. The Bill will, of course, introduce a duty of care for animals trapped in a snare. It will be a requirement that animals trapped in snares will be despatched quickly and humanely or released. I hope that that goes some way to reassure my hon. Friend.

The issue of primates as pets is not dealt with directly in the Bill, although the remarks I made about circuses apply equally to primates. The courts, the RSPCA and others could well make the argument that it is not possible to meet the welfare needs of a primate in certain conditions. In fact, primates are really only suitable for imports by zoos, scientific institutions or specialist keepers. My hon. Friend the Under-Secretary, who is responsible for wildlife imports, has recently gone out to public consultation on proposals to prohibit the keeping of certain CITES-listed species. That is essentially a conservation measure, but the Government are considering whether it would be appropriate to use those powers to restrict the keeping of primates as pets.

Several hon. Members raised the issue of pheasants, game rearing in general and the use of battery cages for pheasants. We share people's concern. It does seem anomalous that battery cages for chickens have been banned and are being phased out in the European Union but we still have similar devices for the rearing of pheasants. It is certainly an issue that we will address through codes of conduct and regulation in due course.

Norman Baker: Are game birds kept in cages regarded in law as protected animals to be covered by the new Bill or as farm animals?

Mr. Bradshaw: They are regarded as protected animals and will be covered by the new Bill, not as farm animals.

I know that there is much public support, including from many animal welfare organisations, for an immediate ban on electric training aids and shock collars, but some argue strongly that electric shock collars can be useful training mechanisms in the last resort. They also argue that the alternative is euthanasia for the animal which, I hope, most hon. Members would not support. We are keen to conduct more research on the issue, because there is an absence of good research on electric shock collars. We are trying to get that research underway as quickly as possible and we have the power to address the issue through regulation-making powers.

Mr. Gray: Does the Minister acknowledge that there is a difference between electric shock collars and electric fences, which define the limits in which a dog may travel? They are quite different; electric shock collars surprise the dog, the fence is something that they can get used to and expect.

Mr. Bradshaw: I am not quite sure what point the hon. Gentleman is making, but of course I accept that there is a difference.

Several Members raised the issue of tethering. Under the Bill, there is no intention to ban tethering, which can be an acceptable short-term method of animal control, but we expect to introduce a code on tethering, outlining best practice to ensure good welfare, in the first tranche of regulations in 2006 or 2007.

The Bill has been the result of long gestation—of two elephants, as my hon. Friend the Member for Llanelli (Nia Griffith) pointed out—and careful deliberation. The Government have listened carefully to all those with an interest in animal welfare and we believe that the Bill we have produced is in tune with the views of the public. I am pleased that it appears to enjoy strong cross-party support in the House. It places a new responsibility on animal keepers and owners, without intruding too much into the lives of the vast majority who already provide good care for their pets.

Bill Wiggin: Will the Minister consider issuing written warnings before prosecution for failures under the duty of care? Otherwise, there could be a huge escalation in prosecutions.

Mr. Bradshaw: There is nothing to prevent the issuing of written warnings. We are simply keen not to dictate to the RSPCA and others that they should take that course. In a serious case, they may want to move straight to prosecution, but nothing in the Bill prevents the issuing of a written warning. In fact, the whole ethos of the Bill is to try in the long run to avoid so many prosecutions, to prevent cruelty in the first place and to reduce costs to the courts, the RSPCA and the taxpayer, as well as improving animal welfare.

The Bill provides greater protection for animals while ensuring that enforcement authorities are better able to enforce welfare standards. It is ambitious but proportionate, and I commend it to the House.

Question put and agreed to.

Bill accordingly read a Second time.

ANIMAL WELFARE BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No.83A (6) (Programme motions),

That the following provisions shall apply to the Animal Welfare Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 26th January 2006.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Tony Cunningham.]*

Question agreed to.

ANIMAL WELFARE BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purposes of any Act resulting from the Animal Welfare Bill, it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) any expenditure under the Act of the Secretary of State; and

(b) any increase attributable to the Act in the sums which under any other enactment are payable out of money so provided; and

(2) the payment into the Consolidated Fund of any increases attributable to the Act in the sums payable into that Fund under any other enactment.—*[Tony Cunningham.]*

Question agreed to.

PETITIONS

Animal Welfare

9.32 pm

David Lepper (Brighton, Pavilion) (Lab/Co-op): I present a petition initiated by the Animal Protection Agency, based in my constituency. The petition contains more than 15,000 signatures.

The petition states:

The Petition of residents of Brighton and others,

Declares that many have questioned the legality of pet markets and they were almost stamped out, but now the Government, through the Animal Welfare Bill, plans to lift the ban.

The Petitioners therefore request that the House of Commons urge the UK Government to carry forward the ban on pet markets into the new Animal Welfare Bill.

And the Petitioners remain, etc.

To lie upon the Table.

Domestic Heating Units

9.33 pm

Bill Etherington (Sunderland, North) (Lab): It is nice to have a second chance to speak this evening, Mr. Speaker. The petition is from my constituent, Mr. R. McQuillan.

The petition states:

The Petition of R. McQuillan and others,

Declares that up to 4,000 council homes in Sunderland do not comply with warm air unit manufacturers instructions.

The petition, which is signed by 67 people, then goes into great length to lay blame as to how the situation it describes has come about. I made my views plain last night, so I shall go no further.

The petition concludes:

The Petitioners therefore request that the House of Commons emulate other Commonwealth countries by passing legislation which makes provision for the Petitioners to seek compensation in the civil courts from the installers and maintainers of unsafe domestic warm ducted air heating. The Petitioners further request that the House of Commons urge the Government to establish a not-for-profit, independent services commission with responsibility for the testing of domestic heating, ventilation, sanitation, electrical, gas and sewage services; and examination and licensing of all housing construction practitioners to ensure health and safety in the home.

And the Petitioners remain, etc.

To lie upon the Table.

Sarah Lynch

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

9.35 pm

Mr. Richard Bacon (South Norfolk) (Con): I am glad to have the opportunity to raise the case of Sarah Lynch. The case was originally taken up several years ago by my hon. Friend the Member for Aylesbury (Mr. Lidington) when Sarah's parents, Mike and Sally Lynch, lived in his constituency, but it became my responsibility when they moved into my South Norfolk constituency. Quite simply, the case concerns their 20-year struggle to get an adequate explanation for the severe cerebral injuries that were sustained by their new-born child while she was in the care of the Royal Brompton hospital.

I was grateful for the opportunity to meet briefly the Minister of State, Department of Health, the right hon. Member for Liverpool, Wavertree (Jane Kennedy), and her officials yesterday to explain at least the background to the complex case. I appreciated that and I know that Mr. and Mrs. Lynch did as well. I am delighted that my hon. Friend the Member for Aylesbury has been able to join us for the debate.

On 12 August 1983, Sarah Kathleen Lynch was born at Wycombe general hospital. She was the elder child of twins. Although no problems had been detected with Sarah, her mother, Sally, was not happy with her breathing or feeding. Her mother eventually convinced herself that she was overreacting and there was nothing to worry about, and Sarah was discharged two weeks after her birth. However, concerns grew when Sarah increasingly became unable to keep down food and lost weight.

In September 1983, Sarah was diagnosed with a serious heart defect. After further tests at the John Radcliffe hospital in Oxford, she was admitted to the Royal Brompton hospital under the care of Dr. Elliott Shinebourne, a consultant paediatric cardiologist. On 4 October 1983, Sarah was operated on by Mr. Christopher Lincoln, a consultant cardiac surgeon. She underwent a cardiopulmonary bypass, which requires the cooling of a patient's body. The procedure is complex and dangerous, and Sarah had to be cooled to a temperature that slowed her heart enough to allow surgery to proceed. It is worth saying at this point that the cooling becomes important later in the story, as we shall see.

After the operation, Sarah's condition was noted as "fair". However, between 7.5 and 7.30 pm that day, the south block of the hospital experienced a total electrical power failure that lasted for approximately 15 minutes. Unfortunately, the hospital's stand-by generator failed to provide back-up power as its starter motor had malfunctioned. As a result, Sarah was allegedly hand ventilated for the duration of the power cut, although the hospital has been unable to identify who carried out the hand ventilation. It is worth stressing that Mr. and Mrs. Lynch were not told about the power failure and discovered that it had occurred only some three years later.

An undated discharge summary noted that Sarah was transferred to Wycombe general hospital for convalescence on 15 October 1983 and was deemed to be "in good condition." In late November 1983, concern was expressed about Sarah's neurological status. It is worth saying that there is no evidence that a neurologist was involved in the case at any stage—on behalf of the hospital at any rate—even though there was, as it turned out, severe brain damage. A computerised tomography scan was performed and it confirmed that Sarah had suffered not only severe brain damage, but, as a result of that, spastic quadriplegia, focal epilepsy, severe motor impairment, developmental delay and near total blindness. As Dr. Richard Newton, a consultant in child and adolescent neurology and one of the medical experts who examined the case later on behalf of Mr. and Mrs. Lynch, put it, as a result of her time in hospital,

> "Sarah is ... totally dependent on others for all her needs. Her abilities are not more than those of a new born baby and will remain so throughout her life".

Sarah started having fits and spent much of the next two years in and out of hospital. In 1986, the Lynch family received a questionnaire from Mr. Lincoln, the surgeon who had undertaken the operation, asking— *[Interruption.]* I hope that the Minister will listen to this point because it is quite important. The questionnaire asked whether Sarah could perform sports, whether she tired easily and what activities she was unable to perform. The parents found the questionnaire extraordinary. Given that Sarah required 24-hour attention and could not walk, talk or feed herself, and given that the hospital should have been aware of those facts, it was an acutely insensitive thing to do and casts considerable doubt on the hospital's procedures.

The questionnaire and the fact that the hospital had sent it when it should have known of Sarah's condition also led the family, which, frankly, for the previous two years had been struggling on a daily basis to cope with the consequences of her injuries and had been in and out of hospital all the time, to conclude that the time had come to ask for further and broader answers on what had happened. They requested a meeting with Mr. Lincoln and Dr. Shinebourne. It took place in January 1987, but it failed to convince Mr. and Mrs. Lynch that the hospital had not been negligent in Sarah's treatment. In April that year, Sally Lynch began legal proceedings against the Royal Brompton on Sarah's behalf, citing severe irreparable damage and loss. Sadly, Sarah Lynch died aged 11 on 10 February 1995.

The Royal Brompton's failings cover nearly every aspect of Sarah's time in the hospital and long after her discharge. The Lynches felt that they were not informed of the true nature of the risks inherent in the procedure, only the risks of not operating on Sarah, and thus agreed to go ahead with it. In a letter dated 2 February 1987 to Dr. Fleet, paediatric consultant at Wycombe hospital, where Sarah was convalescing, Mr. Lincoln states that after their meeting, the Lynches had given him

> "the impression that they had not been properly prepared for the possibility of any such complications".

To allow parents to sign a form consenting to surgery on their child when they have not been fully informed of its potential consequences is seriously negligent.

When legal action commenced in 1987, the hospital failed to disclose relevant records, only revealing their loss or destruction in an affidavit sworn by the hospital's general manager in August 1989. The affidavit

[Mr. Richard Bacon]

confirmed that no search for nursing observations for the post-operative period was undertaken until 1988 and that the generator's maintenance logbook was destroyed in 1987. To date, Sarah's X-ray plates and reports have never been found. One would have thought—I made this point to the Minister yesterday—that for such cutting-edge and risky procedures, it would be all the more important to have meticulous record keeping so that in the event of an incident, or simply in order to evaluate the effectiveness of procedures, the hospital would be able to refer back accurately to what had happened in any individual case.

I mentioned that the family consulted a number of independent medical experts, which they did to find out further information. They reviewed the case notes and provided professional opinions. Professor John S. Robinson, emeritus professor of anaesthesia at the university of Birmingham and a consultant anaesthetist for 27 years, stated in his preliminary report into the case that

"The anaesthetic recording . . . is, in my opinion, very poor. There are only five recordings of systolic blood pressure measured over the period of some two and a quarter hours that the anaesthetic is in progress. This is quite inadequate for such a major procedure".

Professor Robinson also refers to Mr. Lincoln's letter of 2 February 1987, in which Mr. Lincoln states that he had

"rigorously studied all the operation notes and anaesthetic charts and failed to pinpoint a cause for Sarah's brain damage."

Professor Robinson was dubious, stating:

"I believe this to be unlikely because I believe that it is obvious from a rigorous examination of the anaesthetic record, the perfusionist's records and the nursing notes that Mr. Lincoln cannot have been led to that conclusion".

Mr. Keith Roberts, honorary consultant cardiothoracic surgeon for the West Midlands regional health authority, in examining Sarah's case, made exactly the same point when he wrote in May 1990 that if these charts

"are those made available to me I cannot see how a 'rigorous examination' could have been made in view of the inadequacy of such charts".

Mr. Roberts was scathing about the record keeping, writing:

"The anaesthetic record is abysmally inadequate. Under 'Surgeon' the initials 'EDS' appear. Does this mean that a Senior Registrar actually did the operation with Mr Lincoln's assistance? There are only four readings of blood pressure prior to bypass, the lowest being 22 mm. mercury, and only one when bypass was resumed, of 42 mm. mercury. There is no record of temperature nor the time taken over the period of surface cooling, nor what technique of surface cooling was employed, nor the time at which the chest was opened. This is a deplorable record—or rather, lack of recording."

The Royal College of Anaesthetists' good practice guide states:

"In providing care you must keep clear, accurate, legible and contemporaneous patient records which report the relevant clinical findings, the decisions made, the information given to patients and any drugs or other treatment prescribed. You must keep colleagues well informed when sharing the care of patients".

The King's Fund organisation audit hospital accreditation programme has set a standard for health records in its organisational standards criteria which states:

"There is an accurate health record which enables the patient to receive effective continuing care, enables the healthcare team to communicate effectively, allows another doctor or professional members of staff to assume the care of the patient at any time, enables the patient to be identified without risk or error, facilitates the collection of data for research, education and audit"—

the point that I made yesterday—

"and can be used in legal proceedings . . . If this standard of record keeping is not maintained, and professional requirements are not being met, patients are being put at risk . . . and patients' rights, as set out in the Patients' Charter, are compromised. It cannot be emphasised too strongly that in medico-legal cases the outcome is often dependent on the anaesthetic record. An untidy, illegible, scantily completed chart may be taken as indirect evidence of shoddy or inattentive care."

Mr. Roberts had further criticisms in relation to the cooling, which I mentioned at the beginning of my remarks. In noting that the temperature for surface cooling is not recorded, and that the temperature for bypass cooling is not recorded, Mr. Roberts stated—this is an extraordinarily important point—

"I find this an extraordinary state of affairs, one with which I personally would not carry out open heart surgery . . . It is highly probable in this case that cooling occurred at too rapid a rate . . . and cooling on bypass from a temperature of 21° C to 14° C in 2 minutes seems unduly rapid (almost impossible)!."

Of the power failure, Mr. Roberts wrote:

"This to me indicates a terrible lack of back-up facility at the Brompton hospital. In my own unit the cardiac operating theatre and Intensive Care Unit have two separate sub-station supplies of electricity, plus an emergency generator which cuts in after a ten second delay and receives weekly maintenance checks. To carry out cardiac surgery, particularly on infants who are particularly vulnerable, without a guaranteed power supply, seems to me to be irresponsible."

Dr. Richard Newton, a neurologist who was consulted in May 1992 and who addressed the specifics of the neurological damage, concluded:

"The management of the encephalopathic illness seems to have been poorly thought out, and the medical team I believe were negligent in not seeking advice on this aspect . . . I feel doctors did fail in their duty, both in not explaining the risk of brain injury prior to the surgery and also the significance of the post-operative events".

There is no evidence that a neurologist was involved at any stage.

I now come to the report of Dr. Dominic Bell. I mentioned to the Minister yesterday that this report was very significant. It was a review of the whole case by an independent fact-finder, commissioned and paid for by the Brompton hospital. There were consultations, and all parties agreed to put the matter before Dr. Bell, a consultant in intensive care and anaesthesia at Leeds general infirmary, honorary senior lecturer at the university of Leeds and a General Medical Council performance assessor. It is worth pointing out that Dr. Bell's review was only the latest of quite a few that had already been undertaken, at the behest of the parents, by various independent medical experts. It was not as though it came out of the blue; it was the culmination of a series of independent reviews by medical experts.

Dr. Bell's remit was to determine whether the family's grievance has any foundation in sub-optimal or negligent practice; whether the grievance indicates a

shortfall in other professional responsibilities such as communication, responsiveness and respect; whether the grievance has been addressed in an acceptable manner; and whether the grievance can be resolved.

Almost immediately, Dr. Bell's investigation stalled, and he protested to the Brompton:

"Deriving the key component of causation is difficult when relevant documentation from the clinical records is missing, staff are untraceable, and the involved medical practitioners consider post-operative events in ICU to have played no part but can identify no intra-operative problems as causal either."

In essence, the position being taken by the Brompton was that the power failure could not even potentially have been a contributory cause of the brain injury, but it was not able to explain what was the contributory cause.

On completion of his preliminary report in October 2001, Dr. Bell came under considerable pressure from the Brompton to moderate the tone of his report, to alter its formatting and to change his interpretation. He was sufficiently concerned by the attitude of the Brompton to place correspondence in the hands of his defence organisation, the Medical Defence Union, which advised him:

"You could be left fairly vulnerable if you produce a final version of the report and do not take into account all the information that was provided to you. I also feel you should be careful that your final report is not influenced by the Trust, otherwise your status as an 'independent' expert may be questioned by the family."

Dr. Bell replied to the trust expressing his disappointment that the trust's attitude was not lending itself to resolving the family's grievance and refusing to alter his position. His final report was issued in March 2003 and was severely critical of the Brompton at almost every level. He found that there was no evidence of any attempt to discuss the nature and origins of Sarah's neurological problems, the outlook, her care needs or planned management. He found that there was a complete failure to provide appropriate information to the parents, stating:

"One is not left with a favourable impression on standards of communication, empathy and sense of responsibility."

He found that the Brompton had failed to launch an inquiry into the power failure and notes that despite previous failures of activation of the emergency generator there were no protocols in place to direct nursing and medical action in the event of a failure of the power supply.

Dr. Bell puts forward the possibility—I know that this is a most serious charge—that documentation relating to the generator was "lost" along with Sarah's clinical notes in order to obfuscate any inquiry. He notes the statement of 16 March 1991 by staff member P.J. Humphries that a remarkable amount of documentation cannot be traced or found—namely, dockets for the critical period; the logbook relating to service and maintenance of the generator; the age profile report of Mr. Lee, who was a works officer; the report of Mr. Lee to the finance committee; and documentation relating to the previous episodes of standby generator failure.

Dr. Bell concludes:

"It defies rational thought to consider that all the above could be missing through simple carelessness. It must be entertained, therefore, that if a systematic effort was made to 'lose' relevant documentation and thereby obfuscate any inquiry, that this would constitute evidence that personnel involved believed this episode to be either causal or contributory."

In short, taken with the lack of testimony from key carers, Dr. Bell believes that this was evidence that the Brompton knew that it had a case to answer.

Dr. Bell concludes that the care had indeed been suboptimal, that there had been an absolute shortfall in professional responsibilities and that the grievance of the family was justified, stating that

"the grievance has not been addressed in an acceptable manner, either by individual clinicians or by the hospital as a whole."

No amount of fine words can bring back Sarah—words from me, the Minister or from anyone else. I have been struck by the determination of the Lynch family to discover exactly what happened to their daughter Sarah and to expose the failures of the Royal Brompton hospital. The hospital failed fully to inform desperately worried parents of the true nature of the serious operation that their child was to undertake. It failed also to enforce rigorous standards of record keeping by allowing clinical staff to make only the most perfunctory of entries in medical records without regard to their accuracy. Crucially, it failed to ensure that there was a standby generator that was fit for purpose to support the hospital in the event of a power failure. Indeed, a note of 18 October 1983 from the hospital's general manager confirms that the standby generator had not only failed on 4 October 1983 but had failed on at least one other occasion.

The hospital had allowed vital records pertaining to an extremely serious case to be destroyed or mislaid. It provided only the minimum assistance necessary to the Lynches' efforts to uncover the proof, showing that the hospital's management did not understand the distress that their actions have caused. It agreed to consult an independent fact finder in the person of Dr. Dominic Bell, only to pressurise him into altering his conclusions and ignoring unfavourable findings.

The majority of the hospital's failings were just as indefensible in 1983 as they would be today. It is not simply a case of, "We know better now." The hospital should have known better then, in 1983. I would be the first to applaud the excellent pioneering work that the Royal Brompton hospital has done in the field of cardiac surgery. I am sure that the Minister will agree that the standards of treatment given to Sarah Lynch are not befitting of that institution.

However, given the Royal Brompton's continued stonewalling, and its obvious disdain for independent reports and expert opinions, the best way forward is a full public inquiry. There are serious problems with such an inquiry, which can best be summarised as time, money and lawyers. I accept that the Minister may have serious reservations about a public inquiry, but if one were instigated it would not simply be an inquiry into the case of Sarah Lynch. There are wide-ranging problems with cardiac services in the UK. I was not aware of it until recently, because I was concentrating on Mr. and Mrs. Lynch's case, but in August 1999, Mr. Ken Livingstone, then the Member for Brent, East, called for a public inquiry because of widespread concerns about failures at the Royal Brompton. The Bristol royal infirmary inquiry was under way, and 40 or so parents went to the hospital's family support group for advice and assistance. A whistleblower from the Royal Brompton hospital contacted the inquiry, and their evidence was referred back to the Royal

[Mr. Richard Bacon]

Brompton, which led it to launch its own investigation. It appointed two cardiologists, who reported that there was nothing untoward. They tried to keep their work confidential, but it was reported in the press in August 1999, and many parents became agitated, because their cases were not considered in the review. At the moment that the review was concluded, therefore, a new one was announced to look at the issues affecting other parents.

We should consider, too, the question of what may have happened at the John Radcliffe hospital in Oxford. In November 2004 *The Mail on Sunday* reported that there was higher than expected incidence of mortality in paediatric cardiac care at that hospital. The Healthcare Commission refused to entertain the notion of looking further into the issue, but the Minister will know that that is no longer the case. In a report that was published only last week on 5 January 2006 and appears on the commission's website, patients and local people were asked to comment on their experiences of the adult cardiothoracic services provided by the John Radcliffe hospital surgery unit, which is part of the Oxford Radcliffe Hospitals NHS Trust, because of

"concerns raised through the analysis of recent data and by previous reviews about the quality of care at the unit."

The Minister will know that the standardised mortality rate at the John Radcliffe is twice the national average.

Four years ago, following the Bristol royal infirmary scandal, there was a public inquiry and recommendations were made. The report was 30 or 40 pages long, and made 198 recommendations, one of which was that the provision of cardiac services should be concentrated in fewer, more specialist centres, where surgeons would perform a greater number of operations, because it was thought that someone who does 50 or 100 operations a year will perform them better than someone who performs only a small number. The Government have explicitly rejected that recommendation. In a reply to my hon. Friend the Member for South Cambridgeshire (Mr. Lansley), the right hon. Member for Airdrie and Shotts (John Reid), who was then Secretary of State, refused to adopt the recommendation in the Kennedy report for the Bristol inquiry because

"it would require us to close some of the most successful cardiac centres in the country".—[*Official Report*, 20 January 2004; Vol. 416, c. 1208.]

Plainly, there will be a tension, as the Minister will be aware, between a concentrated expertise-driven approach and a devolved approach. However, that was only one of nearly 200 recommendations, so it would be timely and interesting to consider what progress has been made on the rest. In an article in the *British Medical Journal*, Dr. Paul Aylin and others looked at paediatric cardiac surgical mortality in England after Bristol, and in their final paragraph they concluded optimistically:

"Mortality at the Bristol Royal Infirmary has fallen markedly after the changes there, and a more gradual reduction in national mortality is evident from the time these data were first available . . . Whatever the reasons for the reduction in mortality, this seems to be good news for patients and parents."

I am sure that we would all say amen to that.

But that article, as the Minister probably knows, is also the one that exposed a potential problem at the John Radcliffe. The John Radcliffe denied that there was a problem. It questioned the accuracy of the statistical methods used for this paper. Although as Dr. Aylin, who stands by the findings—I spoke to him only earlier today—points out—

It being Ten o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

Mr. Bacon: For a tiny second, I was worried. I do not propose to go on until 10.29; I would like to leave the Minister a bit of time and I do not wish to keep people here for the sake of it.

As Dr. Aylin said to me, the statistical methods used in the paper are the same ones that exposed the problems at Bristol. It is perhaps not a coincidence that the Healthcare Commission has now started looking at the John Radcliffe. So in addition to the wider issue of the recommendations arising from Bristol, there is the issue of the cluster that was exposed in 1999 at the Royal Brompton and the issue of the John Radcliffe.

There is also a more straightforward issue, if I may call it that, and that is about confidence in cardiac services. When we are dealing with individual constituency cases where we are worrying on behalf of parents who have suffered terribly, it is important not to forget to pay sufficient tribute to what is going on. Tremendous work is going on in hospitals throughout the country. There have been tremendous improvements in recent years. We are only too easily led to forget that doing a heart operation on a seven-week-old baby is an intensely dangerous thing to do. It may be the case that it is slightly less dangerous now than it was in 1983, but to describe any of these operations as routine, as I saw in the press not so long ago, is perhaps to miss the point. None of these is routine. A newborn baby of seven weeks has a heart the size of a walnut, so the work being done is of enormous importance. It is extremely complex and difficult and we should be grateful to the surgeons and pioneers who are doing this work. That makes it all the more important, when they are doing cutting-edge work, that there is a clear record of what has happened in each individual case, because we are probing at the frontiers, so that we can look back in any individual case and see whether what was done was appropriate.

I shall not delay the House much longer, but I want to say two things to the Minister. First, I have a copy of the Bell report for her. In her office yesterday I perhaps naively said to Mr. Chapman of the Brompton hospital that I assumed that he had furnished the Minister with a copy of the report, and it turned out that he had not. I was perhaps rather naive because I thought that the hospital would do everything that it could to help the Minister with relevant documentation, and this is nothing if not relevant, but it does not cast the hospital in a particularly glowing light, so on reflection I perhaps understand why it had not eagerly done that. But it is important to look at it. I hope that the Minister will take it away and study it. I was discussing it with Mr. and Mrs. Lynch this evening. When one reads it again and again, each time new points pop out. It is a detailed report of over 30 pages. I invite the Minister to appoint an official to look at it closely. I know that Mr. and Mrs. Lynch would be grateful for a detailed response to the conclusions of the Bell report. That is the narrow point.

I spoke to Dr. Dominic Bell earlier today and he makes a couple of points in an e-mail to me, which sum up the situation quite accurately. He says that there was

"a major identifiable professional omission related to audit, the evaluation of outcome from high risk surgical intervention, obligatory when undertaking 'cutting edge' surgery with multiple variables controlling the outcome ... There is no evidence that when the clinical features of severe neurological damage became obvious, that either surgeon, anaesthetist or cardiologist considered causation and reconsidered any aspect of the process of care for the benefit of future cases.

Once that neurological injury was identified, the clinicians had a direct responsibility to ensure optimal care of the infant which involved referral to the appropriate specialists and a duty to inform the parents of why that was necessary. Care at this stage was characterised therefore by a dereliction of both clinical and professional responsibilities.

The lack of responsiveness, honesty and openness that has characterised the hospital's approach from the initial questions of the family right through to my investigation is out of kilter with public expectation and arguably indicates a broader malaise of ignorance or arrogance or both.

A duty of care extends beyond an examination, investigation, technical procedure or prescribing, and should be founded in an understanding of and sympathy for the plight of the parents with a profoundly ill child, who need to understand the problem, prognosis and plan and need to be able to trust the practitioner and the profession at this very vulnerable time. Empathy and communication do not appear to have featured highly on a list of responsibilities."

We all want to reach a position in which the treatment provided by every hospital, including the world famous Royal Brompton hospital, is regarded in the best possible light.

I hope that the Minister takes away the Bell report and studies it to consider what further steps may be needed. Will she consider either holding a public inquiry or asking the Healthcare Commission to expand its current review of work at the John Radcliffe hospital into a more wide-ranging review of paediatric cardiac services in the UK? Such a review could also include adult services, because the latest Healthcare Commission review concerns adult cardiac services rather than paediatric cardiac services. That would allow patients to have confidence in cardiac care in this country and, in particular, Mr. and Mrs. Lynch to receive public and open accountability from the Royal Brompton hospital for what happened to their daughter, Sarah.

10.6 pm

The Minister of State, Department of Health (Jane Kennedy): I congratulate the hon. Member for South Norfolk (Mr. Bacon) on securing this evening's debate. He should not apologise for securing an Adjournment debate and is not detaining Conservative Members, who are here voluntarily to support him. I am not surprised that the hon. Member for Aylesbury (Mr. Lidington) is here, because I know how assiduous he is in advancing the case of his constituents—he is to be respected when one deals with him across the Dispatch Box, too. Before I get into the serious detail, I wish the hon. Member for South Norfolk well for his wedding later this month.

I acknowledge the hon. Gentleman's interest in the case and know that this particular matter is of great concern to him. If he and the family will forgive me, I will not respond in great detail to his careful exposition of the experiences of the Lynch family, the subsequent inquiry and the hospital's response. I want to express my sincere condolences to Sarah's family—the death of a child is always a devastating event, and I can understand Mr. and Mrs. Lynch's need to discover what happened during Sarah's stay at the Royal Brompton hospital. The hon. Gentleman has raised several points about the handling of Sarah's case and the response by the Royal Brompton and Harefield NHS Trust. However, I hope that he agrees that in line with patient confidentiality, it is probably not appropriate for me to respond to some of his detailed points.

People in all sorts of circumstances believe that a public inquiry is the only answer to their problems. The hon. Gentleman may not know—there is no reason why he should—that the Royal Liverpool children's hospital, which is more commonly known as Alder Hey, is in my constituency. It is a much loved and respected local institution, on which families with children across the north-west of England depend. However, the hospital's name was for a time synonymous with the retention of organs from children, many of whom were very sick babies. There was a strong call for an inquiry, which took place—it was a judicial inquiry rather than a full-blown public inquiry. The process resulted in clinicians who were not involved in the incidents that gave rise to the disquiet, and who were seeking to treat, look after and nurture very sick children, losing the confidence of parents at that time. It has taken some years for the trust to recover its position and for clinicians to feel that they have regained the confidence of parents in the region. The hon. Member for Aylesbury will know about public inquiries from our time in Northern Ireland, and we have mixed feelings about them.

I will want to consider the points that the hon. Member for South Norfolk has raised. If he is looking for a detailed response, I will certainly give him that in writing following the debate. I will perhaps give greater thought to the idea of a public inquiry, which I had not considered before this evening, but it is not, instinctively, a solution that I would necessarily encourage.

Mr. Bacon: I understand the Minister's reluctance. She alluded to the Saville inquiry in Northern Ireland, which cost more than £200 million and has apparently never settled anything. In the Bristol case, it was notoriously reported that more than half the money ended up going to the lawyers. There are obviously big problems with public inquiries, but there should be other routes available. Perhaps there could be a Hutton-style inquiry, which could take evidence, before a non-clinician such as a senior judge or a Law Lord, or something via the Healthcare Commission. I hope that the Minister appreciates that there is a widespread nexus of issues and concerns that runs wider than Mr. and Mrs. Lynch.

Jane Kennedy: I will come on to those wider concerns in a moment. I am aware that, as the hon. Gentleman described, Sarah's parents have been in contact with the trust over the past 20 years I hope that they can find a resolution to their ongoing concerns. He is absolutely right that it should be possible for that to happen, and in doing so to find a degree of comfort in the process.

Mr. Bacon: I want to say one further thing in relation to the Minister's comments about patient

[Mr. Bacon]

confidentiality. I think that I can speak for the parents when I say that given the events of the past 20 years and the very sad death of Sarah Lynch, I do not think that the parents would have an objection to the Minister speaking about this publicly or writing to them with more details. They would probably prefer it to be on the record. Although I appreciate that the Minister is not in a position to give detailed answers now, I was rather hoping, as I said to her yesterday, that the outcome of this debate would not be that she sits down at 10.30 pm and we have closure, but that she goes away and thinks further about these issues.

Jane Kennedy: I hope that I will be able to give some proper response to the very eloquent case that the hon. Gentleman has made.

No one wants their child to have to go into hospital. Any child having to attend hospital as a patient, for any reason, is a cause for concern for all parents, carers and relatives. As a parent of two sons who are now in their twenties, I know only too well that it is an anxious enough time when things go well. When things go wrong, there can be tragic results, and patients and their families, quite rightly, want answers to their questions and an apology if appropriate. Most often, they tell us that they want reassurances that no one else should have to undergo their experience and that all steps will be taken to avoid a similar incident arising.

There is nothing that we can do to completely take away parents' concerns and anxieties, but there is a lot that we can continue to do to improve the way in which hospitals care for children. Let me, for five minutes or so, describe what we have been doing. I am informed that the cardiac surgery that Sarah received back in 1983 was the most modern of its time. Without that surgery, babies, such as Sarah, born with severe cardiac abnormalities might have died before they were six months of age. Even now, the risks involved with major cardiac surgery on small babies can be high, as the hon. Gentleman said, and parents are sometimes faced with the devastating news that their baby might not survive.

A national review of NHS paediatric and congenital cardiac services was published in December 2003. That found that all units undertaking paediatric cardiac procedures were providing high standards of care for children. We were reassured by the findings of that report. However, neurological damage was, and continues to be, a major and often debilitating complication of congenital heart disease and open-heart surgery, even when the most meticulous steps are taken to avoid it.

I hope that the hon. Gentleman accepts that patient safety is at the heart of our agenda for improving the quality of NHS services. Indeed, I am the first Minister of State to have it as part of her ministerial title. Since 1997, we have been committed to building a better health service for patients everywhere. I am not trying to make a political response by saying that, but seeking to give the Government's position. We have established new, independent standard-setting and inspecting bodies.

Through national service frameworks, national standards are in place for the first time. Locally, trusts now have formal processes in place for systematic review and investigation of treatments and outcomes. Those were not previously in place. Indeed, I am informed that the Royal Brompton hospital has for some years had a formal protocol for reporting and investigating neurological injury, so that even the early clinical signs of possible neurological damage are now subject to much fuller investigation.

I am delighted to report today that an audit of significant outcomes for 2004–05 carried out at the Royal Brompton hospital states that no serious adverse events on children were reported. That is out of a total of 391 congenital heart operations, 66 of which were on babies up to one month old.

Mr. Bacon: I did not think for one moment that the Minister was making a political point and I fully accept that improvements have been made over several years and that is to be greatly welcomed. Item 1 of the Bristol inquiry—the Kennedy report—is that the patient should be at the centre of everything we do. I hope that that culture is developing—I stress "developing"—in the health service. However, the patient was certainly not at the centre of everything we do in Mr. and Mrs. Lynch's case. It is encouraging to hear the Minister say that a protocol is now in place to provide for a neurological inquiry in the case of a neurological insult. However, it should be obvious that when there is brain damage, neurologists should be involved. That is common sense and it is extraordinary that such a protocol was not in place in 1983. To this day, the parents have never been able to get an open account and acknowledgement of what was done and not done in the case of their child.

Jane Kennedy: I acknowledge the hon. Gentleman's points, which he makes passionately, and I understand the extra grief that has been caused to the family by what they perceive as the struggle that they have had to get the information. I understand that the expert reports from which he has quoted—not only the Bell report but the others—have not been shared with the trust. If that is the case, would it be possible for them to be shared with the hospital so that it could consider them?

Mr. Bacon: They could be shared with the trust and I would be happy to ensure that they were shared with Minister, too, although an offer was made at one point to make them available to the trust but it was rejected. However, I am sure that, after the debate, it would be interested in examining them and I hope that the Minister will be, too.

Jane Kennedy: I am grateful for that. I am always surprised at how rapidly time runs away with us but I wish to make some important points in response to what has been said.

As the hon. Gentleman said, Sarah's case occurred more than 20 years ago. In the past eight years, the NHS in England has begun to turn itself around. He knows that we have increased investment and even argued vigorously about how that has been done. However, it has enabled the NHS to provide better quality care to patients with safer and more effective treatment, better surroundings and better services. I want briefly to mention one or two of those other factors because not

only the procedures have been improved. Protocols are now in place partly through learning and understanding from the experiences of families such as the Lynches.

Several well-documented reports in the past few years have commented in depth on poor communication with parents about to the risks associated with cardiac surgery and with parents whose children regrettably suffer brain damage—practice that was prevalent in the 1980s and early 1990s. Perhaps the most significant of those for Mr. and Mrs. Lynch has been the review of Sarah's case, which the hon. Gentleman described, by Dr. Dominic Bell. I have seen a copy of that and although I have not had a chance to read the full report, I have read the summary and the findings.

Following Dr. Bell's report in 2003, the trust acknowledged shortcomings in its communications with the family. It also recognised that there were some failings around the investigation into the power failure that occurred on the evening following Sarah's operation. Paediatric cardiology services have been reviewed extensively by successive inquiries. Much has changed. Significant investments of time, energy and resources have been committed to the paediatric service at the trust—I am not speaking in general terms here; I am referring specifically to the Brompton and Harefield—resulting in double the number of consultant surgeons in post, establishing the cardiac liaison nursing team, enhancing support for patients with neurological injury, and enhancing information and support to patients, parents and carers alike.

As the hon. Gentleman rightly pointed out, Sir Ian Kennedy's report into the events at Bristol provided us with a powerful analysis of the organisation and culture of the NHS in the years up to 1995. Responding to those concerns, we fast-tracked the hospital services module of the children's national service framework, which was launched in April 2003 and emphasised the need to design and deliver care around the needs of children and their families. We have taken on board the points that the hon. Gentleman quite rightly highlighted.

The way in which health professionals present bad or difficult news is an important factor in how it is received, understood and dealt with. That can have a profound influence on the confidence and trust that a family has in the health professionals concerned. The national service framework recommends that staff should have training in the necessary communication skills to enable them to work effectively with children, young people and parents.

Mr. Bacon: Does the Minister agree that another important aspect of the communication process is preparing parents in advance for what might go wrong, because complicated procedures could cause problems? In the case of the Lynch family, as well as many others, this has been a significant problem.

Jane Kennedy: Clearly, all those factors form part of the communication needs, and the professionals involved need to tread a fine line. I am sure that many parents in such circumstances find such information hard to take in. They are consumed with anxiety, in addition to having that extra burden and possibly having to take a decision about what procedures should be carried out. That is an enormous series of problems to have to face.

As the hon. Gentleman described, on the same day that Sarah received her surgery, the hospital suffered a complete failure of the electrical supply to the wing where the paediatric intensive care unit was sited. He has described how the incident was apparently not reported to the parents at the time. When this was discovered, it obviously added to Mr. and Mrs. Lynch's concerns and—I would say—distrust and distress. However, I hope that the hon. Gentleman will appreciate that the care and treatment that patients receive is a matter for the clinical judgment of the medical team, and the investigation into the subsequent outcome is for the trust to take forward. It would therefore be inappropriate for me to make any comment on, or to intervene in, any specific case. We need to seek to get resolution at trust level if that is at all possible.

Mr. Bacon: I am grateful to the Minister for giving way again. She has been extremely generous, and I have been extremely fortunate in having this extra time. Does she agree that any encouragement given to the Brompton by her at the Dispatch Box to be more open in its dealings with the parents, and to give an open and public account at the Brompton level of what has happened, would help to get these issues resolved?

Jane Kennedy: I would not say that only to the Brompton. One of the saddest aspects of my job is reading the letters that I get from Members of Parliament enclosing the experiences of their constituents who have written to say how everything went wrong and that nobody explained anything. All that compounds the sense of grievance. As I said earlier, most people just want an explanation of what happened, along with information, support and redress if they need it, and an apology if it is appropriate. Most of all, people want the reassurance that the institution and the professionals involved will learn from the experience.

I was talking about the electrical failure. After decades of underinvestment in the health service, 50 per cent. of the NHS estate in 1995 pre-dated the creation of the NHS in 1948. I am not making a party political point here. In 1983, the paediatric intensive care unit at the Royal Brompton hospital was sited in a building that was 93 years old. I would seek to reassure the hon. Gentleman, Mr. and Mrs. Lynch and Sarah's twin that the situation today, some 22 years later, is completely different. Modern technologies and generators are now more robust. Modern life-critical medical equipment now remains functional under power failure conditions, supported by local battery supplies. With the NHS continuing to invest in buildings, equipment and infrastructure, generators can now be replaced at regular intervals. A £17 billion national improvement programme is updating the NHS estate, and since Sarah's stay at the Royal Brompton in 1983 the paediatric intensive care unit has been re-sited in the new Sydney wing.

In relation to data and recording, improving paediatric intensive care has been a priority for this Government. The report entitled, "Paediatric Intensive Care: a Framework for the Future", published in 1997, recognised that clinical audit of paediatric intensive care concluded that the collection of data on outcomes from intensive care for children were not satisfactory. We therefore introduced a dedicated audit for paediatric

[Jane Kennedy]

intensive care, which collects data from the 29 lead units. We also recognised that it would take upwards of five years to achieve all the aspirations in the report, and we have therefore devoted £25 million of recurrent funding every year since 2000–01 for the improvement of paediatric intensive care.

Sadly, the improvements that I have described have come too late for Sarah, her parents and her twin. I understand that representatives of the Royal Brompton and Harefield NHS Trust have extended their sympathies to Mr. and Mrs. Lynch as well as an unreserved apology for the tragedy that they and Sarah suffered. I hope that this matter reaches a satisfactory conclusion Following the debate, I will read the *Hansard* account and the Bell report in full. I know that the trust would find it helpful to see the expert opinion to which the hon. Gentleman referred.

I want to extend again my condolences to Mr. and Mrs. Lynch. I stress, however that, as I said earlier, this is a matter for the NHS to resolve. I really hope that all involved are able to reach a positive outcome very soon. I am grateful to the hon. Gentleman for the opportunity to discuss the matter.

Question put and agreed to.

Adjourned accordingly at twenty-seven minutes past Ten o'clock.

House of Commons

Wednesday 11 January 2006

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

NORTHERN IRELAND

The Secretary of State was asked—

On-the-run Terrorists

1. **Mr. Richard Benyon** (Newbury) (Con): If he will make a statement on his plans to deal with on-the-run terrorists returning to Northern Ireland. [40302]

3. **Mr. Tobias Ellwood** (Bournemouth, East) (Con): If he will make a statement on his plans to deal with on-the-run terrorists returning to Northern Ireland. [40304]

7. **Andrew Selous** (South-West Bedfordshire) (Con): What recent representations he has received on the Northern Ireland (Offences) Bill. [40308]

The Secretary of State for Northern Ireland (Mr. Peter Hain): It is the Government's goal to close the door on Northern Ireland's paramilitary past; otherwise, the future will constantly be dogged, disrupted and dragged back to the past. Following the early release of paramilitary prisoners, it became clear that there was a group of suspects in an anomalous position. The status of those on the run could not be effectively resolved in the same way. For that reason, the Government agreed to deal with the outstanding issue of those suspected of terrorism-related offences committed before the Belfast agreement. It is an issue that still remains to be resolved, as is the position of those who may in the future be prosecuted for terrorism-related offences committed before the Belfast agreement. That is the background to the Northern Ireland (Offences) Bill.

Since the Bill was introduced, I have received written and face-to-face representations from a number of organisations and individuals, including victims, police staff associations, the Northern Ireland Human Rights Commission and political parties.

Mr. Benyon: We are looking forward to hearing what the Secretary of State has to say on this subject in his statement later today, but does he understand that the depth of opposition to the Bill is evident not only in all the sectarian parties and political parties in this House? A poll today in the *Belfast Telegraph* shows that there is widespread opposition to the proposals across the community in Northern Ireland. To cap it all, we now hear that Sinn Fein-IRA have withdrawn their support for the Bill. Is it not time that what the spokesman for the Police Federation for Northern Ireland called this "odious piece of legislation" was put to rest and forgotten completely?

Mr. Hain: I agree that the Bill has received widespread opposition. There is no question about that: the *Belfast Telegraph* poll shows what many of us already know is in the minds of the people of Northern Ireland—an overwhelming rejection of the Bill. It is also true that all the political parties now oppose it, but the problem will still need to be resolved through legislation.

Mr. Benyon: Why?

Mr. Hain: The hon. Gentleman asks why, but he will recall that more than 400 paramilitary prisoners were released after the Belfast agreement. That process was endorsed in a referendum by the people of Northern Ireland. Of that total number, fewer than one eighth are now in the anomalous position of having been outside UK jurisdiction for similar offences and of being unable to emerge without facing prosecution, undergoing the criminal process and serving criminal sentences. That is the problem and it will not go away, whatever he says and whatever the opposition to the Bill.However, I agree that the opposition is widespread, and I do not doubt its sincerity.

Mr. Ellwood: Last year, the Government proposed to detain suspected terrorists without charge for 90 days, but now they are proposing to let on-the-run terrorists get off scot free, without having even one day in court. Will the Secretary of State say who is in favour of the Bill? The Opposition are not in favour of it, and neither are the Army or the police. The victims are certainly not in favour of it and not one political party—including Sinn Fein, as we have just heard—supports it. Surely the Bill should now be thrown out?

Mr. Hain: As I have said, I shall make a statement at 12.30 pm, when I shall answer some of the detailed questions about the Bill. I shall also deal with other issues in connection with Northern Ireland. I do not doubt that there is widespread opposition to the Bill, but I put to the hon. Gentleman the same question that I put to the hon. Member for Newbury (Mr. Benyon). This matter needs to be dealt with, but it goes further than the on-the-runs. There is also the question of those who might be uncovered and prosecuted, as a result of inquiries or of investigations that are currently being undertaken. They could face lengthy prison sentences, and it is conceivable that they could include members of the security forces. Either we want to move forward in Northern Ireland, or we want constantly to look back to the past—in some cases for offences committed 30, or even nearly 40, years ago.

Andrew Selous: The Northern Ireland Human Rights Commission says that the Bill is incompatible with international human rights standards. What comment would the Secretary of State make about that, and will he ensure that any new provisions brought before the House are compatible with international human rights standards?

Mr. Hain: The Minister of State, Northern Ireland Office, my hon. Friend the Member for Delyn

(Mr. Hanson), will respond to the Northern Ireland Human Rights Commission. I said on introducing the Bill that it was compatible with the Human Rights Act, and I therefore do not think that that issue arises, but we are studying the letter very carefully.

Mark Durkan (Foyle) (SDLP): Does the Secretary of State not recognise that the game is up on every argument that the Government have used on the Northern Ireland (Offences) Bill? The House was persuaded to give that Bill a Second Reading solely on the premise that the Government were honour bound to produce legislation because of deals with Sinn Fein in 2001 and 2003. Sinn Fein has since said that it wants the Bill withdrawn for its own reasons. All other parties have long called for it to be withdrawn for all sorts of reasons. Every class of victims' group in Northern Ireland finds the Bill deeply offensive. Opposition is not just widespread; it is deeply felt. Now that the Government are into the culture of respect, will they respect the wishes, sensitivities, rights and needs of the people of Northern Ireland—victims, in particular—withdraw the Bill and recover some credibility for themselves and for the House?

Mr. Hain: I understand the hon. Gentleman's point, which he has made with great eloquence and conviction for many months now. We have listened carefully to the arguments that he and others have made, and I shall be making a statement at 12.30 pm. I repeat, however, that the issue will not go away. The House needs to recognise that, and that is the point that the Government have been making and the issue that I shall describe in some detail, among other things, at 12.30.

Mr. Peter Robinson (Belfast, East) (DUP): Will the Secretary of State indicate what is the morality of the Government's position? They entered into a dishonourable deal with a dishonourable organisation, which no longer wants them to honour that arrangement. Yet the Secretary of State still appears to be ready to proceed with the legislation. If he wants the matter dealt with, let it be dealt with as it should be—in the courts.

Mr. Hain: As I have already said, but will repeat for the hon. Gentleman, I understand the point that he is making, and my hon. Friend the Minister of State spent some 27 hours in Committee and listened to many of the points made by the hon. Gentleman and by the hon. Member for North Down (Lady Hermon) and others. We have listened carefully, which is why I shall make a detailed statement at 12.30 pm.

I say to the hon. Gentleman, however, that whatever his objections to the legislation, two things are clear: legislation is needed to resolve the issue, and the issue needs to be resolved—

Mr. Robinson: No, it is not.

Mr. Hain: The hon. Gentleman says not, but let me put a question to him. Let us take a constituent of his from one of the communities from which members of the security forces are drawn; there are many of those from his constituency and from the constituencies of other Members of his party, and I respect that, as those people have had a tough job to do over many years. Let us suppose that as a result of one of the inquiries, such as the Chief Constable's inquiry, or some other event, that person was prosecuted.

Mr. Nigel Dodds (Belfast, North) (DUP) *indicated dissent.*

Mr. Hain: No. I understand the point. Does the hon. Member for Belfast, East (Mr. Robinson) think that it would be right for such a member of the security forces—a servant of the Crown—to be treated differently from the paramilitary prisoners who did not serve their full sentences and were released after the Belfast agreement?

Andrew Mackinlay (Thurrock) (Lab): I hope that the Secretary of State's statement will introduce a period of reflection. While we all understand that, as he has repeatedly said, the issue will not go away, many of us feel that the instrument being used—the Northern Ireland (Offences) Bill—is probably not the way forward, bearing in mind that he persuaded his hon. Friends to support him in the Division Lobby on Second Reading very much on the basis that we all had to swallow some bitter pills and this was the way to gain progress particularly, if not exclusively, with the republicans. We now know that not a single party in Northern Ireland supports the Bill; may I hope that my right hon. Friend will therefore consider going back to the drawing board after a period of reflection?

Mr. Hain: I assure my hon. Friend, whose views on this issue and in general I respect enormously, that when I make my statement he will have the answer to his questions and will find that I have listened to opinion in the House.

Sir Patrick Cormack (South Staffordshire) (Con): That is rather a tantalising statement, and we shall have to wait.

The Secretary of State has a deserved reputation as a champion of democratic values—

Mr. Peter Robinson: What?

Sir Patrick Cormack: Oh, all his life, and he has made many mistakes.

Does the Secretary of State accept that now that there is total opposition to the Bill, it should be consigned to the wastepaper basket?

Mr. Hain: As I say, I will make a statement at 12.30 and the hon. Gentleman may even catch your eye, Mr. Speaker. Given the importance of this issue and of what I have to say about the future political process in Northern Ireland, it is right that all hon. Members have a chance to question me, rather than the few who have the chance now.

Several hon. Members *rose—*

Mr. Speaker: Order. The Secretary of State has said on several occasions that he will make a statement later, so we will now move on to question No. 2.

Restorative Justice

2. **James Duddridge** (Rochford and Southend, East) (Con): What discussions he has had with the Northern Ireland Policing Board about the introduction of community-based restorative justice systems. [40303]

6. **Mr. Mark Lancaster** (North-East Milton Keynes) (Con): If he will make a statement on Government policy on community restorative justice in Northern Ireland. [40307]

The Minister of State, Northern Ireland Office (Mr. David Hanson): My right hon. Friend the Secretary of State met the Northern Ireland Policing Board on 1 November, and I met them on 5 December, to discuss the introduction of community-based restorative justice guidelines. The draft guidelines have now been published for consultation, and I look forward to receiving the considered views of the board and of other key stakeholders. The Government will take the results of the consultation fully into account in deciding on our next steps.

James Duddridge: The Minister said that the draft guidelines for community restorative justice were put out to consultation in December, but can he tell us why they contain no requirement for all groups to endorse Northern Ireland's police and criminal justice system? Should not that be a fundamental condition before any further development of restorative justice in Northern Ireland?

Mr. Hanson: The hon. Gentleman should perhaps go back to the guidelines and read them in detail, because he will find that the draft guidelines unambiguously specify that the involvement of the police and other statutory criminal justice organisations in the operation of the schemes is essential. There is no room for two-tier policing in Northern Ireland and we are committed to monitoring and developing those guidelines to ensure that the schemes that operate, independent of Government, are linked to the policing and criminal justice system. That is important. If the hon. Gentleman has comments to make on the guidelines, the consultation runs to the end of February and I would welcome his detailed comments.

Mr. Lancaster: Will people with terrorist convictions be able to participate in the scheme?

Mr. Hanson: The guidelines make it clear that no one currently involved in paramilitary or criminal activity should be involved in any scheme. One of the issues that we have put in the guidelines for consultation is the question whether individuals who have had criminal convictions in the past should be involved in the schemes. I am seeking views on that issue in the consultation, because some individuals may have criminal convictions from 30 or 35 years ago, are not now involved in criminality and may wish to be involved in those schemes. I will reflect on that issue when the consultation is completed.

Lady Hermon (North Down) (UUP): Will the Minister give me an undertaking this morning that he will impress on the Policing Board the need for it to support the good and effective restorative justice schemes that already exist, such as the IMPACT scheme in North Down, of which I am enormously proud?

Mr. Hanson: I know that the hon. Lady has several schemes in her constituency which are doing very positive work. She will know that recommendation 168 of the criminal justice review recommended that positive restorative justice schemes should operate. The intention of the guidelines is to lay down some minimum standards so that any schemes that are funded independently of Government operate at a standard that we would expect. I would hope that the Policing Board would make comments on the guidelines, but would also recognise the inherent value of restorative justice schemes to Northern Ireland for the prevention of crime in its communities.

Mr. Gregory Campbell (East Londonderry) (DUP): Will the Minister assure the House that the same vetting procedure will apply to those involved in restorative justice schemes as is used, for example, to assess personnel for the police, so that only people who believe in the rule of law are admitted to the schemes? That would give the community the confidence in the CRJ schemes that it does not have at present.

Mr. Hanson: As I said in my answer to the hon. Member for North-East Milton Keynes (Mr. Lancaster), we have made it clear that nobody who is currently involved in any criminal or paramilitary activity should be involved in the schemes. We are consulting on the question whether individuals who have previous convictions should be involved in those schemes. As I said earlier, it is possible to have a criminal conviction from a considerable time ago that may or may not affect the involvement of an individual in the schemes today. That is one of the issues on which I seek views in the consultation and I hope that the hon. Gentleman and others will supply their views during the process.

Mr. Laurence Robertson (Tewkesbury) (Con): For a number of years, people have not been arrested for being members of the IRA. If they are members of the IRA will they be able to partake in the scheme?

Mr. Hanson: As I have already said, the guidelines make it clear that nobody involved in paramilitary activity or criminality can be involved in the scheme. Membership of the IRA is involved in paramilitary activity, so I would want to reflect on that point, but it is clear to me that current involvement in paramilitary activity is not compatible with the operation of the scheme.

Lembit Öpik (Montgomeryshire) (LD): Can the Government categorically confirm that all restorative justice schemes will involve direct co-operation with the Police Service of Northern Ireland? The Minister says that no one involved with paramilitary organisations will be allowed to participate in the schemes, but he knows very well that not all people involved with paramilitary organisations actually have criminal convictions, or have been proved to have them, so how

will he ensure that the restorative justice schemes operate within the law and not as a form of vigilantism with a sheriff's badge?

Mr. Hanson: The guidelines that I am producing for consultation were not drawn up out of the blue; they were drawn up in conjunction with the PSNI, the criminal justice agencies and the Probation Board for Northern Ireland. The criminal justice system and the police are integral to the operation of the schemes. At present, none of the schemes is funded by the Government, but they operate to support the reduction of crime in our communities. We have to ensure that there are minimum guidelines, and the minimum for us is that no paramilitary activity or criminality is involved and that individuals respect and comply with the rule of law and work with the agencies to tackle crime. That is central to our conditions for the guidelines. *[Interruption.]*

Mr. Speaker: Order. Miss Widdecombe, there is far too much noise in the Chamber—*[Interruption.]* The right hon. Lady is not the only one; there are a few others.

Security

4. **Mr. Eddie McGrady** (South Down) (SDLP): If he will make a statement on the security situation in Northern Ireland. [40305]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. Shaun Woodward): We continue to see dramatic improvements in the security situation compared to the height of the troubles, with paramilitary-style attacks on a downward trend.

Mr. McGrady: I thank the Minister for his abrupt reply. With reference to the announcement from the Secretary of State last week that he would bring forward a date for the legislation on the devolution of criminal justice powers to Northern Ireland, what action will the Minister and the Secretary of State take to restore confidence in the judicial and security systems, following revelations about the murky and dirty underworld of mutual spying by the Government and Sinn Fein? Following the abandonment of the Stormontgate trial, for what were widely believed to be political reasons, what will the Minister do to restore confidence that justice will be done, and seen to be done, in Northern Ireland?

Mr. Woodward: As the hon. Gentleman knows, it has been the policy of successive Administrations that the Government never comment specifically on security matters. None the less, there is no doubt that there was paramilitary intelligence gathering that the police acted to prevent. As a result of that operation, hundreds of stolen documents were recovered, more than 1,000 people had to be warned and more than £30 million had to be spent on protective measures. The rule of law will be upheld in Northern Ireland and we are confident that the decision made independently by the prosecution authorities in relation to the issue was the right one and that it was in the public interest.

David Simpson (Upper Bann) (DUP): The Minister said that we continue to see improvements in Northern Ireland's security. Will he confirm to the House that there is a media recruitment drive by the Continuity IRA and the Real IRA in Northern Ireland at present?

Mr. Woodward: I am not able to comment specifically on the issue that the hon. Gentleman raised, but I point out that it is absolutely essential to recognise that comparing last year with the height of the troubles we continue to see downward numbers of paramilitary-style attacks. The security situation continues to improve, and in relation to the issue that he raised, people in Northern Ireland are able to live in greater security than they have enjoyed in recent years.

Mr. David Lidington (Aylesbury) (Con): Does the Minister agree that the radical changes that were implemented in policing following the Patten report, and in the criminal justice system following the criminal justice review, rested on the assumption that everyone in Northern Ireland, especially those who aspired to serve in government in Belfast, would support the police force and the rule of law? Does he share my view that it is frankly intolerable that the republican movement should continue to demand a place in government while it refuses to support the police, refuses to recognise the courts and refuses to uphold the rule of law in the Province?

Mr. Woodward: We absolutely recognise what the hon. Gentleman says, and we will continue to work with all political parties to ensure that everyone contributes to ensuring a climate in Northern Ireland in which everyone is signed up to policing and security.

Mr. Lidington *rose—[Interruption.]*

Mr. Speaker: Order. Will the House be fair to the hon. Gentleman and to the Minister who is replying? Far too many conversations are going on.

Mr. Lidington: I am grateful to the Minister for his response, but he will have seen the statement made by those in the provisional movement a few days ago that the publication of draft legislation to devolve policing and criminal justice to Stormont would not be enough for them to convene the special conference that is required for them to endorse policing and the courts in Northern Ireland. Will the Government maintain a very firm line and tell the republican movement that support for law and the police is a fundamental expectation of any party that expects to serve in government and that no more concessions will be forthcoming? It is time for the republicans to deliver.

Mr. Woodward: We absolutely agree with the hon. Gentleman. It is essential for all political parties to sign up and agree to policing and criminal justice matters. In fact, that is a matter of common sense. There can only be long-term security in Northern Ireland as long as everybody, including all political parties, signs up to policing.

International Profile

5. **Mary Creagh** (Wakefield) (Lab): What steps he is taking to raise the international profile of Northern Ireland. [40306]

The Parliamentary Under-Secretary of State for Northern Ireland (Angela E. Smith): Northern Ireland already has a good international profile maintained through trade missions and participation in international business, cultural and sporting events. We are continuing to build on the talents of the people of Northern Ireland and the fact that the economy is buoyant, with low unemployment and rising employment, productivity and exports.

Mary Creagh: I thank my hon. Friend for her reply. What steps is she taking to enable small and bigger businesses in Northern Ireland to benefit from the opportunities that present themselves in the fast-growing economies of India and China?

Angela E. Smith: My hon. Friend is right: there are two huge and fast-growing economies in China and India, and we need to be proactive to take advantage of them. I recently took a small delegation of businesses from Northern Ireland to China and opened our Shanghai office. A number of local businesses are going to India with Enterprise Northern Ireland, and the Secretary of State has plans for a trade mission to India later this year. We are very proactive, but we must ensure that the people of Northern Ireland have the skills to take advantage of the investment. That is why the Secretary of State has launched our skills and science strategy.

Mr. Nigel Dodds (Belfast, North) (DUP): One of the best ways to promote the international profile of Northern Ireland is to emphasise the links between Belfast and the Titanic. At the moment, the last remaining White Star vessel afloat in the world—SS Nomadic—is on sale and ready to go to the scrap heap. Will the Department for Culture, Arts and Leisure give money to ensure that that important artefact is brought back to its home in Belfast, so that it can be used to promote the Province and the city of Belfast for future generations?

Angela E. Smith: Many of us would like to see the SS Nomadic came back to Northern Ireland. Although I am not the Minister with responsibility for culture, arts and leisure, I have met those responsible. I understand that a favourable loan was offered to the council to try to address the issue. We are working across Departments in partnership with the council to find out whether we can do something to help, but we must consider all the associated costs.

Dr. Alasdair McDonnell (Belfast, South) (SDLP): What discussions have the Government had with the Irish Government about using the north-south bodies to promote Northern Ireland and, especially, the tourism and industry aspects of the all-Ireland economy?

Angela E. Smith: The matter is the subject of continued discussion among Ministers, and my right hon. Friend the Secretary of State met Dermot Ahern yesterday. We continue to have relationships between the north and south because great benefits can accrue to the economy through such events.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [40182] **John Mann** (Bassetlaw) (Lab): If he will list his official engagements for Wednesday 11th January.

The Prime Minister (Mr. Tony Blair): Before listing my engagements, may I say how sad we all were to learn of the death of Rachel Squire, the Member for Dunfermline and West Fife, over the Christmas recess? She was a great servant to her constituents and won the respect of all who knew her for the brave and dignified way in which she fought her long illness. She will be deeply missed.

Although he was no longer a Member of the House, I hope that I can also say how much we are all going to miss Tony Banks. He was an extraordinary character and a unique personality, and I know that he had many friends on both sides of the House.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

John Mann: On the one hand there is the Tory leader of Bassetlaw council who believes that antisocial behaviour orders should be used only as an absolute last resort—he is the kind of man who says that this law is all gimmick—and, on the other hand, there are the hundreds of residents who pack my public meetings on antisocial behaviour and demand zero tolerance of thugs and bullies. I am with the people on this one. Is the Prime Minister, and, if so, will he hold to account those who fail to use fully the powers?

The Prime Minister: I think that most people believe that the use of antisocial behaviour orders, the powers to close crack houses and the use of fixed penalty notices have had a huge impact where they have been used properly in local communities, obviously combined with extra numbers of police and community support officers. I strongly urge all local authorities and local police to use those powers to the full. As we made clear with the action plan that we published yesterday, more powers will be available, if needed. They are important, they make a real difference to communities and they are absolutely in line with what local people want.

Mr. David Cameron (Witney) (Con): May I associate myself with what the Prime Minister said about Rachel Squire? She will be missed on both sides of the House, and she was especially noted for her very good work on defence. I also agree with him about Tony Banks, who had a commitment to sport and a legendary wit, which was often directed at people trying to do my job. Personally, I also have fond memories of Merlyn Rees, the respected former Labour Home Secretary who died recently. Believe it or not, I remember going with him to

the Republican party convention in America in 1992. I think he must have been new Labour before the term was properly invented.

The decision by Iran yesterday to break the seals of its nuclear facility has caused widespread concern. What steps does the Prime Minister propose to take to maximise the international consensus on taking the issue to the United Nations Security Council?

The Prime Minister: First, let me say that there will be a meeting of European Ministers tomorrow when we will discuss how we can take this forward now. The decision by Iran is very serious indeed—I do not think that there is any point in people or us hiding our deep dismay at what Iran has decided to do. When that is taken in conjunction with its other comments about the state of Israel, real and serious alarm is caused right across the world. The meeting will take place tomorrow and we are obviously discussing the matter closely with our American allies as well. A reference to the Security Council is entirely in line with what the International Atomic Energy Agency itself decided some time ago. The only reason why it suspended a reference to the Security Council was because Iran had suspended its enrichment facilities. That is why it is extremely important that we take a fresh look at this now.

Mr. Cameron: Clearly, if the matter does go to the United Nations Security Council—we hope that it will—one of the issues will be sanctions. The Prime Minister well knows that sanctions in the past have not always been effective in getting countries to comply with their international obligations. What steps will he take to ensure that they are effective in this case?

The Prime Minister: I think that the first thing to do is to secure agreement for a reference to the Security Council, if that is, indeed, what the allies jointly decide, as I think seems likely. At that point, we have to decide what measures we are going to take. We obviously do not rule out any measures. It is important that Iran recognises how seriously the international community treats it. However, it is better to go through the process of first having the meetings and discussions, and reaching agreement; we can then set out the measures that we want to take.

Mr. Cameron: I am sure that what the Prime Minister says about following the process is right. The aim we all share is non-proliferation. However, is it not the case, as he says, that Iran has not only taken steps repeatedly to acquire nuclear weapons, but has also made the very damaging remarks—threatening remarks—to which he referred, about the future of Israel? Given that, does not that underline the case for stepping up our efforts to encourage pluralism, a civic society and a liberal and progressive culture in Iran itself?

The Prime Minister: I have no doubt at all that when we consider the issues, there are two things that we need to do. First, we have to take immediate steps to protect the security of the world. That is why a potential reference to the Security Council is important. That is absolutely right. Breaking the seals is a very important act. The statements on Israel are important statements, which, I am afraid, indicate a malign intention on the part of the Iranian regime.

Secondly, we have to consider the long-term issue of how we best protect the security of the world. I have no doubt that the best long-term security for us is the spread of freedom, democracy and values that all civilised people share. The important thing about the recent elections in Afghanistan and Iraq is that they dispose once and for all of the myth that democracy is something that western people want, but that those in other cultures do not want. In fact, democracy and freedom are values of the human spirit—they are universal values—and we have learned enough from our international diplomacy over the past few decades to recognise that the only long-term stable partners for countries like Britain, the United States of America and our allies in Europe are those that share our values.

Mr. David Marshall (Glasgow, East) (Lab): Is my right hon. Friend aware that Glasgow city council and the Scottish Executive have just launched their bid to attract the 2014 Commonwealth games to Glasgow? Will he replicate the excellent assistance that he gave to the successful campaign to obtain the 2012 Olympics for London and do all he can to ensure that the 2014 Commonwealth games come to Glasgow?

The Prime Minister: I am sure Glasgow would make an excellent venue for the Commonwealth games. Scottish people are passionate about sport. As we learned from the Commonwealth games in Manchester, they have a unifying impact on the whole country, too. I wish the Glasgow bid well and we will obviously support it in any way we can.

Sir Menzies Campbell (North-East Fife) (LD) *rose—*

Hon. Members: Hear, hear.

Sir Menzies Campbell: And a very happy new year to all hon. Members as well.

May I associate myself with the observations made by the Prime Minister about Tony Banks and Rachel Squire? Tony Banks was a rare talent who enlivened the lives of us all, particularly his Chief Whip. Rachel Squire, who was my neighbouring MP in Fife, was a woman of immense dedication and, latterly, of extraordinary courage. Her constituents have truly lost a champion.

The National Audit Office today reports that 1 million pupils are being failed by our schools. The Health Committee has described the latest proposals for health service reform as ill-judged. The police are up in arms about the Prime Minister's costly proposals for centralisation. Why are the Government making such a mess of public service reform?

The Prime Minister: Let me point out what in addition the National Audit Office report says so that we have a balanced discussion of the record over the past eight years. It is correct that it talks about 1 million children not getting the education they need. That is out of a total of almost 8 million. But this is also what it finds: over the past eight years, the number of failing schools has been halved by this Government; the number of schools with serious weaknesses has been more than halved. The number of secondary schools getting below 30 per cent. five good GCSEs has fallen

from 900 in 1997 to just 340 in 2005. And the number of good leaders and managers within the schools has risen from 56 per cent. in 1997 to 75 per cent. today.

In addition, all the results at 11, 16 and 18 are better than they were in 1997. In addition, every single health service waiting list indicator, in-patient and out-patient, is better than it was in 1997. In addition, there are record numbers of police, and crime has fallen over the past eight years of this Government. So I think public service reform and investment is doing very well.

Sir Menzies Campbell: While the Prime Minister is anxious to achieve some balance in the argument, perhaps he would like to explain why one in five schools do not have a permanent head teacher—*[Interruption.]*

Mr. Speaker: Order.

Sir Menzies Campbell: I just knew that it was going to be one of those days, Mr. Speaker.

When the Prime Minister entered No. 10 Downing street, he rightly abandoned socialism, but has not Blairism become a byword for centralisation and a failure to deliver?

The Prime Minister: On the heads vacancies, as the right hon. and learned Gentleman knows, it can be difficult to find the head of an organisation when the post is vacant, particularly if it is a failing organisation. *[Laughter.]* If he is in favour of greater devolution of power, presumably he supports our choice agenda in the NHS and our schools White Paper, which gives more powers to schools.

Q2. [40183] **Steve McCabe** (Birmingham, Hall Green) (Lab): Does the Prime Minister agree that while there has been considerable progress in tackling antisocial behaviour, there are still too many decent people in places such as Hall Green who do not receive proper, prompt assistance when they need it? Far from being a media gimmick, does not the respect action plan recognise those weaknesses, offering such people proper redress and, above all, showing them that we at least are on their side?

The Prime Minister: I think my hon. Friend is right to point out that local communities need those additional powers. Yesterday, we suggested extending the power that is available to shut down houses used for drug dealing so that we can shut down homes that are used for persistent antisocial behaviour. It is important to do so, but it is also right to deal with the underlying causes, which is why we have doubled the number of people who can enter programmes that treat their drug addiction. It is why we have Sure Start and the new deal for local communities. It is important, however, to make sure that those communities have the powers that they need, and that the police and local authorities use them. I entirely agree with my hon. Friend—these are not gimmicks, as someone said yesterday, but are vital if local communities are to reclaim order on their streets.

Mr. David Cameron (Witney) (Con): May I start by welcoming the new acting leader of the Lib Dems? That is something that the Prime Minister failed to do, and I hope that it is not becoming habit-forming. Whether interim or otherwise, those of us who have recently taken part in such contests look forward to watching this one. This year, more than 2 million people are likely to die from AIDS, most of them in Africa. The international community is now rightly committed to ensuring that all HIV/AIDS sufferers have access to treatment by 2010, but will the Prime Minister consider setting interim goals between now and 2010 to make sure that that vital target is hit?

The Prime Minister: I should, of course, have welcomed the right hon. and learned Member for North-East Fife (Sir Menzies Campbell). I shall give him an even bigger welcome if his position becomes permanent, not temporary. [HON. MEMBERS: "Ooh!"] It would probably be easier if I rejected him entirely. Well, I am happy to do that.

In respect of the AIDS programme, the reason why we have set the target as close as possible—there must necessarily be some discretion—to full coverage by 2010 is that that is the best we believe we can do, building up the programme over the next few years. We are about to increase it massively. The global health fund has just agreed $4 billion for the killer diseases and we want to build up the programme as quickly as possible. It is difficult for me to set targets year by year—[HON. MEMBERS: "What?"]—on behalf of other countries, but in respect of our own programme we are trebling aid to Africa over the next few years. The number of people with HIV/AIDS whom we are helping with antiretroviral drugs and by other means is increasing the entire time, so the UK has an awful lot to be proud of in what it is doing in relation to HIV/AIDS. I shall consider what the hon. Gentleman suggests, but it is difficult for me to take responsibility for what other countries will contribute, particularly to the global health fund.

Mr. Cameron: I am grateful for the answer, but I think the Prime Minister could play a role. The Department for International Development is co-chairing the UN committee that is reviewing the targets. The Prime Minister will know that the last target to help people with HIV/AIDS was catastrophically missed. The target was for 3 million people to have access to antiretroviral drugs by 2005, yet in the event only a million will have received those drugs. Will he look again at the case for setting interim targets, which would make it more likely that the 2010 target will be hit, as we all want to happen?

The Prime Minister: As I say, I am happy to consider that, but for the reasons that I have given, it is difficult for us to start setting precise targets for measures that will include other countries. Let me come back to what the hon. Gentleman said—can we not do more on HIV/AIDS? This country has led the way on overseas aid and development in the past eight years. I remind him that when we came to office, the development aid budget had been falling. The UK was way behind other countries in our profile on overseas aid and development. Thanks to the work that the Chancellor and successive Secretaries of State for International Development have done, this country now leads the way on debt relief and in relation to aid and the treatment of killer diseases. At the G8 summit at Gleneagles, as the hon. Gentleman

knows, we agreed a comprehensive action plan, the first of its kind for Africa. So I can assure him that I need no instruction from him or anyone else. We will carry on doing everything we can in order to promote action on Africa, and I am pleased that at long last the Conservative party is joining us in that.

Mr. Mark Hendrick (Preston) (Lab/Co-op): Is my right hon. Friend aware that in the Cumbria and Lancashire strategic health authority, the number of people waiting between six and nine months has fallen from 7,593 to just 301—a fall of 96 per cent.—since 1997?

The Prime Minister: It is not just for people waiting that length of time that waiting lists have fallen. Waiting lists in the national health service have fallen for every single one of the main indicators. When we came to office, hundreds of thousands of people were waiting on in-patient lists for nine months or for over six months. Those figures have come down dramatically. There is a maximum of six months, and we will go further and get to 18 weeks door to door for both in and out-patient lists by the end of 2008. *[Interruption.]* I can give the figures for out-patients as well. We have done extremely well in that regard also. When we first came to office, there were 157,000 people waiting for more than half a year on an out-patient list at any one time. Now there is none. There were 97,000 waiting more than 17-plus weeks, and now there are just over 200. There were 338,000 waiting over 13 weeks. Now the figure is 40,000. So there has been dramatic improvement across the range of in-patient and out-patient waiting times. That is the result of the investment and reform programme pursued by the Government and opposed by the Conservative party.

Q3. [40184] **Simon Hughes** (North Southwark and Bermondsey) (LD): If the national health service is doing as well as the Prime Minister is trying to persuade us that it is, why does Oxfordshire NHS patient Mr. Mike Collins have to borrow £10,000 to go private and get the heart treatment that he needs?

The Prime Minister: First, let me welcome the hon. Gentleman to whatever position he holds. I accept that some people are still waiting too long, which is the reason why we set out a programme over a number of years to reduce the number of people on waiting lists. When we entered office, people were waiting for more than 18 months, but the maximum is now six months, and it will be reduced further. We have been able to do that because of the extra investment and the change. On the reform programme in the national health service, waiting lists began to fall dramatically in London and elsewhere when we introduced the choice agenda. The hon. Gentleman's Liberal Democrat party—let us not be presumptuous; it is not his Liberal Democrat party—has opposed every single change.

Simon Hughes *indicated dissent.*

The Prime Minister: The hon. Gentleman is shaking his head, but that is what happened. *[Interruption.]* Then this must be a U-turn, which is good. If he is going to back our reforms, I am going to start backing him rather than the other one. *[Laughter.]* There is no end to the Liberal Democrat careers that I could sacrifice this afternoon. Where is the third one? The Liberal Democrats have got some hard thinking to do over the next few months.

Dr. Nick Palmer (Broxtowe) (Lab): Will the Prime Minister congratulate Nottinghamshire county council and Nottingham city council on receiving the award for the best-performing local transport plan in Britain and reward them by making an early decision on the extension to the tram network? We have been waiting for more than a year, and supporters and opponents of the scheme are equally frustrated, so we need a decision.

The Prime Minister: I am looking at the Minister responsible, who no doubt has the reward locked away in a vault. I must get back to my hon. Friend, because I do not know the current position on the tram programme. I will get in touch with him swiftly and remedy that ignorance.

Q4. [40185] **Mr. Greg Hands** (Hammersmith and Fulham) (Con): In October 2004, the Prime Minister rightly praised the staff of the Hammersmith Hospitals NHS Trust after his operation there. What is his message to staff and patients today, given that 300 jobs have been lost, that Macmillan cancer nurses are being assigned directly to the wards and that the trust has the second largest deficit in England of a massive £37 million?

The Prime Minister: In all fairness, the hon. Gentleman would want to give the other side of the story: there are almost 4,000 more nurses, 500 more consultants and more GPs in his area since 1997, and there has been a 7 per cent. increase in funding in real terms. I agree that that particular trust has a large deficit, but it is worth pointing out that 4 per cent. of NHS organisations are responsible for 50 per cent. of the overall deficit and that the majority of NHS organisations are in surplus or breaking even. It is correct to look at each organisation that is in deficit to see what can be done. However, I hope that the hon. Gentleman recognises that that obligation applies to not only the Government, but the trusts, which must provide proper financial management.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): In my constituency, another company, Inventec, has announced that it will transfer its manufacturing facility to eastern Europe, which will result in the loss of some 370 jobs. Does my right hon. Friend agree with many hon. Members on this side of the House that British workers deserve more protection when such decisions are made by faceless people who are driven by corporate greed and the exploitation of cheap labour?

The Prime Minister: I very much regret the job losses at Inventec. Inventec has been working closely with Scottish Enterprise, which is ready to step in with support services for those affected by the change, and the authorities are ready to put together a package of support and help for people who face redundancy. However, it is also important to recognise the huge increase in the number of jobs in Scotland over the past

few years. I know that that is no consolation to those who have lost their jobs at Inventec, but we will do everything that we can to help people with retraining and finding new work.

Q5. [40186] **Mr. Robert Goodwill** (Scarborough and Whitby) (Con): The Government seem to be content that an increasing number of convicted criminals are escaping a custodial sentence. As he embarks on what may well be his final full year in office, is the Prime Minister bothered that a pensioner with a minimal amount of unpaid council tax is more likely to go to jail than some muggers?

The Prime Minister: The hon. Gentleman is actually wrong about that. The prison population has risen considerably over the past few years. That is not a particular boast for any Government. People are being given custodial sentences. Sentences are there for the court to decide, and over the past few years there has been an increase in numbers, running into thousands, of people being given custodial sentences. It is also true that detection rates are rising, which is good news.

Siobhain McDonagh (Mitcham and Morden) (Lab): What advice would my right hon. Friend give to parents in my constituency who recently received a leaflet encouraging them to oppose academy schools, which was delivered by Merton Conservatives?

The Prime Minister: In fairness to Merton Conservatives, Conservative policy changes so quickly nowadays that they may have a little difficulty in keeping up with it. As I understood it, it was the policy of the Conservative leader, at least yesterday, to support the academy programme. I hope that he will intervene with Merton Conservatives and tell them how important it is to have academies, which can offer real opportunities to some of the poorest kids in the inner cities.

Q6. [40187] **Mrs. Iris Robinson** (Strangford) (DUP): Does the Prime Minister recall telling the House at his previous Question Time on 14 December:

"Obviously, we were not consulted about this matter"—[*Official Report*, 14 December 2005; Vol. 440, c. 1296.]

when referring to charges being dropped against IRA members accused of being involved in the Stormont spy ring? As the Attorney-General wrote to the leader of my party on 22 December saying, "I consulted ministerial colleagues", would the Prime Minister now like to come clean about the extent of that consultation?

The Prime Minister: I do not know about the particular element that the hon. Lady is referring to. All I can say is that, as far as I am aware, I certainly was not consulted on whether this prosecution should be dropped. *[Interruption.]* Well, I have not studied the letter myself, but it has been put in the Library. I will do so, and I will write to the hon. Lady.

Q7. [40188] **Andrew Miller** (Ellesmere Port and Neston) (Lab): I understand that the Under-Secretary of State for the Cabinet Office, my hon. Friend the Member for East Renfrewshire (Mr. Murphy), is publishing a new Bill today on regulatory reform. Trailing that in this morning's *Financial Times*, he says that it is part of

"one of the most radical regulatory reform agendas in the world".

Will my right hon. Friend assure me that all Government Departments will be actively engaged in this process, as a lot of steps can be taken to improve regulation if that occurs?

The Prime Minister: I certainly give my hon. Friend that assurance. The Bill will make it quicker and easier to remove outdated or unnecessary legislation, but it also makes it possible to implement the Law Commission recommendations. Most of all, as the Chancellor indicated before, we want to take a risk-based approach to regulation, and the Bill will allow us to do that. My hon. Friend will recall that we have introduced regulatory reform legislation before. We have managed to withdraw some regulation under that, but frankly we need to do better, and the Regulatory Reform Bill should commend itself—I hope that it does—to both sides of the House.

Q8. [40189] **Mr. Richard Benyon** (Newbury) (Con): In his last few months in office, will the Prime Minister look at the grotesque unfairness of the Government grant allocation to local authorities, which sees council tax payers in west Berkshire receiving approximately a third of the amount per head of non-schools grant allocation compared with council tax payers in parts of the north-east of England? Will he explain—*[Interruption.]*

Mr. Speaker: Order. One supplementary is all that is allowed.

The Prime Minister: Surely the hon. Gentleman's local authority has received significantly more money in real terms in the past few years. I understand that in, for example, education, there has been an extra £1,320 in funding per pupil in his area in the past few years. *[Interruption.]* I agree that maybe it should be more—we want to increase the investment in our public services—but I remind him that he fought an election promising to reduce the investment that we were making.

Q9. [40190] **Martin Salter** (Reading, West) (Lab): Yesterday, the Prime Minister launched the respect action plan to give communities better opportunities to tackle crime, drugs and antisocial behaviour. Does he recognise that, in Reading, under the dynamic leadership of the local Labour council, supported by Chief Superintendent Dave Murray, excellent progress has been made in cutting crime through the use of antisocial behaviour orders and getting drug-addicted criminals into treatment programmes? How will his respect action plan help us in Reading and throughout the country to do even better?

The Prime Minister: My hon. Friend is right that there is a dynamic leadership in Reading that has indeed delivered the action on antisocial behaviour that he describes. The important thing is that the powers that we outlined yesterday build on that. For example, they extend the ability to give fixed penalty notices and there are tougher actions for homes that are used for

antisocial behaviour and for antisocial behaviour especially by younger kids. He is right that, in Reading and other areas, which I have seen for myself recently, such as east Manchester, Harlow and Swindon yesterday, where local authorities, local police and local residents use the powers, they make a real difference. Anybody who believes that they are simply a gimmick or knee-jerk populism should go to those areas, hear what local residents say, see the difference that they have made and recognise that they are a major part of an agenda for restoring community life in this country for the time in which we live, and allow local communities to put the law-abiding citizen, not the criminal, at their heart.

Northern Ireland

12.31 pm

The Secretary of State for Northern Ireland (Mr. Peter Hain): With permission, Mr. Speaker, I would like to make a statement about Northern Ireland.

Northern Ireland is governed best when it is governed locally. Since 2002, for reasons that the whole House knows, that has not been possible. However, our commitment remains absolutely clear: the Government believe that 2006 can be the year for restoration of the Assembly and will work to that end as a matter of utmost priority.

My predecessors have all referred to critical times for Northern Ireland, and there have been many, but this year is indeed critical, especially for the Northern Ireland political parties and specifically for Assembly Members. For them, 2006 is a make-or-break year.

If no restoration of the Assembly is in prospect, two stark realities have to be faced. First, public resentment in Northern Ireland continues to build at the continued payment to Assembly Members of salaries and allowances that total on average £85,000 per member while Stormont stands idle. Since it was suspended in October 2002, the Assembly has cost £78 million to maintain.

Countless times, voters in Northern Ireland have asked me, "How long can this go on?" I want to tell the House today that it will not go on for many months more. Furthermore, no Northern Ireland political leader has disagreed with me that it would be traducing democracy to have elections for the second time to an Assembly that does not exist. Elections are due in May 2007. For them to be meaningful, we must have an Assembly that exercises its full responsibilities. We therefore need to make progress urgently. We cannot let things drift.

Members of the Legislative Assembly were elected to be active members of a legislative Assembly, working for their constituents in that Assembly. They have a duty to do so. I want to see them discharging their responsibilities to their electors to govern on the shared basis that the voters of Northern Ireland gave them a mandate for in the 1998 referendum. Of course, that means building greater trust to deliver on commitments already made on all sides.

Unionists and nationalists need to know that republicans are committed to exclusively lawful means. They need to know that all paramilitary activity, including criminality, has ended. The Independent Monitoring Commission is the body that will make that assessment. They also need to know that there is unequivocal support for the Police Service of Northern Ireland and for the rule of law. And republicans and nationalists have to know that unionists are fully committed to fair and equitable power sharing. But if people are serious about seeing a shared future based on fairness and equality, they must persuade each other of that. I am therefore asking each of the political parties to agree on dates in early February for substantial discussions with the British and Irish Governments, to give their views on the way forward to restore the political institutions. The Prime Minister, together with the Taoiseach, will be closely involved with developments during the year.

I also wish to inform the House about the Government's intentions as regards the Northern Ireland (Offences) Bill. When I moved its Second Reading on 23 November, I said that the Bill was necessary to help to bring closure to Northern Ireland's dark past of violence by resolving outstanding issues that had not been dealt with in the Belfast agreement, primarily that of terrorist suspects on the run. Following the agreement, more than 400 paramilitary prisoners were released on licence. Although victims of atrocities were, understandably, in uproar at the sight of murderers and former terrorists walking free, it was the right thing to do to seal the agreement and lock in the peace. However, it left unresolved an equally difficult matter: the issue of what to do about those who had committed terrorist offences before 10 April 1998 and who, had they been in prison at the material time, would have been part of the early release scheme. It also left unanswered the question of what to do about others who might be prosecuted in future for crimes committed during the troubles before the Good Friday agreement.

The Northern Ireland (Offences) Bill is a challenge to everyone to look to the future, and not to be trapped in the past. That challenge remains. But, as I told the House then, I did not bring forward the Bill with a spring in my step, because I knew how hard it was for those thousands of victims who had lost so much. I knew that introducing the legislation would be difficult and uncomfortable, and I neither sought nor expected the sympathy of the House for that.

Members of the House, particularly those from Northern Ireland, expressed their opposition to the Bill with great power and passion. In detailed discussion in Committee over many hours—I think it was 27 hours—those concerns were amplified with real commitment by Members across the Committee. That passion was expressed no less powerfully outside the House in meetings that I and my hon. Friend, the Minister of State, Northern Ireland Office, had with victims' groups. In response to the arguments put to us in Committee, we have been drafting wide-ranging amendments to the Bill, including amendments to ensure that defendants would have to appear before the special tribunal. We were also giving serious consideration to a time limit for the scheme.

The Government still feel that it was right to introduce this legislation, not least to honour the commitment made publicly by both the British and Irish Governments in 2003, a commitment that was a key building block in the process that saw the IRA end its armed campaign. The Government could have proceeded with the Bill when the issue was first raised seven years ago. We could have done so when the joint declaration was made in 2003. We did not do so, however, because the IRA had not delivered on its promise to end its war. We waited until that happened.

Every Northern Ireland party vigorously opposed the Bill, bar Sinn Fein. Now Sinn Fein opposes it, because it refuses to accept that the legislation should apply to members of the security forces charged with terrorism-related offences. To exclude from the provisions of the Bill any members of the security forces who might have been involved in such offences would have been not only illogical but indefensible, and we would not do it. Closure on the past cannot be one-sided. That was, and is, non-negotiable.

[Mr. Peter Hain]

The process would have made people accountable for their past actions through the special tribunal before being released on licence. Sinn Fein has now said that any republican potentially covered by the legislation should have nothing to do with it. But if no one went through the process, victims who would have suffered the pain of having to come to terms with the legislation would have done so for nothing. That is unacceptable, and I am therefore withdrawing the Bill.

When I introduced the Bill, I said that I would not presume to tell any victims that they must draw a line under the past, but the Government still believe that the anomaly will need to be faced at some stage as part of the process of moving forward. It is regrettable that Northern Ireland is not yet ready to do that. We will reflect carefully over the coming months on how to make progress in the context of dealing with the legacy of the past. We will not rush to conclusions and I will take stock in the autumn. In reflecting, we will be mindful of the views of all the political parties, the Select Committee on Northern Ireland Affairs, victims' groups and others.

We are approaching the endgame of a long period of transition that began with the ceasefire of the early 1990s. As I have said before, the endgame in conflict transformation is often the hardest part, and so it has proved in this case, but 2006 can and must be a year of historic progress in Northern Ireland. It must be a year in which we see a devolved, power-sharing executive of local politicians making the decisions that affect the everyday lives of the people of Northern Ireland. That goal should unite all Members of the House.

Mr. David Lidington (Aylesbury) (Con): In withdrawing the Northern Ireland (Offences) Bill, the Secretary of State has done the right thing, and I am happy to give his decision an unqualified welcome. It is good for the House that the Government have decided to join the cross-party consensus which, of course, extended to many Labour Members as well as members of all Opposition parties.

I hope that as the Secretary of State reflects on the way forward, he will take account of the position of those who were exiled from Northern Ireland by the threats of paramilitary organisations. I ask him above all to have at the forefront of his thoughts the interests of victims of the troubles and their families and to agree that, if there is to be a hope of reconciliation, particularly when we are asking so much of those who have lost members of their families to terrorism, there must be telling of the truth, not just a partial account of the truth, and some justice must be applied to those who were responsible for the violence of the past, even if that justice is largely symbolic. There must be both truth and justice if we are to have a chance of reconciliation.

As for the proposed all-party talks—or, rather, talks between the Governments and the various Northern Ireland parties—we have consistently supported efforts to achieve devolution. I want the institutions up and running again. Decisions that directly affect the lives of people in Northern Ireland ought to be made by locally elected representatives who are accountable to the people of the Province, not by the Order-in-Council procedure here, which is profoundly unsatisfactory and, frankly, pretty undemocratic.

I hope that the Secretary of State's talks succeed, but does he agree that their success will depend crucially on two things? As he suggested, they will depend on the rebuilding of trust between parties and between communities—a trust that will have been fractured over the past year by incidents such as the robbery of the Northern bank and the murder of Robert McCartney, and the subsequent treatment of members of his family. Does he agree that trust is unlikely to be rebuilt quickly, or on the basis of a single favourable report from the Independent Monitoring Commission?

I want to make it clear that we Conservatives welcome the changes that the republican movement has made and announced, particularly those announced during the latter part of 2005, but we also want to see clear evidence that that change is both permanent and irreversible. Above all, does the Secretary of State agree that our hopes of success in the talks and the political process depend fundamentally on an end to criminality in all its forms, and on full support being given to the police, the courts and the rule of law by every political party that aspires to serve in government in Northern Ireland?

Mr. Hain: I welcome the hon. Gentleman's comments and I am very grateful for them. I agree that the decision that I have taken—it was not an easy decision—is good for the House. My hon. Friend the Minister of State listened for 27 hours to the very powerful points made in Committee by those who were seeking amendments, so to that extent, we have listened to the House and reflected its views.

The hon. Gentleman made an important point about exiles. We expect from republicans and loyalists an end to the obnoxious activity of exiling, and that their communities start behaving in a different way. One problem is that there is a need for a change of culture, which, as he knows, is not easy to bring about even in years, let alone in the few months in which we need to make progress.

I always did, as he rightly insisted that we do, listen to victims. Indeed, just before Christmas, the Prime Minister and I met a delegation, including parents, from the Royal Ulster Constabulary George Cross Widows Association. It was a very moving meeting and they made some very powerful points. I hope that they will feel reassured by the decision that I have taken today.

The hon. Gentleman put the point well—I shall read his words in *Hansard* very carefully—when he said that we have to see some justice done for the past, even if it may have to be symbolic. He is pitching to exactly the right part of the problem that we need to resolve. In effect, he made the point that I made earlier: we have to find closure on the past not by denying it, but by allowing Northern Ireland to move forward in such a way that people feel that justice has been done, but they are not dealing with offences that could involve events that took place 30 or even 40 years ago by the time they come to court and in a sense feel that they can be dealt with in exactly the same way today, when the IRA war, in its own words, is over, compared with what was the case at the time.

I am also grateful to the hon. Gentleman for his support for the discussions that we are about to undertake. I hope that, in the spirit of consensus that we

are seeking to work toward—I am grateful for that, too—he will encourage all political parties to behave responsibly and to take part responsibly in those discussions. I agree with him that decisions are best taken in Northern Ireland by elected representatives, which is what we both want to achieve. I also agree that the situation depends on building trust. I should point out to my friends in the Democratic Unionist party in particular that they are entitled to feel suspicious. They got very close to doing something very difficult—reaching agreement in the latter part of 2004, only to discover, as the hon. Gentleman said, the Northern bank robbery and the McCartney murder.

As the hon. Gentleman also said, to be absolutely fair, events have changed the situation very significantly since then. The IRA's statement and the decommissioning that followed are of historic significance, as he pointed out. I also accept that we cannot build trust on the basis of a single report of the Independent Monitoring Commission, which is due in early February. On the other hand, if that report shows a sea change, we are entitled to expect a responsible response from all the political parties. I further agree that we have to see an end to criminality, and that Sinn Fein—along with all political parties, loyalist groups and others—needs to sign up to the rule of law and policing. That is absolutely essential.

In respect of policing, I visited south Armagh over the Christmas recess and discovered that many residents in republican communities such as Crossmaglen now approach the police about burglaries, youth yobbery and other problems with which we are all familiar in our own communities. Such problems are starting to arise in the more normal conditions that now prevail across Northern Ireland. I hope that there will be full co-operation with the police, especially from Sinn Fein councillors and Members of the Legislative Assembly. It is their duty to co-operate, but it beats me how on earth they can expect to take part in an Assembly—and even to hold ministerial office—when they do not even talk to the police.

Lembit Öpik (Montgomeryshire) (LD): I add my welcome to the Secretary of State's candid announcement, and the fact that he chose today to share the Government's intentions with us. From the first part of his statement, it is clear that he regards May 2007 as something of a deadline. Does he agree that there have been rumblings of discontent for a long time now about the cost of the Assembly and the salaries that are being paid when there is no visible return in terms of an operational democratic structure? However, does he accept that many Assembly Members have acted in good faith throughout and done their very best to ensure a functioning Assembly?

What will the Secretary of State do to ensure that the good are not punished for their loyalty to the process? Will he make sure that there is a degree of discrimination in the Government's approach and that a distinction is made between those who have acted in good faith, in the spirit of the Good Friday agreement, and those who have sought to resist the operation of the Assembly? I am sure that he will agree that it is not reasonable to punish those who throughout have done their best, sometimes in very difficult circumstances, to maintain a bipartisan agreement.

I turn now to the Northern Ireland (Offences) Bill. The Secretary of State has made it clear that he has sensed and heard the resentment and opposition from all sides to that proposal. Is not this only the second time in the past few years that there has been collective opposition to Northern Ireland legislation introduced by the Government? That collective opposition has been so considerable that all the Northern Ireland parties, including Sinn Fein, have opposed the Bill, as have all the Opposition parties on the UK mainland. Does he recall that the other legislation to arouse such opposition was the Bill to introduce student tuition fees? On that occasion, the Government lost a vote on these premises but nevertheless forced the introduction of the proposals. Will he accept my gratitude for the fact that, this time, he and the Government have heeded the many criticisms and amendments put forward in the Standing Committee considering the offences Bill?

My party concurs with the hon. Member for Aylesbury (Mr. Lidington) in that we will not make mileage out of this decision. The Government have done the right thing, and we recognise that there must be some sort of resolution to the problem. On behalf of all Liberal Democrat Members, I thank the Secretary of State for his announcement. On this occasion, the Government have listened, and acted maturely.

Mr. Hain: After that, what can I do but thank the hon. Gentleman for his remarks? I do so in all sincerity: he and I are in the same position on this matter, and always have been. He has played an honourable and responsible role in seeking to make progress in Northern Ireland.

The hon. Member for Montgomeryshire (Lembit Öpik) is right to say that the Government have listened to the House in respect of the Northern Ireland (Offences) Bill. Equally, the Bill was passed by a comfortable majority on Second Reading. There were 44 Divisions in Committee, and none was lost—*[Laughter.]* I say that because withdrawing the Bill is the right thing to do, as the hon. Gentleman freely said. However, I want to make it clear that I am not withdrawing it because the Government did not command a majority and were unable to get it through the House. I think that we could have got it through, with amendments of the sort that we were planning.

Lembit Öpik *indicated assent.*

Mr. Hain: The hon. Gentleman agrees with that. He spoke about the political process, but May 2007 is not a deadline, as we have to make progress this year. An election in early May 2007 cannot be postponed a matter of weeks beforehand. He is right to say that we cannot elect people to an Assembly that does not exist and that the public in Northern Ireland would not stand for that. Moreover, as I said in my statement, we cannot continue to pay the salaries and allowances of people who are not prepared to take their legislative responsibilities seriously.

The hon. Gentleman said that many Assembly Members—I assume that he was referring to those in the Alliance party—have struggled all through the past few years to try and get—

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): They have struggled all right.

Mr. Hain: I say to my friends in the Democratic Unionist party that it is right to recognise that people in certain parties have sought honourably to get the political process up and running. The Alliance is one of those parties.

The hon. Member for Montgomeryshire spoke about discrimination, but I do not think that that would be possible. I think that all Members of the Legislative Assembly act in good faith, to use his phrase. I would not want to be the arbiter of who does and who does not act in that way, especially when it came to deciding whether salaries and allowances should be withdrawn. If Members of the Legislative Assembly are not willing to do their jobs in the Assembly, there is no point in going on as we are.

Assembly Members from all parties write to me, so I know that many of them do a job in their constituencies. However, their constituents elected them to take their responsibilities as legislators seriously, and the point is that they are not doing so. I welcome what the hon. Member for Montgomeryshire said and look forward to working with him over the coming months.

Mark Durkan (Foyle) (SDLP): The statement by the Secretary of State covers two main areas and my remarks will relate to both. First, he said that he hopes that talks will be held and asked party leaders to agree to dates in early February. I can assure him that my party has no problem about his preferred dates and that we will take part in a sensible and meaningful way, but I hope that he will ensure that we will not have to continue our grand tour of various stately homes in Great Britain.

Will the Secretary of State also consider setting a date for restoration of the Assembly? Instead of making flaky threats about withdrawing salaries if progress is not made by the summer, he should tell us by what date the Government want the Assembly to be restored. It was the Government, and not the Members of the Legislative Assembly, who suspended the Assembly: they did so because of the IRA's failure to decommission its weapons and its decision to continue its activity. The IRA's refusal to decommission gave other parties an effective veto on Northern Ireland's political institutions. Now that that problem has been dealt with, that veto should be deemed to have expired and the Government should make it clear that we are on a countdown to restoration.

Secondly, the Secretary of State announced the withdrawal of the Northern Ireland (Offences) Bill. I join other hon. Members in welcoming that, although my welcome is not unqualified, as I am concerned that some of the right hon. Gentleman's other remarks imply that the proposals might be recycled in another form. I hope that he will confirm that the Bill truly has been abandoned, and not merely parked until another time, because it does not deal with the past in the way that he suggested.

The House will recall that, on Second Reading, the Secretary of State referred to the example of South Africa. However, the key phrase in the foreword to the South African legislation was that the past should be left behind "on a moral basis". There was nothing moral about the Bill, nor about the way that it was introduced. It would have built a moral vacuum, a legal quicksand—

Mr. Speaker: Order. I have given the hon. Gentleman some leeway, but the Secretary of State has made a statement. Several supplementary questions have been put to him, so I think that we will leave the hon. Gentleman's contribution at that.

Mr. Hain: First, I can respond to the final point made by the hon. Member for Foyle (Mark Durkan) by saying that I am grateful for his welcome for the withdrawal of the Bill. I assure him that there is no intention to recycle it, but the anomaly associated with the on-the-runs and those who might be prosecuted as a result of historic or current inquiries persists. That is true whether the people involved were in the security forces or belonged to paramilitary groups. That anomaly will continue to throw up many problems and issues over the coming years. We can either accept that, or we can find a legislative vehicle to resolve the matter. I want people to pause for reflection, and there is no question of our just recycling the Bill. It should not be on the agenda for the next months, at any rate.

I am grateful that the SDLP will be willing, as it has always been, to participate in political negotiations. Indeed, it has been pressing for them. I agree that, in my hon. Friend's inimitable phrase, there should be no grand tour of stately homes. We might come to my own one at Hillsborough once or twice—

Sir Patrick Cormack (South Staffordshire) (Con): Hear, hear.

Mr. Hain: The Chairman of the Select Committee agrees. I was privileged to have him and his Committee for dinner before Christmas.

On the point made by my hon. Friend the Member for Foyle (Mark Durkan) about setting a date to restore institutions, I do not think that that can simply be done unilaterally. We have to proceed carefully, but he is right that we are on countdown. May 2007 is a deadline, but it means that we have to proceed this year and to get the Assembly up and running. We are in the countdown period, but I do not want to set an arbitrary date as that could cause the sort of problems from which it is difficult to emerge.

Mr. Peter Robinson (Belfast, East) (DUP): It is helpful that the Secretary of State has set out his stall today. I welcome some of his comments, and my colleagues and I particularly agree that Northern Ireland is governed best when it is governed locally, although we would enter the caveat that it must be governed by those committed to exclusively peaceful and democratic means.

It is not unreasonable of the Secretary of State to recognise that it would be unconscionable to hold an election to an Assembly that has not met over the past four years. Nor do we have many misgivings about ending the salaries of Assembly Members if progress cannot be made, although, to be consistent, I am sure that the Secretary of State will want to give the House an assurance that if Sinn Fein is not doing its job in this House, he will never consider paying allowances to its Members of this place.

I very much welcome the withdrawal of the OTR Bill; it was the right step for the Secretary of State to take. It is welcome to all the Opposition parties, who have

worked collectively and very well on the issue. I am glad the decision was taken here in the democratic Chamber rather than being forced on the Government in another place.

Finally, while the DUP wants real progress on devolution in Northern Ireland, there has to be some reality in the Government's thinking. It is not always possible to complete a journey in one step. Would it not be sensible for the Government to recognise the limitations imposed by the fact that trust is the most essential ingredient in forming any Cabinet? That trust, at present, simply does not exist. Trust is not based on a calendar; it must be built up over time. Is it not possible to consider taking a first step on the road to executive devolution by having a non-executive form in which people can start to build trust and in which the credentials of Sinn Fein and the IRA can be tested?

Mr. Hain: I am grateful for what the hon. Gentleman has said, which was in the spirit of the mood of the House. Since he has agreed with the point I made about 2007, I have to agree with him. There is no difference between us in saying it would be—although I hesitate to use the term—a kind of farce for democracy to go through a process of electing people to a body that does not exist.

I note that the hon. Gentleman has no misgivings about salaries and allowances, which covers Members' advice centres and all the rest. I am not suggesting that because I want to hold a sword of Damocles over MLAs. I am doing it because it is logical and what the public want. The public want MLAs to do their jobs, and the hon. Gentleman is indicating, I think, that he senses that they may be right.

I am grateful for what the hon. Gentleman said about the Bill. Implicit in what he said was the fact that many fierce words were expressed in Committee over many days. What struck me, however, and what the Minister of State, my hon. Friend the Member for Delyn (Mr. Hanson), reported to me—I pay tribute to the great sensitivity with which my hon. Friend dealt with matters in Committee, and I sense that the House agrees with me on that—was the role played by the DUP, the UUP, the SDLP and, indeed, the official Opposition, despite the fact—

Lembit Öpik: What about us?

Mr. Hain: And the Liberal Democrats, of course. Leaderless as they may be, I still have to pay tribute to them.

The point is that the Committee showed Parliament at its best. People had fierce disagreements but were able to treat each other with respect, and the hon. Member for Belfast, East (Mr. Robinson) and his colleagues certainly behaved in exactly that way.

I welcome what the hon. Gentleman said about wanting real progress on devolution. That was an important statement from the Deputy Leader of the DUP, and I know that he means it. He is entitled to say that there has to be a reality check, and I understand why he says it. I note carefully what he said about the problems of taking just one step. He asked whether there could be some non-executive precursor to power sharing, to build trust. I await proposals from him and his party and from other parties. I am not keen on the idea of an Assembly prior to a power-sharing Executive. I would like to act in the way provided for by the Good Friday agreement. If, however, there were all-party consent, which it would be the duty of the DUP to seek, along with other parties, and if people came to me with a model that others would support, that would be an interesting proposition, which we could talk about after the IMC report in early February.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I commend the Minister for having the honesty to recognise that the Bill had become unworkable and for being prepared to withdraw it. It is obvious from what he has said that he has spent considerable time talking not just to the politicians of Northern Ireland, but to the people on the streets from all communities. What are his assessments of opinion on the street about restoring the Assembly and of all-community support for policing in Northern Ireland?

Mr. Hain: There is virtually universal support for all-community policing in Northern Ireland, even in republican communities and even if republican leaders have not yet signed up to it. On restoring a power-sharing Government, feelings are, to be perfectly frank, ambivalent, according to where people stand politically and what experience they have had in the past. That is reflected, for example, in the difference of opinion expressed by my hon. Friend the Member for Foyle (Mark Durkan) and the hon. Member for Belfast, East (Mr. Robinson).

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): I join my hon. Friend the Member for Aylesbury (Mr. Lidington) in congratulating the Secretary of State on withdrawing the Bill. I and many others felt very strongly about it. I have served in Northern Ireland, and many have to live in that environment. It was a pernicious measure, and I am glad that he has seen the light.

I was concerned, however, that it took Sinn Fein to decide the fate of the Bill, not those who have taken their places here and legitimately argued their case. I hope that that will not occur ever again.

If the Secretary of State ever thinks of bringing back the Bill, or anything like it, he should learn from the South African experience. My hon. Friend was absolutely right to say that we cannot have peace without justice, and making people confront the victims of their actions is absolutely vital if we are to have any closure. We must not have the process that the Secretary of State proposed, which would have allowed those people to escape and never have to face up to what they did.

Mr. Hain: I do not accept that the Bill was pernicious. We were drafting amendments on the subject of people appearing in court, and I listened to what was said in Committee.

The right hon. Gentleman mentioned South Africa. Despite the fact that—according to my calculations—more than five times as many people were killed during the bitter years of apartheid as were killed during the troubles in Northern Ireland, and despite the fact that

[Mr. Hain]

Nelson Mandela spent 10,000 days of his life in prison, leaving his family bereft, and experienced the killing of many of his close comrades, he was able to build trust and to forgive, although not forget. That is the point that I ask all politicians, parties and people of Northern Ireland to learn from: it is the only way forward.

Dr. Alasdair McDonnell (Belfast, South) (SDLP): I congratulate the Secretary of State on withdrawing the Bill, which caused all of us a lot of stress. I am heartened by its withdrawal and grateful that he took that wise step.

I agree that it is not credible to sustain the payment of Assembly Members indefinitely. We all accept that, but we would like responsibility to be placed where it belongs. I shall not try to defend the indefensible, but responsibility for whether payment was made falls within the remit of the Secretary of State. A previous Secretary of State decided that on suspension 75 per cent. of salaries would be paid.

The Secretary of State mentioned the figure of £85,000 per Assembly Member, but, if taken out of context, that could be misconstrued and even seen by many as disingenuous. The salary of an Assembly Member is about £30,000 and the rest goes on expenses and maintaining a constituency service. Many Members of the Assembly, from all parties, work very hard as constituency representatives, trying to maintain public involvement in and engagement with the evolving new democratic process. That is important. Many colleagues maintain offices and staff and I know one colleague who tries to run three offices and three members of staff from expenses in a difficult constituency in which he is trying to build hope, trust and confidence in democracy. I urge the Secretary of State—

Mr. Speaker: Order. May I interrupt the hon. Gentleman? I know that he is new, and I do not like to interrupt new Members, but during a statement one supplementary only should be asked. I give a little elbow room to the Front Bencher from every party, which I have already done. Perhaps the Secretary of State could now answer the hon. Gentleman's points.

Mr. Hain: I welcome the hon. Gentleman saying that it is not credible to continue paying people who will not fulfil their legislative responsibilities. The figure I gave includes a £32,000 salary and £48,000, which is the maximum claimable for office costs, to provide the service to constituents that MLAs almost universally provide with great diligence. The figure of £85,000 is an average figure given to me by the relevant Department that works to me. I accept that many people do work very hard.

Sir Patrick Cormack (South Staffordshire) (Con): In adding my welcome for the statement, especially the withdrawal of the Bill, may I ask the Secretary of State for an assurance that if he is minded to produce new—not recycled—legislation, it will be committed to pre-legislative scrutiny, possibly to the Northern Ireland Affairs Committee, as suggested by the Committee?

Mr. Hain: I do not have any plans for recycling the Bill or for early legislation. We need to cool the issue down. As I said in my statement, I hope that next year—or whenever the hon. Gentleman feels it is appropriate—the Northern Ireland Affairs Committee will look into the past in that context. I cannot give a commitment to pre-legislative scrutiny at the moment, because I do not have any plans to bring back a Bill, but I have always been a big fan of it. Such legislation could be a good candidate if some future Secretary of State or even I were to introduce a Bill on the basis of consent.

Jeremy Corbyn (Islington, North) (Lab): Will the Secretary of State be more specific about what date the Assembly might be re-established? The intentions are fine, but we need to be more specific about when it will happen in order to hasten any negotiations that take place. In the light of the Bill's withdrawal, is he satisfied that the Belfast agreement is being adhered to and is still fully supported by the Government? His defence of the original measure was that it was part of the Belfast agreement, so the issue will have to be returned to at some point.

Mr. Hain: I made it clear that we will have to return to the issue if we are to resolve the anomaly that I described. To that extent, I am honouring the Good Friday agreement. I introduced the Bill in good faith in response to commitments made by both Governments in 2003. One of the parties to those commitments has now reneged on its support for the Bill and it should ask itself some questions before we start down the road that my hon. Friend suggests.

Lady Hermon (North Down) (UUP): I am delighted and I am unanimous—which is one of the benefits of being on my own—in my welcome for the Secretary of State's courageous announcement that he will look at the salaries and allowances of Assembly Members. I believe passionately in devolved government in Scotland and Wales, and particularly in Northern Ireland, but it has been very offensive to many constituents, some of whom are waiting for hip and knee replacements, to see salaries and allowances being paid to MLAs. I also welcome the withdrawal of the OTRs Bill.

One little outstanding matter needs to be clarified. Is it true that the Lord Chief Justice and other members of the Northern Ireland judiciary were opposed to operating the OTRs Bill and that that was one of the prime reasons why the parallel structure had to be put in place?

Mr. Hain: I cannot comment on that last point and I do not think that the hon. Lady would think it proper for me to do so. Despite the fact that she speaks for one unanimously, I think that she speaks for many more, as does her party in Northern Ireland, and I am grateful for her remarks. I am also grateful for her support on salaries and allowances for MLAs.

Michael Connarty (Linlithgow and East Falkirk) (Lab): On the issue of withdrawal of the Bill, my right hon. Friend will know that I supported it in the optimistic hope that it would bring about peace and reconciliation. I spoke to him yesterday about the families bereaved by the McGurk's bar bombing—the victims included my grandmother's youngest brother,

whom we fondly called Uncle Philly—who hoped that the Bill might provide some way to bring to some form of justice the people who carried out that bombing. Robert Campbell, a member of a loyalist paramilitary organisation, admitted to driving the car, but the two men who placed the bomb have never been named. We understand from the families' campaign, run by Patricia Irvine and others, that the names of those two men are somewhere in the files of the Northern Ireland Office or the Police Service. Where do the families go now for justice, because without some form of restorative justice the two men will never be named?

Mr. Hain: My hon. Friend has mentioned to me the case involving his relative and it is a very serious one. I think that it might be best if he wrote to the Chief Constable, because the historic inquiries team could look into the case and see how we proceed.

Mr. Michael Mates (East Hampshire) (Con): I share the universal welcome for the withdrawal of the Bill, but is it not a sad state of affairs that it appears that Sinn Fein-IRA are still driving so many decisions behind the scenes, by either withholding or giving support? The Secretary of State may ask why Sinn Fein-IRA still withhold support from the police and will not deal with the exiles matter, but is it not because they are looking for further concessions before they agree? Will he make certain that there are no further concessions?

Mr. Hain: There can be no further concessions because there is only one way to resolve the matter, and that is by legislation. To be perfectly frank, when Sinn Fein came to me on 20 December and told me that it no longer supported the Bill, my reaction, and that of my hon. Friend the Minister of State, was to tell it to get lost: given all that we had done to fulfil the commitment that we had agreed—with all the difficulty in the House and the strength of opinion—to be told that it was changing its mind and doing a U-turn, that was my attitude. Nevertheless, I did not think it right to proceed with the Bill. That was not in response to what Sinn Fein may have decided from day to day. We are withdrawing the Bill because without the prospect of any on-the-runs actually using it, it would achieve nothing. Victims would see no prosecutions or convictions resulting from it. We would have gone to a whole lot of trouble and cost setting up something of which people would not avail themselves. That was the point of withdrawing the Bill.

Mr. Nigel Dodds (Belfast, North) (DUP): I join my hon. Friends and other colleagues in welcoming the withdrawal of the OTR Bill. It is a victory, albeit belated, for common sense and morality and, not least, for the victims. Let us face it; they have had little enough to cheer throughout the entire sorry process.

Will the Secretary of State accept that democratic parties in Northern Ireland have been willing to get down to work in the Assembly but that, over years, the Government have prevented the Assembly from meeting and proceeding, because they wanted to ensure that the only way forward was the insertion of Sinn Fein, even with its criminality and paramilitarism, at the heart of government? Will not the real test for the Secretary of State come in April, not the summer? Will he really suggest to the House that Sinn Fein Members should have all their allowances restored in this place, when they do not attend the Chamber and fulfil their duties?

Mr. Hain: That is a matter for the House, but in respect of Sinn Fein's allowances in the Assembly, they will be treated like everybody else and every other party. I do not want to withdraw salaries and allowances, but if circumstances force it Sinn Fein will have them withdrawn as well.

I do not accept the hon. Gentleman's point that the Government prevented the Assembly from sitting. We must have all-party agreement for the Assembly to sit. In response to the interesting and quite significant point made by his colleague, the hon. Member for Belfast, East (Mr. Robinson), I said that we await proposals from the DUP and we shall want to see whether they have support from other parties. Then we can make progress.

Mr. Ben Wallace (Lancaster and Wyre) (Con): We should not forget that the Northern Ireland (Offences) Bill was introduced under the auspices of Sinn Fein's demands and we now hear that it was withdrawn after Sinn Fein's demands. After all the warm words we have heard, the Government have yet to admit that they never actually conceded any of the amendments drafted by all parties in the Committee. Will not the Secretary of State recognise that Sinn Fein-IRA have been pulling the strings from the very beginning of the process, and will he confirm that, following the meeting on 20 December, the reason he withdrew the Bill was that Sinn Fein and Sinn Fein alone withdrew its support? What other reasons are there for him to come to the House and withdraw the Bill?

Mr. Hain: The hon. Gentleman's intervention does not reflect the spirit of the House this afternoon. As a member of the Committee, he knows that my hon. Friend the Minister indicated that we would accept the proposed amendments, including the one proposing that defendants had to sit in court. As I said, when Sinn Fein first came to me to say that it no longer supported the Bill, my inclination was to tell it to get lost, because we would continue with it anyway in spite of its point of view—as my hon. Friend will confirm, because we both discussed the matter. We were considering other amendments, including the reduction of the qualifying period under the Northern Ireland (Sentences) Act 1998 from two to nought years. We were looking at various things, but having listened to the views expressed in the House there seemed no point in proceeding to set up legislation that would not be used by people to cure the anomaly that it was designed to cure. That was the reason.

Mrs. Iris Robinson (Strangford) (DUP): I welcome the decision taken on the Floor of this elected Chamber—a decision that the Government had, morally, no choice but to make.

I remind the Secretary of State and other Members that last May there were elections in Northern Ireland and the overwhelming majority of Unionists rejected the iniquitous Belfast agreement. That is why nine DUP Members and only one Ulster Unionist are sitting on these Benches. The on-the-runs measure was not part of

[Mrs. Iris Robinson]

that agreement, but a side deal entered into by the Social Democratic and Labour party, the Alliance party and Sinn Fein-IRA, with a little help from the Ulster Unionist party. Will the Secretary of State, as he has indicated, meet the victims of the La Mon House atrocity, for which Gerry Adams was arrested and questioned at the time? The Secretary of State is right: he should be listening to the voices of victims—

Madam Deputy Speaker (Sylvia Heal): Order. I think the hon. Lady has been able to make her point.

Mr. Hain: My hon. Friend the Minister and I have received delegations, quite properly, from many victims' groups, from all parties and individual groups. We shall continue to listen to them. The hon. Member for Strangford (Mrs. Robinson) may want to contact our office as one of my ministerial team will indeed be happy to receive such a delegation.

Dr. Julian Lewis (New Forest, East) (Con): The Secretary of State has rightly acknowledged in the past that without the contribution of members of the security services and the armed forces, any calling-off of the IRA's so-called war might never have happened. Where does the withdrawal of the Bill leave members of the armed forces who carried out their orders, sometimes with explicit ministerial permission, but who might be hauled into court as a result of the so-called historic review process?

Mr. Hain: The hon. Gentleman, not for the first time, puts a pertinent question. One of the reasons that we felt that the legislation was needed was precisely to address the past. A member of the security forces may have acted in the name of the Crown, unlawfully, as they should not have done, and perhaps committed a murder, as they should not have done. Justice should prevail, but we could see them serving a lengthy prison sentence, while paramilitary prisoners who had not served their full sentence were let out on licence under the terms of the Good Friday agreement. The hon. Gentleman rightly identifies that as one of the anomalies that we sought to address in the Bill.

As I said in my statement and during Northern Ireland questions, those issues will not go away; they will have to be resolved in some fashion and from what the hon. Member for Aylesbury (Mr. Lidington), the Conservative spokesman, has said, I think that he agrees with that in principle. After a period of reflection, we might want to see whether we can find a way forward based on consensus.

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): Last week, I stood with families of the victims of the Kingsmill massacre in south Armagh as they commemorated the 30th anniversary of that atrocity. They will join many families of victims across Northern Ireland in welcoming the Secretary of State's decision. Is not it time that we put the victims and not the perpetrators at the centre of the process? The Government's agenda should be to accommodate not the perpetrators but the needs of the victims. In that context, will the Secretary of State consider giving a role to the interim victims commissioner in finding the way forward?

Mr. Hain: Mrs. Bertha McDougall is a very able woman. She has a big task on her plate and I expect her report at the end of the year. She is welcome to look at the issue, but she has many other things to do. I agree with the hon. Gentleman that victims should be right at the centre of the process. A delegation from the RUC widows association went with me to see the Prime Minister about their concerns and their deep anger about the Bill—there is no point in disguising that. The hon. Gentleman will understand the irony in the fact that just before Christmas I met a delegation from Sinn Fein of victims of the security forces—they claimed—who felt equally angry that those people were unpunished. There is a unity of anger on behalf of victims, quite understandably. If I were in that predicament, I might feel exactly the same. There is unity of anger across the community divide. The point is: how do we resolve it? How do we get the anger out and restore normality and consensus? That is the objective that we all share.

Mr. Richard Benyon (Newbury) (Con): Obviously, our primary concern has been the needs and worries of victims, but may I give a perspective as an ex-member of the security forces who spent several years in Northern Ireland? What I and other people in my position found so offensive about the Bill is the degree of equivalence that it gave current and former members of security forces and terrorists. If the Secretary of State undertakes this process in future, will he consider the fact that, when we in the House send troops or ask the police to play a role in such a difficult environment, we are sometimes asking a nearly impossible thing? An 18-year-old soldier, Private Ian Thain, in the sister regiment to the one in which I served was convicted of murder in the 1980s, when he had to take an instant decision but took the wrong one. There must be an understanding that what we are asking the security forces to do in those circumstances is incredibly difficult. There must be that caveat if the Secretary of State or the Government wish to take this matter further.

Mr. Hain: The hon. Gentleman puts his finger on a very important part of the Bill—as I said in response to the hon. Member for Aylesbury—but we cannot have one-sided justice. Those in Sinn Fein wanted one-sided justice. They did not want the security forces to be covered by the Bill, but I insisted that they should be, and then what transpired, transpired. Equally, I do not accept what the hon. Gentleman says about a degree of equivalence. What we are trying to do is to draw a line under the past. If people committed criminal offences, even as members of the security forces—the hon. Gentleman mentioned the difficult circumstances, the instant decisions and all the rest of it—and although they might have acted in good faith, some would say that they must account for that. Under the Bill, that would have applied to former terrorists as well. As part of the process of bringing Northern Ireland together to face the future together, we must have some give and take; otherwise, we will find that one set of victims are passionately angry and that the others are reconciled. That cannot be the basis on which to proceed.

Mr. Mark Francois (Rayleigh) (Con): As one of many Opposition Members who was genuinely angered by the introduction of the Bill, may I genuinely welcome the

Secretary of State's decision to withdraw it, which will be as popular with victims' families and the military as it has been throughout the House this afternoon? He has eventually done the right thing. May I press him on the talks? Does he accept that the history of our nation, not least of the House itself, demonstrates time and again that appeasement does not work? Will he bear that in mind in the inevitable brokering role that he will undertake on behalf of the British Government when all parties are brought around the table to try to find a way forward?

Mr. Hain: May I, first, thank the hon. Gentleman for what he said about the withdrawal of the Bill? I am not so sure that all members of the military will be cheering in the streets, because the very few of them who may be convicted of offences in the future will have no protection as a result of the withdrawal of the Bill. However, I caution him about using terms such as "appeasement". That is the language of the past. The Conservative Government under Margaret Thatcher and certainly under John Major, to give them their due, started the process of talking to republicans and negotiating with the IRA. He may call that appeasement, but it has produced the circumstances in which the IRA has now given up its war and the negotiations that followed. Northern Ireland is now more stable, more peaceful and has more prosperity and more jobs than ever before in its history, and the hon. Gentleman ought to give some credit to the Governments and politicians who have shown courage in bringing that about.

Mr. Tobias Ellwood (Bournemouth, East) (Con): May I pay tribute to the Minister of State, who conducted himself with dignity and honour in Committee? I did not realise that 27 hours were spent in Committee—I thought that it was perhaps a bit longer than that—but I am pleased that the Government have finally adhered to all the arguments advanced in Committee.

The Secretary of State referred to South Africa. I bow to his senior knowledge on the subject. I visited the place very recently and learned about the truth and reconciliation process, and it is clear that there was some form of closure for the victims. I am afraid that the Bill did not go anywhere near that for the victims in Northern Ireland: all it provided was simply a get-out-of-jail-free card for the terrorists themselves. How does all this leave the Bloody Sunday inquiry, which I understand has cost the taxpayer about £300 million?

Mr. Hain: I do not think that that is the cost, but the Bloody Sunday inquiry must proceed—of course, it must—as must other inquiries. I agree that my hon. Friend the Minister of State behaved with dignity and honour. Many of those who passionately opposed the Bill have echoed that. The hon. Gentleman must take account of the South African situation, where people suffered many times more than even during the darkest times in Northern Ireland and in greater numbers. They have found a way to reconcile their past together, and it has involved forgiveness and coming together, which must occur in Northern Ireland, too.

Sammy Wilson (East Antrim) (DUP): May I also welcome the Secretary of State's change of heart? Regardless of the route to his conversion, we all welcome the fact that he is now doing the right thing, as he describes it. Of course, for people in Northern Ireland, the right thing would have been never to introduce the Bill in the first place. Does he know whether the Irish Government intend to withdraw their proposals for on-the-runs in their jurisdiction? Will he indicate whether or not it will be a requirement for participation in the Government of Northern Ireland that, to use his own words, there is unequivocal support for the Police Service of Northern Ireland and the rule of law?

Mr. Hain: I was not trying to set a new precondition for anything; I was just saying that, to govern effectively and for self-government to operate effectively, elected representatives and, indeed, Ministers must respect the rule of law. We must have that and, indeed, great progress has been made in that direction.

As for the Irish Government, I was talking to the Irish Foreign Minister yesterday and discussing these matters. I speak for a number of different responsibilities in the House, but one of them is not the Irish Government.

Point of Order

1.37 pm

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): On a point of order, Madam Deputy Speaker. Today, the Secretary of State for Education and Skills has made a written statement to the House about children and vulnerable adults. Would it not have been more appropriate for the Secretary of State to come to the House to give an oral statement about how and why a sex offender was allowed to work with vulnerable children?

Madam Deputy Speaker (Sylvia Heal): Clearly, whether the Secretary of State chooses to make a written or an oral statement is up to her. I understand that there are Education questions tomorrow and perhaps the hon. Lady may wish to raise the matter then.

BILL PRESENTED

Legislative and Regulatory Reform

Mr. Jim Murphy, supported by Mr. Chancellor of the Exchequer, Mr. Secretary Straw, Mr. Secretary Darling, Mr. Secretary Hutton, Bill Rammell and Jane Kennedy, presented a Bill to enable provision to be made for the purpose of reforming legislation and implementing recommendations of the Law Commission, the Scottish Law Commission and the Northern Ireland Law Commission; to make provision about the exercise of regulatory functions; to make provision about the interpretation of legislation relating to the European Communities and the European Economic Area; to make provision relating to section 2(2) of the European Communities Act 1972; and for connected purposes. And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 111].

Care of Older and Incapacitated People (Human Rights)

1.38 pm

Mr. Paul Burstow (Sutton and Cheam) (LD): I beg to move,

That leave be given to bring in a Bill to amend the Human Rights Act 1998 to extend the definition of public authority to include any body that is regulated under the Care Standards Act; to provide for clear nutritional standards to apply in all establishments providing care for older people; to place certain duties on the Food Standards Agency; to make provision in relation to mentally incapacitated persons; to confer new functions on local authorities in relation to persons in need of care or protection; and for connected purposes.

I suspect that the name Victoria Climbié will be well known to hon. Members on both sides of the House, but the name Margaret Panting may not be so well known. What is the difference between them? Victoria's tragic death convulsed the child protection system, resulted in two criminal prosecutions, led to the Laming inquiry and the Children Act 2004. Margaret's death did not even result in anyone being charged for the 49 injuries on her body, including razor blade cuts and cigarette burns. The difference between Victoria and Margaret was 70 years.

The purpose of my Bill, first and foremost, is to safeguard vulnerable older people from abuse and neglect. My Bill comes in three parts. Part 1 seeks to close a loophole in the Human Rights Act 1998. Thanks to the way in which the courts have interpreted the meaning of "public authorities" under section 6 of the Act, when someone crosses the threshold of a privately run care home the writ of the Human Rights Act does not run. Quite simply there is a protection gap, and it is the old and the vulnerable who are falling through the gap.

When older people are neglected or mistreated in a care home, when relatives are told they cannot visit because they ask awkward questions, when a married couple are told that, against their wishes, they cannot stay in the same care home and when an older person is evicted from a care home, it is rarely seen as a human rights issue, but often a case of poor practice or standards. Yes, of course standards matter, but first and foremost those are violations of a person's human rights. Such a restrictive interpretation of the Act is not what Parliament or the Government wanted, yet that is what has happened.

As many as nine out of 10 care homes are operated by private organisations. Two thirds of people living in those homes are paid for by local councils. Despite the legal duty on public authorities under the National Assistance Act 1948, the Human Rights Act does not apply. Privately run care homes are not public authorities. The rights of people who pay for themselves are even more at risk. They do not even have the possibility of a vigilant local authority using its contracting muscle to safeguard their dignity and welfare. The Joint Committee on Human Rights concluded more than two years ago that the courts should be interpreting the Human Rights Act more widely. It said:

"We urge the Government to intervene in the public interest as a third party in cases where it can press the case for a broad, functional interpretation of the meaning of public authority under the Human Rights Act."

The report was good, but it left the matter to the courts to resolve in time, and time is something that the frail elderly in care homes do not have.

Two years on, little has changed. The Government have not stepped in to put matters straight. They have not tried to amend the Act. As the law stands, two people can receive broadly the same service—one in a council home and the other in a private home—yet not enjoy equal protection under the law. My Bill would ensure that there would be such equal protection.

Part 2 of my Bill deals with nutrition in care homes. It is a scandal that in the 21st century, elderly people in care are starving to death. The facts speak for themselves. One in 10 care home residents lose up to 5 per cent. of their body weight within a month of being admitted to a home and 10 per cent. of their body weight within six months of admission. Much malnutrition goes undetected, but it is clear from even the available research that malnutrition in care homes is at epidemic levels. According to research by The British Association for Parenteral and Enteral Nutrition, more than one in five residents in care homes are malnourished, which means that there are 44,000 older people who are the victims of malnutrition today in England alone.

The personal cost of such poor treatment is incalculable and unacceptable. The cost to the taxpayer of treating malnutrition in long-term care has been estimated at £2.6 billion a year, which is a shocking waste. According to figures from the Commission for Social Care Inspection, almost one in five care homes in England fail to meet the most minimal of national standards for meals and mealtimes.

Since publicising my intention to bring in the Bill, I have received many messages of support from residents and the relatives of residents who have been neglected in care homes, care home cooks who have experienced bad and good care homes and have offered help with menu ideas, and health professionals who have shared their concerns about patients who have been starved in care homes. One lady reported that her mother was nearly starved to death while she was a resident in a care home. Like many of the other residents at the care home, the elderly lady suffered from dementia and needed help with feeding, but none was provided. Residents were left to fend for themselves and relatives were banned from the dining area. When news came that the care home was to be closed, conditions deteriorated further. Residents were forced to live on a diet of Angel Delight and beans on toast—sometimes pilchards on toast. Residents were left for up to 16 hours between meals because the cooks went home at 4 pm. When the manager was asked what the residents could eat at night, he told relatives that there was a pot of fish paste in the fridge. Fortunately, when the lady moved to a new home, the care that she received was so much better that she put on a stone in a month.

Unlike the standards that are to be introduced in schools, the standards for care homes say next to nothing about nutrition. The Government have rightly decided to implement nutrient-based standards for school meals and it is time that they did the same for care homes. My Bill would put in place such nutrient standards.

The third and final part of my Bill would give local authorities the task of investigating alleged abuse and the teeth to protect vulnerable adults. The Health Committee reported on elder abuse in 2004. It struggled at that time to get an accurate fix on the scale of the problem because official figures simply do not exist. However, the Committee heard evidence that there could be as many as 500,000 elderly people being abused in the UK at any one time. What do I mean by abuse? I am talking about theft, imprisonment, mental and physical torture and even rape. I am talking about care homes misusing drugs to make managing older people easier due to a culture in which the convenience of staff comes ahead of the needs of residents. I am talking about maltreatment and neglect that denies vulnerable older people their dignity and sometimes even their lives.

More than a decade ago, the Law Commission said that the law to protect vulnerable people who were at risk of harm was outdated and ineffective—it still is. My Bill would place a duty on local authorities to investigate when they have reason to believe that a vulnerable person is suffering, or is likely to suffer, significant harm or serious exploitation.

The House must not wait for an elder abuse scandal to hit our national headlines. It is essential that we have action now on basic rights, proper nutrition and protection from harm. They are essentials, not luxuries, so I commend the Bill to the House.

Question put and agreed to.

Bill ordered to be brought in by Mr. Paul Burstow, Annette Brooke, Bob Russell, Stephen Williams, Peter Bottomley, Mrs. Joan Humble and Mr. John Leech.

Care of Older and Incapacitated People (Human Rights)

Mr. Paul Burstow accordingly presented a Bill to amend the Human Rights Act 1998 to extend the definition of public authority to include any body that is regulated under the Care Standards Act; to provide for clear nutritional standards to apply in all establishments providing care for older people; to place certain duties on the Food Standards Agency; to make provision in relation to mentally incapacitated persons; to confer new functions on local authorities in relation to persons in need of care or protection; and for connected purposes: And the same was read a First time; and ordered to be read a Second time on Friday 3 March, and to be printed [Bill 112].

Orders of the Day

Electoral Administration Bill

[Relevant documents: First Joint Report from the Constitutional Affairs and ODPM: Housing, Planning, Local Government and the Regions Committees, Session 2004–05, HC 243-I and -II, on Electoral Registration; and the Government's response thereto, Cm 6647; Oral and written evidence taken by the Constitutional Affairs Committee on Electoral Administration, Session 2005–06, HC 640-i and -ii; and the Fifth Report from the Committee on Standards and Privileges, Session 2005–06, Session Electoral Administration Bill: Simplification of Donation Reporting Requirements, HC 807.]

As amended in the Committee and in the Standing Committee, considered.

New Clause 14

REPEAL OF PERSONAL IDENTIFIER PROVISIONS

'(1) This section applies if—

(a) an order under section 15 has had effect in relation to one or more local authority areas,

(b) the Electoral Commission has made a report about the operation of the order, and

(c) no order has been made under section 71(2) for the purposes of any of the personal identifier provisions.

(2) The Secretary of State may, by order, repeal sections 13 to 17 and this section.

(3) The power to make an order under subsection (2) is exercisable by statutory instrument, but no such order may be made unless a draft of the instrument containing the order has been laid before and approved by a resolution of each House of Parliament.

(4) The reference to the personal identifier provisions must be construed in accordance with section 15(13).'. —*[Ms Harman.]*

Brought up, and read the First time.

1.47 pm

The Minister of State, Department for Constitutional Affairs (Ms Harriet Harman): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Sylvia Heal): With this it will be convenient to discuss the following:

New clause 1—*Personal identifiers (absent voters)*—

'(1) In schedule 1 of the 1983 Act (parliamentary elections rules) in rule 24, at end insert—

"(2) The prescribed form shall include provision for the form to be signed and, in the case of an elector, for stating his date of birth.".

(2) In schedule 4 of the 2000 Act (absent voting in Great Britain), paragraph 3 is amended as follows—

(a) after subparagraph (1)(a) insert—

"( ) the applicant has provided personal identifiers in accordance with section 13E of the 1983 Act (personal identifiers), and";

(b) after subparagraph (2)(b) insert—

"( ) the applicant has provided personal identifiers in accordance with section 13E of the 1983 Act (personal identifiers), and".

(3) In schedule 4 of that Act (absent voting in Great Britain), paragraph 4 is amended as follows—

(a) after subparagraph (1)(a) insert—

"( ) the applicant has provided personal identifiers in accordance with section 13E of the 1983 Act (personal identifiers), and";

(b) after subparagraph (2)(b) insert—

"( ) the applicant has provided personal identifiers in accordance with section 13E of the 1983 Act (personal identifiers), and".'.

Amendment No. 1, in page 11, line 15 [Clause 13], at end insert

'and to whom section 13E (2A)(a) applies.'.

Amendment No. 6, in page 11, line 25 [Clause 13], at end insert

'and to whom section 13E (2A)(a) applies.'.

Amendment No. 7, in page 11, line 32 [Clause 13], at end insert

'and to whom section 13E (2A)(a) applies.'.

Amendment No. 8, in page 11, line 32 [Clause 13], at end insert—

'(2AA) An application for alteration of registers may be made by any person already included in a register at an address who wishes to provide personal identifiers in accordance with section 13E.'.

Amendment No. 9, in page 11, line 34 [Clause 13], at end insert 'and (2AA).'.

Amendment No. 16, in page 12, line 35 [Clause 14], at end insert—

'(ba) his national insurance number or a statement that he does not have one;'.

Amendment No. 10, in page 12, line 36 [Clause 14], at end insert—

'(2A) In relation to England and Wales and Scotland—

(a) in respect of any person wishing to be included in an absent voters list, personal identifiers in accordance with subsection (2) must be provided to the registration officer.

(b) in respect of any person wishing to vote in person, personal identifiers in accordance with subsection (2) may be provided to a registration officer, but will not be required to be provided unless the Secretary of State by order so prescribes.'.

Amendment No. 11, in page 14, line 16, leave out Clause 15.

Amendment No. 12, in page 15, line 25, leave out Clause 16.

Amendment No. 13, in page 16, line 10, leave out Clause 17.

Amendment No. 14, in page 72 [Clause 71], leave out line 37 and insert—

'( ) section 13;

( ) section 14;'.

Government amendment No. 67

Amendment No. 17, in page 99, line 28 [Schedule 1], at end insert—

'(3A) In paragraph 3—

(a) after sub-paragraph (1)(a) insert—

"(aa) the application includes a copy of the applicant's signature, date of birth and national insurance number (or a statement that he does not have one)".

(b) after sub-paragraph (2)(b) insert—

"(ba) the application includes a copy of the applicant's signature, date of birth and national insurance number (or a statement that he does not have one)".

(3B) In paragraph 4—

(a) after sub-paragraph (1)(a) insert—

"(aa) the application includes a copy of the applicant's signature, date of birth and national insurance number (or a statement that he does not have one)".

(b) after sub-paragraph (2)(b) insert—

"(ba) the application includes a copy of the applicant's signature, date of birth and national insurance number (or a statement that he does not have one)".

(c) in sub-paragraph (4) before paragraph (a) insert—

"(za) (in the case of any application) it includes a copy of the applicant's signature, date of birth and national insurance number (or a statement that he does not have one)".

Government amendment No. 76.

Ms Harman: The new clause and amendments that I have tabled fill a gap in the Bill as originally drafted. As we said, it is our intention to hold pilots of the collection and use of personal identifiers in registration. If the pilots are successful, the Bill includes the power to roll out identifiers on a permanent and nationwide basis by order. As drafted, however, the Bill includes no provision for circumstances in which pilots are not successful. At present, if that were to occur, clauses 13 to 17 would remain in limbo—approved by Parliament, but not commenced. We do not believe that that would be desirable.

The new clause and amendments provide for an order-making power to allow the personal identifier provisions to be repealed if pilots show that they should not be rolled out. The order will be subject to the affirmative procedure and could not be made until the Electoral Commission had reported on a pilot scheme. In that way, the commission will have the opportunity to contribute its views and Parliament will be able to make a decision. It might be useful at this point if I provide some more details about where we are with the planning of personal identifier pilots.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Is it right to assume any sort of sense of the Government's attitude to the pilots from new clause 14, or is it just good drafting practice that it is wrong to set up pilots without a provision to deal with a situation in which they do not proceed nationally? Are the Government rather half-hearted about the pilots?

Ms Harman: It is not a matter of the new clause expressing a change in attitude. It simply tidies up the Bill so that we have what was originally intended, which is that if the pilots are successful, we do not have to return to the House with primary legislation because the arrangements will be implemented by order, and if they are not successful, the power will not be left on the statute book and will be repealed in the same way as we are enabling the pilots to be rolled out. We want to make the Bill right.

The hon. Gentleman again queries whether we are half-hearted about the pilots. Personal identifiers were not my idea. It came from the Electoral Commission and Opposition Members. We accepted the suggestion that we should pilot them, but we are not doing that as a way of kicking them into the long grass. We accept the argument that they are worth testing. I hope that hon. Members on both sides of the House accept my good faith on that. We expect the pilots to be a reality and for them to help us to understand more about the way in which the system will work if it is changed. They are not a ruse, a device or a way of fobbing people off. They ensure that if we are to go ahead with the change, we pilot it and test it first.

I was reinforced in my view that the evidence-based approach is the right way for the Government and the House to be going about this when we had a round-table discussion this morning, helpfully convened by the Electoral Commission, on service voters, many of whom are not registered and who are disfranchised. The House made a change in 2001 on the basis of all-party agreement, which everyone now accepts had unintended consequences. Before we made the national change, we should have piloted it first. Perhaps then we would have seen the unintended consequences and had a different scheme for servicemen and women. I am trying to have a better approach to another change in registration. This is a process issue.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Does the Minister agree that her comments are a good illustration of why matters that are subject to all-party agreement are invariably a disastrous flop? Does she also agree that what we need is robust debate and robust opposition to ensure that we do not walk blindfold and hand in hand in agreement into an arrangement that turns out not to work? I am grateful to her because she has reinforced my long-held view that Parliament works best on the basis of robust opposition and robust debate.

Ms Harman: I do not think that all-party agreement is always a disastrous trap. Although we must have vigorous debate on constitutional affairs that deal with the rules in relation to democracy, it should not be divided between the Government and the Opposition. It is unhealthy if we present to the public a Bill that has been the subject of party political footballing. I agree that we should have robust debate, but I would expect that critique to come as much from the Labour Back Benches as from the Opposition, and that is what happened to the Bill. It is right that it is subjected to rigorous critiques, as it was in Committee. Indeed, we had to chuck out many policies because they did not stand up to scrutiny. We did not do that on the basis of Opposition and Government, but on the basis of good, rigorous debate within the House.

Mr. Heald: Does the right hon. and learned Lady accept that with the exception, perhaps, of the issue that we are about to discuss, she has been co-operative, has listened and has been prepared to take on board the comments of hon. Members on both sides of the House? Indeed, she has tabled a series of amendments that we very much welcome.

Ms Harman: The hon. Gentleman is right. Many of the Government amendments and new clauses emanated from the Opposition and Labour Back Benchers. They have the Government tag on them, but

[Ms Harman]

they are not our idea. I have taken a sceptical approach. When an hon. Member has said, "This won't work", I have immediately presumed that the idea will not work and it has had to be reproved. I have not taken the position that because our Department produced it, it is right. My starting point is that it is right. If anyone has said it is wrong, I have swapped sides and have needed it to be proved. That is why the Bill is a bit lighter than when it started out.

Mr. David Heath (Somerton and Frome) (LD) *rose—*

Madam Deputy Speaker: Order. Perhaps we can proceed with the debate on the amendments.

Ms Harman: Let me explain how the pilots will take place. If the Bill receives Royal Assent within the next few months, we intend to commence piloting at the 2006 canvass. A prospectus seeking applications from local authorities is being drawn up and will be issued within the next few weeks. We intend to select areas with an appropriate variety of socio-demographic profiles.

We intend that the pilots will last for no more than two years and will be evaluated by the Electoral Commission. We are discussing evaluation criteria and methodology with the commission and will do so with Opposition Front Bench spokesmen as well. However, we expect the two key issues that will need to be assessed during the course of the pilot to be the impact of personal identifiers on the completeness and accuracy of the register and the impact of the pilots on the security of the process.

Mr. Philip Hollobone (Kettering) (Con): Do we not already have a pilot in Northern Ireland? Why do we need additional pilots for the purposes of the Bill?

Ms Harman: I will answer that when I deal with the relevant amendments tabled by the Conservative Front Bench.

Following the pilots, we hope to be in a position to return to Parliament for a decision on national roll-out in early summer 2008.

Mr. Andrew Love (Edmonton) (Lab/Co-op): I urge my right hon. and learned Friend in the strongest possible terms to ensure that a broad range of pilots is undertaken and, in particular, that they are undertaken in London areas because of the acute difficulties that exist there.

Ms Harman: We will have to ensure that we understand the effect of the change in all places, so we will need representative areas. London is a key issue. It is close to my hon. Friend's heart as a London Member, and he has spoken about under-registration in London a great deal, with great force and effect. It is close to my heart. As the Electoral Commission showed, London has the worst register in the country in terms of incompleteness. Something like 550,000 Londoners are not on the electoral register. Any unintended consequence of exacerbating under-registration will be a particular issue for London.

Philip Davies (Shipley) (Con): The right hon. and learned Lady knows of the problems that we have experienced in Bradford with our electoral arrangements, because I have mentioned them to her on a number of occasions. I therefore urge her to make Bradford a special case. She said that the Electoral Commission will look at the results of the pilots. Will she abide by its recommendations after it has done so, or will she not?

2 pm

Ms Harman: The commission's task is to evaluate the pilots and to report to us. It is for the Government to decide what it brings to the House, but it is for the House to decide whether, on the basis of the evidence of the pilots, as evaluated by the commission, it wishes to keep the status quo or whether it wishes to make a change and introduce a national roll-out. It will be for the hon. Gentleman and other hon. Members to make that decision on the advice of the Electoral Commission. However, we will not sub-contract the decision to the commission. The question of the law on the entitlement conditions rests with the House, and we will not sub-contract it to the commission. It plays an invaluable role, and it will be involved in the pilots, but we will make the decision on the law on registration in the House.

The hon. Gentleman raised the problems experienced in Bradford. I always say that there are three issues in relation to democracy. Everyone has the right to vote, which is why registration is important; the security of vote means that no one should fiddle it; and everyone should turn out to vote. The hon. Gentleman has expressed concern about the security of the vote in Bradford. Certain parts of the country feel vulnerable to fraud. That lack of confidence is an issue for the whole country, but it is of particular concern to people in the affected areas, who are entitled to cast their vote and have it counted with exactly the same level of integrity as anyone in other parts of the country. We will therefore work with areas that think that they are vulnerable to fraud, to make sure that the police, the Crown Prosecution Service, electoral registration officers and everyone else have the Government's full support so that they can assure people in the area that there will be clean, honest elections. The next test, of course, will take place in May 2006.

Bob Spink (Castle Point) (Con): Will the Minister make sure that some pilots use people's national insurance number as the personal identifier as well as their date of birth and signature, so that we can test the difficulties and the increased effectiveness that that may provide?

Ms Harman: The Bill, as the hon. Gentleman will know, allows us to pilot the use of national insurance numbers as a condition for registration. It is not our intention to proceed with such a piloting. We will commence with a pilot making someone's signature and date of birth a condition of registration, but it is possible, under the law in the Bill, to pilot national insurance numbers. As for national insurance numbers and Northern Ireland, may I deal with those matters by responding to amendments Nos. 16 and 17, which were tabled by the hon. Member for North-East Hertfordshire (Mr. Heald)? They would require all electors to provide their national insurance number

when registering to vote. Postal and proxy voters, too, would need to provide their national insurance number when applying for an absent vote. Our position on the amendments has not changed since we discussed the issue in the Committee of the whole House. We understand the arguments about the Northern Ireland precedent on both data sharing and security. However, hon. Members will appreciate that Northern Ireland has only just over a million electors and one electoral register. The rest of the UK has about 43 million electors and over 400 electoral registers.

Mr. Forth: So what?

Ms Harman: The answer to that is that it does not follow that an idea that is practical for one system is necessarily practical for another. Community structure, mobility and many other issues affecting the communities and demography of Northern Ireland are very different from the issues affecting communities in this country. Access to the register and security are important considerations. We have highly mobile populations, including many people who are newly arrived in this country, so we have a different community and demographic structure. As a result, we cannot simply say that because something has worked in Northern Ireland, we will introduce it here.

Mr. Forth: Will the Minister give way?

Ms Harman: I will do so, but I expect the right hon. Gentleman to concede that we cannot simply implant Northern Ireland arrangements in this country without further testing and piloting.

Mr. Forth: I am most grateful to the Minister not only for giving way but for answering the question that I have not yet asked. She is standing logic on its head. If something can be achieved by one electoral authority with a population of 1 million, how much more easily can it be achieved by much smaller registration authorities among the 400 that she mentioned? I would expect locally based electoral authorities, knowing the circumstances in their area, to have the ability to be more nimble on their feet and to monitor elections as well, if not better than the large authority in Northern Ireland.

Ms Harman: I do not think that the right hon. Gentleman heard my point that Northern Ireland's society is not necessarily representative of other communities in Great Britain. He will have heard what was said by my hon. Friend the Member for Edmonton (Mr. Love), who represents a constituency in London. Should we assume that, because something works in Northern Ireland it will work in London, against a very different background with a very different set of problems? The right hon. Gentleman may think that that is possible and that we should legislate and roll the programme out nationally. However, we want to take a more forensic and evidence-based approach. We have looked closely at what happened in Northern Ireland, but we will undertake evidence-based policy making. We will proceed expeditiously with pilots in different parts of the country so that we have a good evidence base.

Mr. Heald: Is not the Minister's basic point that no one knows their national insurance number? The truth of the matter is that the Government tried such an arrangement in Ulster, where 92 per cent. of people registered to vote. That figure is far higher than registration in all the places about which hon. Members have complained.

Ms Harman: In future, we can pilot a condition requiring people to give their national insurance number before they are entitled to vote. However, it is not right to say, as the hon. Gentleman and his right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) have done, that because something has worked as a condition of registration in Northern Ireland, it will work in exactly the same way in the rest of the country where there are different communities with different levels of population mobility and different demographies.

Barbara Keeley (Worsley) (Lab): We have covered this ground on many occasions, but may I remind my right hon. and learned Friend that when the Select Committee on Constitutional Affairs discussed the issue, Sam Younger, the chairman of the Electoral Commission, talked about the tension between participation and security? On behalf of the commission, he said that

"we do not feel national insurance numbers are something we should be asking people to provide at registration".

Surely, hon. Members should accept that advice.

Mr. Forth: No.

Barbara Keeley: We have discussed this on a number of occasions, and that is the advice of the Electoral Commission. I agree, however, that it is wise to be cautious.

Ms Harman: My hon. Friend has made a helpful intervention. However, I repeat that it does not follow that an idea that is practical for Northern Ireland is necessarily practical for England and will not have unintended consequences.

Chris Ruane (Vale of Clwyd) (Lab): May I remind hon. Members that the registration rate for Belfast seats after the changes was 72 per cent.? Would hon. Members like such a registration rate in their own constituencies?

Mr. Forth: Yes.

Chris Ruane: Exactly.

Ms Harman: My hon. Friends have revealed a level of doubt about arrangements in Northern Ireland that shows that we are right to proceed expeditiously with pilots before we embark on a national roll-out. I hope that hon. Members agree that what we are discussing is not an issue of principle. We all agree that we should have high levels of security. We all agree that no one should fiddle the vote, and that the system should be proofed against that. We all agree that there should be full entitlement to registration. We are discussing how we go about implementing an improvement to the operation in that respect, and our argument is that we

[Ms Harman]

should proceed on the basis of evidence and that we should conduct a pilot. The Opposition's argument is that we should go straight ahead and do it. That should be a narrow gap between us. We will proceed expeditiously with the pilots. [HON. MEMBERS: "Pilot the scheme now."] We intend to run the pilots now. The Department has already drawn up the prospectus for the pilots on signatures and dates of birth.

Mark Tami (Alyn and Deeside) (Lab): Is not the truth that the Opposition want to put as many obstacles as possible in the way of people registering?

Ms Harman: The hon. Member for North-East Hertfordshire (Mr. Heald), who leads for the Opposition, said that that is not his position. He agreed, as we all do, that a full register where everybody is entitled to vote is essential for democracy. We must all be concerned when large and growing numbers of people are not on the register. He said that he agrees with us on that, so we are proceeding on that basis.

Angela Watkinson (Upminster) (Con): Does the Minister agree that requiring the additional information raises awareness among electors and places a responsibility on them to ensure that their names are on the electoral register? Like all colleagues, no doubt, in the run-up to an election, I have been approached by constituents complaining that they have not received their polling cards. They have assumed, quite wrongly, that because they are paying council tax, they are automatically on the electoral register, and they need to understand that they are not.

Ms Harman: The hon. Lady makes a good point. All hon. Members share the experience of our constituents assuming that they are on the electoral register and being aggrieved when they find that they are not and cannot exercise their democratic right. The data-sharing provisions that we have included in the Bill will require electoral registration officers for the first time to review the data that they hold. If there is someone paying council tax who is not on the register, the electoral registration officer is required to go out, find that person, draw the matter to their attention and put them on the register. A number of provisions in the Bill will, we hope, ensure that the register is more complete.

As we set out in Committee, when the co-ordinated online register of electors—CORE—creates national access to local registers, data sharing systems such as that in Northern Ireland might be practical for the rest of the UK. The national insurance computer can relate straight to the single body of information of the single register of electors in Northern Ireland. Under the Opposition's proposal, the national insurance contributions system would relate to 400 different electoral registration officers, some of whom have their registers online and some who do not, some who compile their register by address and some who do so by alphabet. We will be in a better position to consider whether the Northern Ireland system can be implemented more widely when we have put in place the co-ordinated online register of electors, whereby all electoral registration officers have to put the information online and feed it into a central register.

Chris Ruane: What is the time scale for the introduction of a central Government database able to communicate with local government electoral registration officers, and what sanctions would be applied to electoral registration officers or chief executives of recalcitrant county councils who refuse to comply with the guidelines and cannot be bothered to ensure a complete register?

Ms Harman: Under the provisions of the Bill, strengthened by an Opposition amendment, the Electoral Commission must issue guidance which must be accepted by electoral registration officers, who must put their electoral register online and feed through the data in a certain way to go on to the co-ordinated online register of electors. The system is not voluntary. We expect it to proceed as laid down in the Bill. We regard it as not just desirable, but necessary.

2.15 pm

We recently published a consultation paper on CORE which provides more information on this, for Members who are interested. If the proposal goes forward, a national insurance number or other personal identifier may be of use. That is why we have included order-making powers in clauses 14 and 15 to allow for the possibility of other identifiers being piloted and rolled out in the future. However, at present we do not see a use for national insurance numbers in electoral registration outside Northern Ireland, and believe that collecting them would discourage people from registering to vote. The personal identifiers that we propose collecting in the pilots—signatures and dates of birth—are simple and easily memorable. A national insurance number is more complicated and we believe that at this stage its use would be disproportionate.

New clause 1 and amendments Nos. 1 and 6 to 14 tabled by the hon. Member for Somerton and Frome (Mr. Heath) seek to give effect to a system of voluntary personal identifiers, as mooted by the Electoral Commission. I am afraid colleagues will have to concentrate extremely hard. Once they have worked out the differences between the Opposition and the Government on personal identifiers, they will have to deal with a third issue: what is the difference between us, the Opposition and the Electoral Commission proposal, which is put forward in his amendment by the hon. Member for Somerton and Frome? Under the system that he proposes, all electors would be able to supply their signature and date of birth on the annual canvass form—there would be a space for that—but they would not be compelled to do so.

In my view, this lack of compulsion, instead of the pilots for compulsion, is a real weakness. It means that security will be enhanced only if people voluntarily choose to collect signatures for everybody in their household on the canvass form and list everybody's date of birth. There appears to be no benefit from that. It is supposedly helping security, but it is voluntary. Even people who do not do it can go on the register. What benefit is there for security if the system is only voluntary?

Mr. Heath rose—

Ms Harman: There is a further problem, but I shall give way to the hon. Gentleman before I come to that.

Mr. Heath: The right hon. and learned Lady is being uncharacteristically unhelpful to the House in her description of the Electoral Commission proposal. It is clear that although the scheme is voluntary in respect of people who vote in person, it would not be voluntary for those who wish to vote as absent voters—those who wish to exercise a postal vote. It thereby at a stroke reduces the perceived lack of integrity in the postal voting system, while hopefully not engendering the disadvantages that she identifies but which I do not necessarily share in terms of compulsory personal identifiers for all voters. By suggesting that there would be no improvement in the integrity of the system, she is being a little unfair to the Electoral Commission and therefore to me as I advance its proposal.

Ms Harman: I do not seek to be unfair to the Electoral Commission or to the hon. Gentleman. I am trying to explain the facts to the House. Although the signature would be voluntary, the hon. Gentleman is right. The question that arises under the Electoral Commission scheme is what if somebody wanted to exercise a postal vote. They would not be debarred from exercising a postal vote if they had not signed the canvass form. They would have a fresh opportunity to sign. But that is a requirement anyway, if people want a postal vote under the present system. There is no difference under the Electoral Commission's proposal as regards eligibility for postal voting. Electors would be on the register without having signed, because signing is voluntary, but when it came to postal voting, they would not be debarred. They would have to provide a signature.

Mr. Heath: I am seriously concerned that the Minister does not understand the point of the Electoral Commission's proposals. Such a person would be debarred from exercising a postal vote if they had not previously provided personal identifiers in the form of a signature and date of birth to the registration officer, in which case the check would be automatic. The check would be more than a signature on an application for a postal vote, because there would be a way of checking identity against pre-existing information on the register in order to maintain the integrity of the postal voting system. The position is odd, because I have not had the opportunity to move my new clause, but the Minister is already providing a commentary, which is based on wrong information.

Ms Harman: My commentary is not based on wrong information. The Electoral Commission's proposal, which I shall attempt to explain once again, would not change the condition—one householder provides a signature on the canvass form—for getting on the register. Every other individual in that household would not have to sign or give their date of birth as a condition of getting on the register. The householder could fill in those details, which would place other householders on the register and entitle them to vote, and the addition of a signature or date of birth would be optional.

If somebody were on a household canvass form and on the register without including their signature on the canvass form, would they be debarred from postal voting? The answer is that they would be debarred from postal voting unless they gave another signature. Currently, one must provide a signature to obtain a postal vote application, which is not provided automatically. In practice, the Electoral Commission proposal would not make any difference, which is why it would be the worst of all worlds. It would not improve security, because people would still be able to get on the register without a signature.

The Electoral Commission's proposal might deter some people from getting on the register. Security would be enhanced only if people were voluntarily to sign their canvass forms and give their dates of birth. It is true that absent voters would have to provide identifiers, but if they did not provide a signature at the canvass stage, they could subsequently provide it when applying for their absent vote. If the hon. Member for Somerton and Frome checks, he will find that that is the proposal, and since absent voters must already provide a signature, it would not change the situation.

Our pilot schemes will involve compulsory personal identifiers. Whether they take place in Bradford or London, if people do not include the signature of each individual and their date of birth on the form, then those individuals will not get on the register. Let us not shilly-shally around with a halfway house by which a system of voluntary signatures is rolled out nationally. Let us pilot compulsory signatures, which will allow us to assess security and understand the effect on registration. A national roll-out of compulsory identifiers would be wrong, because we would not understand its consequences. The halfway house of voluntary personal identifiers will not help us, because it would not give us security, which will form part of the pilot of compulsory identifiers. Compulsory personal identifiers as a condition of registration are the way forward.

I am grateful to the Electoral Commission for introducing the proposal. It was trying to find a solution to the problem that we could not obtain all-party agreement on pilots versus national roll-out. Its intention was helpful, and the hon. Member for Somerton and Frome backs its proposal. In my view, the Electoral Commission's proposal would not provide us with anything better than the current system, but it would provide us with some things that would be much worse than the effect of pilots. Bearing in mind that I have adopted individual personal identifiers, which was not my proposal, and said that we will pilot them, I urge hon. Members to accept the pilot, which will allow us to try out the proposal that I have adopted in practice. The third way, which falls through all the gaps, does not provide any advantages. I am happy to debate it until the cows come home, but I will not recommend it to the House.

The final problem with the Electoral Commission's proposal concerns advertising the voluntary signature scheme. When the advertising states, "Please include a signature", will it include the line, "but you do not have to"? If the advertising states that the inclusion of signatures is voluntary, the proposal will make no difference. If the advertising uses mood music to encourage people to include signatures, it might have a deterrent effect on people who put the document on the

[Ms Harman]

mantelpiece until their child returns from holiday, college or university and signs it, by which time it might have been lost or thrown away. The proposal could depress the register without increasing security, which would be the worst of all worlds. We want higher security and improved access to the register.

Angela Watkinson: What is the value of a signature? How can one verify that it is the signature of the person whose name is written on the piece of paper? It would be simple for one person in a household to write the names of everyone else who lives there. In houses in multiple occupation, the scope for writing other people's names is obvious, whereas a national insurance number is accurate and cannot be forged in that way.

Ms Harman: If someone knew somebody else's national insurance number or date of birth, they would be able fraudulently to add the signature. The point concerns what the rules should be, and how they should be enforced. We want not only the right rules, but effective operational enforcement. Whether we stick with the current system whereby one person signs on behalf of a whole household, whether we move to one person signing for themselves and adding their date of birth as a result of successful pilots or whether we include national insurance numbers in addition to individual signatures and dates of birth, we must be sure that fraud does not occur.

I have started to meet the Society of Local Authority Chief Executives on a monthly basis. We are discussing how to provide effective fraud enforcement for whatever system the House chooses in its wisdom and after lengthy debate.

James Duddridge (Rochford and Southend, East) (Con): What advice has the Minister taken from perhaps the most expert body of people on fraud prevention and personal identifiers, the banking sector, which has moved away from signatures altogether?

Ms Harman *rose—*

Mr. Forth: Just say, "None".

Ms Harman: None, but I shall consider whether I should do so.

In conclusion, pilots are a sensible and practical mechanism for testing the collection and use of personal identifiers. The evidence provided by pilots will inform the decision, which will ultimately be taken by Parliament, whether personal identifiers should be rolled out nationally, so our approach is evidence based. Security and complete and accurate registers are essential, and the pilots will show us whether personal identifiers—signatures and dates of birth—increase security without undermining completeness. If that is the case, the Bill will allow us to roll out such a scheme nationally.

Mr. Heald: Let me preface my remarks by thanking the Minister and her colleagues for the courteous and constructive way in which they have looked at the proposals that we have made in other areas. It has been a good process. It is also right to thank the Electoral Commission for all its hard work. In later groups of amendments, we will find proposals dealing with the assurances that we requested about information being available through the co-ordinated online register of electors, fairness as between parties and independents over descriptions of candidates, clarity about election expenses, issues to do with reducing the threshold for loss of deposits, and having a better test for safety for those wishing to register anonymously and extending that to carers of children at risk. All those are very welcome and I would not want the grudging spirit in which I am going to continue to lead the Minister to think that I am not grateful.

2.30 pm

I am grateful for the Minister's assurance that new clause 14 concerns good drafting. If the Government are setting up a pilot scheme with a provision that they can make it national, it is right that the Bill should contain a provision to enable them to deal with circumstances where they choose not to do that.

The nub of this group of amendments is the important issue of how we protect the electoral system from fraud. New clause 1, which was tabled by the hon. Member for Somerton and Frome (Mr. Heath), and which we support, is the minimalist position proposed as a compromise by the Electoral Commission. The commission is saying that tackling fraud is an urgent problem that needs an immediate national response. If the Government will not introduce immediately what the commission really wants, which I and other Opposition Members support, then for goodness' sake let us support new clause 1. I would go further than that. Amendments Nos. 16 and 17, which stand in my name and those of my hon. Friends, maintain our stated position in favour of personal identifiers, individual voter registration and the inclusion of national insurance numbers.

It is worth reflecting on why this is such an important problem. We were all prepared to agree with the introduction of postal voting on demand, but from a very early stage Opposition Members called for proper safeguards to prevent fraud. The Electoral Commission and electoral observers—even some from Ukraine and Serbia, who came to this country to observe our general election last year—pointed out the risk of fraud and said that we should move to independent, individual voter registration. The Government's proposals for a few local government pilots are not an adequate response. This is a proven, successful system that has been trialled in Northern Ireland, which, with 1 million people, is a pretty large pilot by anybody's standards. Already, 92 per cent. of people have provided their national insurance numbers, signatures and dates of birth—and that in a country that has areas with substantial deprivation and communities that have emigrated there. It is not a place of leafy suburbs—the sort of area that is likely to volunteer for the pilots. One of the criticisms made by the Electoral Commission is that, with a bottom-up system of pilots, the electoral registration officers who volunteer will be those in the easier areas. We need the Government to grasp the nettle and tackle the problem.

The hon. Member for Vale of Clwyd (Chris Ruane) has been something of a problem in this regard. [Hon. Members: "And in others."] I am sure. He is in a constituency where the electoral register has collapsed over recent years, where people are not registering and where he admits that large numbers who should register have not done so. What is his solution? He wants to continue with the failed system that we have now. To be honest, that is unacceptable. I understand from his previous speech on the subject that he has been saying to his colleagues, "It'll be bad for us come the boundary commission." That is not the answer. We need a system whereby the people who are entitled to vote are on the register, and the people who are not entitled to vote are not on it. He and I should be able to make common cause on that, because that is what anybody who cares about our democracy would want.

Chris Ruane: I have made constructive proposals. In Committee, I gave specific examples of funding by the 22 local authorities in Wales and produced a league table of those that funded well and those that did not. Of the 11 in the lower half of the table, seven had poor registration rates. Funding is a key point. It needs to be increased and monitored carefully. If a county council does not put proper funding in place, its registration should be hived off to a neighbouring county council with a better success rate.

Mr. Heald: Does the hon. Gentleman agree that there has not been active canvassing and data matching and other methods that are needed if we want to capture the true electorate on the register? We should be able to make common cause about that. He will remember that, last time we discussed this, I gave the House all sorts of examples of people with the most unlikely names on the electoral register, including anagrams of "a bogus voter". Surely he cannot want that to continue. Does he recognise that the only way to tackle this properly is to have an objective register against which one tests the names as they come in, and that the national insurance numbers register is the best thing that we have for that purpose? People know their national insurance numbers. In Northern Ireland, 92 per cent. of people know them. The people who know their national insurance numbers best are often those who are the most vulnerable, because they are in need of the state's help to access health care and claim benefits. Their national insurance numbers are a passport to those benefits.

Chris Ruane: There are examples of consensus between the hon. Gentleman and me. He mentioned the importance of data sharing in local authorities. I entirely concur. I have written to 360 Labour Members with a letter from the Lord Chancellor saying that local authorities now have the right to consult databases. I have received replies from about 150. Many electoral registration officers are not implementing the new rules whereby they can cross-reference data. This is a key area on which we can agree and make progress. EROs must consult all the databases that they are responsible for to ensure that we have a full register.

Is putting further blocks on registration a politically inspired position? How many Conservative MPs would like people in council houses, black and ethnic minorities, or low-paid and minimum wage people to be on the register—

Madam Deputy Speaker: Order. This is very lengthy for an intervention.

Mr. Heald: If the hon. Gentleman did me credit, he would accept that, throughout these proceedings, I have made it clear that all that we are interested in is ensuring that the people who are entitled to be on the register are on it. As a party, we have campaigned for that for some years now. Our former hon. Friend, Marion Roe, had a well-informed debate about it in Westminster Hall in May 2004, in which she set out the information that she had gained about just how inaccurate registers were. She gave examples of cases where literally thousands of people who should not have been on the register were on it and of EROs who had undertaken clean-up exercises and had to remove 6,000 people from the register who were not entitled to be on it. Judges have said that our system is wide open to fraud like that of a banana republic and that the Government have their head in the sand. In those circumstances, Parliament cannot ignore the problem, especially as we have always taken great pride in our democracy.

Mr. Forth: Perhaps my hon. Friend will explain the matter later in his remarks, but I am puzzled by amendment No. 17, which he tabled. It would provide for the application to include

"a copy of the applicant's signature, date of birth and national insurance number (or a statement that he does not have one)".

What assurance can we have of the system's safety if someone could provide a signature, presumably without much verification, a date of birth—I do not know how we verify that—and then had the gall to say, "I don't have a national insurance number"? What kind of assurance does that give me as a citizen that that person is entitled to vote?

The Parliamentary Under-Secretary of State for Scotland (David Cairns): Holed below the water line.

Mr. Heald: No. My right hon. Friend makes the fair point that we must have arrangements to deal with individuals without national insurance numbers, because there are some in our society. We propose that, in those circumstances, a statement should be made that the person does not have a national insurance number—that is what happens in Northern Ireland—but we also support clauses and amendments that give the electoral registration officer an active duty to ensure that the people on the register are those who are entitled to vote. I would therefore expect further checks to be made. To be fair to the Minister, some of the provisions that are already in the Bill strengthen the electoral registration officer's powers to make such inquiries. My right hon. Friend, as usual, makes a fair point, but I believe that it is addressed by a combination of the Bill, our amendments and the new clauses, which we shall consider later.

Mr. Greg Knight (East Yorkshire) (Con): Does my hon. Friend agree that the arguments that Labour Members have presented against using a national insurance number are largely unfounded? There is no stigma when one gives one's national insurance number. It is not like, for example, being asked to give fingerprints, which is normally associated with criminal activity.

[Mr. Greg Knight]

Will my hon. Friend address my anxiety about a point that a Labour Member raised earlier? Some electoral registration officers behave in an autocratic and high-handed manner. If an officer decides that it has always been done his way in the past and will always be done his way in the future, what sanctions will apply if he does not follow the guidance in the Bill?

Mr. Heald: On the second issue, the Government have tabled amendments to require EROs to provide the necessary information to the proposed central online register of electors. That was previously only a discretionary power in the Bill, so the measure has been strengthened. My right hon. Friend is right that EROs need proper performance standards and to behave according to the highest standards that can be achieved. Again, the Bill overall will improve the position, but we should not be complacent.

Government is supposed to be joined up and seamless and we hear endless remarks to that effect. Yet the Northern Ireland Office has said that the use of national insurance numbers is essential to enhancing the accuracy of and confidence in the electoral register. Would a Minister care to reflect on that? Is it successful government for one Department to say, "Oh no. National insurance numbers—surely not", when another Department claims that they are central to enhancing the accuracy of and confidence in the electoral register? The two viewpoints are opposed.

2.45 pm

The Government should join themselves up and the Department should reach the same conclusion as the Northern Ireland Office because it began with the same ill-conceived argument as the Minister. It claimed that national insurance numbers would be a barrier to registration and that such a system would not work. Only constant pressing and probing and the persuasive powers of my noble Friend Lord Glentoran meant that the proposals were accepted. Lord Glentoran persuaded Lord Williams of Mostyn, who was then the relevant Minister, that national insurance numbers were the only practical way of providing an objective database against which one could check the names. That is now law and it has worked. Ministers should learn from that experience rather than reinventing the wheel.

Angela Watkinson: Does my hon. Friend agree that using national insurance numbers and data sharing between local authorities would help to overcome not only the problem of people who are entitled to vote not being on the electoral register but of those who live in more than one place voting twice in general elections? The latter is especially applicable to students who are registered in their university town where they live temporarily and in their home town where they have been brought up. There is an opportunity to vote twice in general elections and no easy way of tracking that and ensuring that it does not happen.

Mr. Heald: My hon. Friend makes an excellent point. We support the central online register of electors. It will make it much easier to ensure that there is no duplication or the possibility or risk of it, and enable checking to occur.

Both dates of birth and signatures have flaws as personal identifiers. There is no central electronic database against which one can check a person's date of birth. Perhaps the Minister will say that one is planned or imminent but, as far as I know, it is not possible to check a date of birth and it is difficult to check the accuracy of signatures. In Northern Ireland, people are trying to check signatures by electronic means. However, the national insurance number has an objective, separate database against which information can be checked.

Barbara Keeley: How does the hon. Gentleman believe that local authorities would check national insurance numbers? Conservative Members appear to be running away with that idea. There is no existing mechanism whereby they can do that.

Mr. Heald: In Northern Ireland, it is done by computer and data matching the two sources. When I was a Social Security Minister years ago, the Minister suggested, in a different context, that we should data match local authority records against the national insurance computer. As far as I know, there is no reason why that should not happen. It might be complicated and the Minister might have a better answer. However, there is no electronic reason for not being able to make that comparison, as is done in Northern Ireland.

Philip Davies: Does my hon. Friend accept that it is not simply a matter of getting a result in which people can believe? He knows that, in Bradford, the police have investigated more than 250 cases of alleged electoral fraud since the general election. People in my part of the world would prefer to have a robust system of voting and registering so that the police can concentrate on catching thugs, muggers and those who damage society. People in Bradford would regard my hon. Friend's proposal of using national insurance numbers as a common-sense way of allowing the police to do the job that they want them to do rather than investigating electoral fraud.

Mr. Heald: My hon. Friend has made his worries about what happened in Bradford clear to the House, and rightly so. It is easy for us to get so involved in the detail of these matters—which we should do, of course—that we forget the deep shock and outrage that the public felt when all those allegations of fraud in the system, particularly postal vote fraud, first came to light. People were deeply shocked that such a level of fraud could exist in our democracy. Indeed, the judge in the Birmingham case was outraged at what he saw as the complacency of Ministers. It is easy to get into the Whitehall way of thinking, without realising that people want to feel that we have a top-class democracy, a democracy to be proud of. After all, we go round lecturing other countries about it—

Mr. Forth: I do not.

Mr. Heald: Certainly, my right hon. Friend always has not. We ought to be able to feel that we have a democracy that is free of fraud.

John Bercow (Buckingham) (Con): It seems variously and rather curiously to have been suggested that the use

of national insurance numbers in these circumstances would be either obstructive, intrusive or impractical. My hon. Friend is right to question that assumption. As he has been talking about the need for joined-up government, does he agree that the Government have adopted a rather inconsistent mode of operation, given that they want to introduce identity cards at a cost that they will not calculate, for a benefit that they cannot quantify, and at a risk to personal liberty that they dare not admit?

Mr. Heald: As usual, my hon. Friend gets right to the nub of the issue. This is totally inconsistent. The document about the central online register of electors to which the Minister referred raises the possibility of ID cards being used as a database to check these very matters. There is obviously a great deal of inconsistency here.

The Electoral Commission has not accepted my full proposal involving national insurance numbers, dates of birth and signatures, but it has said that it would be right to use a signature and a date of birth. Ministers have said no to that, however. They can assess the mood in the country on the issue, and they are saying that it needs to be tackled as matter of urgency with a national solution. They have therefore come up with a transitional scheme, which would provide for voluntary registration using a signature and a date of birth. If people wished to apply for a postal vote, they would have to make the same information available. That does not go as far as we would wish. The hon. Member for Somerton and Frome has tabled a new clause on this matter and will explain his proposals in more detail. It seems wrong that the Minister is not even prepared to go so far as to accept our fairly anodyne compromise measure.

The Electoral Commission criticises the Government's proposals for introducing piloting in a bottom-up fashion, explaining that the wrong sort of authorities will apply to take part. It also says that such pilot schemes will do nothing to counter fraud or increase participation, although everyone agrees that those things are necessary. It also adds that the schemes would add little value, considering the evidence already available from Northern Ireland, which is essentially a bigger pilot in a more problematic area than any local authority would be able to provide. It says that an important lesson from Northern Ireland relates to the importance of introducing individual registration, together with a very active package of measures to increase the number of people registering to vote. We will support not only our own amendments but the compromise suggested by the Electoral Commission, assuming that that option is provided to us.

I want to talk about the system of individual voter registration more generally. Surely it is old fashioned to have household registration these days. The time of the idea of having a head of the household has passed. Many of the households that we are considering are shared homes in which a group of friends live together or in which some other relationship exists. The idea that we should return to the patriarchal system of the head of the household—*[Interruption.]* I know that the Minister of State, Department for Constitutional Affairs does not like me to describe the system as "patriarchal". She prefers "matriarchal", and I must give her credit for that. Surely, however, the days in which this old-fashioned idea could exist are gone.

Ms Harman: There is a serious point to be made here, which I have been provoked into making. One of the critiques of household registration forms is that they are filled in by the head of the household. However, the forms can be filled in by anyone in the household, and the practical reality is that, even where the man is still regarded as the head of the household, it is usually the woman who fills in the household registration form. It is not filled in by Dad, it is filled in by Mum. If I support household registration, it is not because I have defaulted to supporting patriarchy—perish the thought—but because I recognise that this is one of the very many things that mums do for the whole family.

Mr. Heald: I well remember reading the right hon. and learned Lady's book on this subject, and it was most illuminating. I consider myself a new man as a result.

John Bercow: Will my hon. Friend give way?

Madam Deputy Speaker: Order. I hesitate to intervene, but I hope that the hon. Gentleman's point is going to be relevant to the debate and to the new clause that we are discussing.

John Bercow: I hope so, too, Madam Deputy Speaker. I am trying to be constructive. In April 1992, when I stood as the Conservative candidate against the Paymaster General, the right hon. Member for Bristol, South (Dawn Primarolo), I encountered three households, two of whose doors were opened by a man, and one by a woman, at which I was told that the person answering the door had filled in the form for the whole household. However, I do not think that my cause would have been advanced in any case, because all three had decided en masse to vote Labour, and, sadly, I lost by 8,919 votes.

Mr. Heald: Since then, however, my hon. Friend has managed to build himself a majority of 18,000—

John Bercow: It is 18,129.

Mr. Heald: My hon. Friend has obviously learned from his experience.

Madam Deputy Speaker: Order. Let us not have a dispute over the size of individual majorities. May we now have a debate on the new clause?

Mr. Heald: The serious point is that many households do not have what could be described as a nuclear family. For example, groups of friends share houses or flats. A document addressed to only one of them often ends up in the bin. These days, we need to take an individual approach. After all, we have one man, or one woman, per vote, and everyone is entitled to that proper attention. If we tackle this issue on an individual basis, registration will rise. That is what people have found in Northern Ireland, now that there is an honest register there.

Mr. Heath: The hon. Member for North-East Hertfordshire (Mr. Heald) sat down rather abruptly and caught me by surprise.

I welcome the attitude of the Minister and her colleagues in the Department towards our consideration of the Bill. We have made progress in all sorts of ways, sometimes in surprising areas, given the initial response that we received in Committee. Common sense obviously prevailed at a later stage, for which I am grateful. I must say that it contrasts markedly with the attitude displayed by a previous incarnation when we discussed the Bill that became the European Parliamentary Elections Act 1999. At that time, no attempt was made to reach a consensus; indeed, a very partisan view was taken.

3 pm

The amendments, and this part of the Bill, highlight a key aspect of parliamentary drafting. As I tried to translate the Electoral Commission's proposal into amendments I was struck by the extraordinary complexity of our statutory electoral arrangements, although in this context clarity is essential. I do not know how on earth any electoral returning officer can find his or her way through the thickets of the statutes that they must implement, let alone someone lacking expert advice.

I think that in future we should consider electoral arrangements as candidates for consolidation. When we amend them by statute we should start with a clean sheet, almost ab initio, and absorb the earlier statute into a new Bill dealing with all the rules, rather than expecting returning officers to consult the Representation of the People Acts 1983, 1985 and 2000, and all the other relevant Acts. They cross-reference in a bewildering way, and even skilled draftsmen and lawyers find it difficult to manoeuvre their way around them.

Throughout the debate there has been a degree of good will between Front Benchers, and indeed between Back Benchers who spoke in Committee and on the Floor of the House. However, we have been presented with a false dichotomy of approach, as though one side was saying, "Never mind the quality, feel the width" and the other side was saying, "Never mind the width, feel the quality"—as if some can think only in terms of increasing the number of people who are properly registered, and others can think only in terms of potential abuse of the system and the need to deal with fraud. I do not believe that those are alternatives. I believe that we can have both a properly representative register, and one that prevents fraud wherever possible.

Jeremy Wright (Rugby and Kenilworth) (Con): Will the hon. Gentleman give way?

Mr. Heath: Yes, but I will not give way repeatedly, because we need to deal with other important parts of the Bill and we are taking rather a long time over the first group of new clauses and amendments.

Jeremy Wright: Is there not a third dimension? I am thinking of the effect of a proper registration system that would command respect among the population generally, and particularly among those who vote by post or feel inclined to do so. It would help if we had a system of registration for postal voting that made those who might vote by post feel more confident that their votes would be counted properly. That would increase turnout and deal with registration.

Mr. Heath: I would like to think that the hon. Gentleman is right, although I cannot state categorically that I know that to be the case. It remains to be proven. I certainly think it important for people to feel a degree of confidence in the system, and my great worry—which is shared by many outside the Chamber, including the Electoral Commission—is that at present they do not. I believe that over the recent electoral period there was a catastrophic loss of confidence in, particularly, the efficacy of the anti-fraud measures applying to the postal vote. The Government are being thoroughly struthious in not recognising the urgency of the situation: they simply do not want to know what is going on around them. That is unfortunate, because, as I have said, I respect what the Minister is attempting to do, and many of the motivations behind the Bill.

As the Minister knows, I have argued—personally and on behalf of my party—in favour of individual registration and personal identifiers. I do not accept that national insurance numbers are the best solution, because I agree with others that they could pose an obstacle to people who are not familiar with their national insurance numbers. I was told by the hon. Member for North-East Hertfordshire (Mr. Heald) that not knowing one's national insurance number was a middle-class affectation, but I believe that many people do not know theirs, and would be deterred from registering simply because they did not have them to hand—and by the time they had got around to thinking about finding them, the time to register would have passed. That is a genuine concern, of which we should at least be aware.

Mr. Forth: Is the hon. Gentleman saying that I should respect and take seriously the votes of those who cannot be bothered to find out their national insurance numbers so that they can register?

Mr. Heath: I am suggesting that we should take seriously and respect the vote of every person in the country who is eligible to vote. We do not yet apply an idleness test to the popular franchise; nor do we apply an intelligence test, or any other sort of test. We have a universal franchise in this country. I respect that principle, and I hoped that the Conservative party did as well.

John Bercow: That is different from my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth).

Mr. Forth: It is nowadays.

Mr. Heath: The hon. Gentleman suggests that the view of the Conservative party is different from that of the right hon. Member for Bromley and Chislehurst. That is transparently the case, but then it is so different from that of many Conservatives. But I must not allow myself to be diverted.

As I have said, I am attracted to individual registration and personal identifiers, but I understand Labour Members' concerns about the potential deterrent effect, although I do not necessarily agree with them. We have been trying to reach a common view, so I am prepared to accept that there is at least a risk. I hope that we shall engage in a vigorous attempt to increase the number of people on the register, and I am heartened by proposals in the London boroughs to maximise the effectiveness of the drive for registration. I hope that that succeeds, because it is long overdue, and for numerous reasons London causes particular concern when it comes to registration. National insurance numbers may pose the risk of a deterrent, although I do not think that the same applies to signatures and dates of birth. I think that everyone can cope with those on their own behalf.

Let us go some way towards meeting the concerns of the public and the Electoral Commission. Let us for a moment park our concerns about individual registration and consider personal identifiers, and how they might be applied at least to the most urgent and crucial parts of the electoral process: the postal vote and the absent voters list.

The Electoral Commission came up with what it called a transitional arrangement. It said, "Okay, we will not require everyone to provide personal identifiers on registration yet. We will allow people to provide personal identifiers, but we will not demand it if they are to vote in person. However, we will certainly not send ballot papers through the post to people unknown without checking that they are who they say they are." Those who wish to be included in an absent voters list are required to have already added their signatures and dates of birth to the electoral register. A test can then be carried out—I accept that it is not the most rigorous test in the world—to establish that they are the people whose names were put on the register in the first instance. I agree with the hon. Member for North-East Hertfordshire that that is a minimal requirement if we are to maintain the integrity of the system and restore confidence in it. I do not believe that it is the perfect answer and neither does the Electoral Commission; indeed, it makes it plain that it sees it as a first step. It says in its briefing for this debate that it is a "transitional scheme" that would

"act as the first step towards full individual registration ... a household form would continue to be used for the canvass, and no additional information would be required from an elector in order to vote in the ordinary way at a polling station ... unlike geographically based pilot schemes, postal votes across Great Britain would immediately benefit from improved security while requiring no change to the registration process for the majority who wish to vote in a polling station".

That is the difference between the Electoral Commission's proposal and the Government's. First, the former proposal would have nationwide applicability; secondly, it would immediately improve the security of the postal voting arrangements; and, thirdly, it would not affect registration in its basic form or people's ability to vote in person at a polling station.

Ms Harman: The hon. Gentleman said that I gave factually wrong information on the effect of the Electoral Commission's proposal and of his amendment No. 8, which seeks to give effect to that proposal. He says that, in his view, the commission's proposal is that those who do not provide their signature and date of birth on the annual canvass or subsequent registration should be debarred from a postal vote application. That is not its proposal and neither is it the effect of his amendment. In fact, his amendment would give effect to the commission's actual proposal, which it set out in writing. I went into this issue, via officials, with the commission because I wanted to establish whether there would be a security gain. The commission says the following of its third way scheme, which the hon. Gentleman is proposing:

"However, it would be mandatory for those wishing to vote by post or proxy to provide their signature and date of birth when they register—whether on the annual canvass form"—

we all agree on that—

"individual rolling registration form"—

we all agree on that—

"or application to vote by post or proxy."

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I know that the right hon. and learned Lady was trying to be helpful, but she really should not answer the debate on the basis of an intervention.

Mr. Heath: I am grateful to the right hon. and learned Lady for her interpretation of the Electoral Commission's intention, but let me read out what it intends in its own words, rather than hers, because this is an important issue:

"The intention of this new clause and amendments is to remove clauses for the piloting of the collection of personal identifiers and instead provide a requirement for all absent voters at local and UK parliamentary elections to include in their applications for an absent vote details of their date of birth and a signature, which must have been previously registered in respect of that person. Only those who have provided these personal identifiers are to be included on absent voter lists."

That is, I think, exactly what I said. The right hon. and learned Lady may well query the efficacy of my amendments in putting that proposal into effect, and she may well be right to do so—I do not know. I have done my best in dealing with an extraordinarily complex area of electoral law. But she surely cannot query the commission's intention, or mine, in tabling these amendments, which are quite clear. They provide the lock that we all want to see.

I do not believe that the pilot scheme will do what the right hon. and learned Lady says it will do. For a start, I doubt whether it will be completed to the time scale that she envisages. I do not believe that, under her proposals, we will go into the next general election with a more secure voting system than the current one. Nor do I believe that it will provide a proper test, given that the pilot schemes are to be based in volunteer local authorities that will opt into the scheme. The authorities that give rise to the most concern about the lack of registration are exactly those that will not volunteer. They will not enter into a scheme introducing personal identifiers of any kind, for precisely the reasons that she has already stated, so we will not have a proper reflection of the efficacy, or otherwise, of the scheme.

My worry is that a few already well-performing local authorities—probably those in the shire counties and the leafier suburbs—will enter into this arrangement and provide us with information that, frankly, is of very little value. We will not get such information from inner-city

[Mr. Heath]

London, Manchester, Birmingham or Bradford; we will not get it from those places where it is recognised that such abuses happen, in the light of prosecutions that have already been made. Our great worry is that we will miss the opportunity to get a better system in place.

3.15 pm

Mr. John Redwood (Wokingham) (Con): The hon. Gentleman began his remarks by suggesting that my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) was too forceful and tough in pressing for more honest registration, which I fully support. He now seems to be saying that we do indeed need more honest registration. Does he not agree that the scheme that he has laid before the House, which builds on the Electoral Commission's findings, is still very inadequate and could be wide open to abuse?

Mr. Heath: I do accept that and so does the commission—it calls it a transitional scheme. It is an attempt to win the support of a Government who do not want to move at all. I do not think that I said that the hon. Member for North-East Hertfordshire was being too tough. On Second Reading, in Committee of the whole House and in Committee Upstairs—we had a shared objective in terms of what we want the Government to implement. I happen to disagree with his view that national insurance numbers are the personal identifier to use, but that disagreement is minimal compared with the difference between having personal identifiers and not having them. I am simply suggesting that this scheme, inadequate though it may be, is an improvement on the status quo. It would help to restore confidence in the postal voting system.

I am grateful for Conservative Front Benchers' support for my amendments and if I have the opportunity to do so I should like to test the House's opinion. I am not persuaded that the pilot schemes that the right hon. and learned Lady proposes will have anything like the same efficacy in dealing with the perceived problem.

Mr. Heald: Of course, there would be two stages in the process: registering the signature and date of birth, and the ability to check that information. The Electoral Commission states in its letter:

"Everyone who wanted to vote by post or proxy would be required to register their signature and date of birth, so that their identity could be checked when they applied for or cast their absent vote."

In other words, those two stages, which include the opportunity to check such information, provide an element of security, although we would of course like to go further. Will the hon. Gentleman also comment on the following point? The last time we debated this transitional proposal, Ministers said that it would make the annual registration form very complicated. However, I believe that the commission has produced a draft form, which they have supplied to Ministers, showing how easy the process would be.

Mr. Heath: Precisely, and I am grateful to the hon. Gentleman for both of those points. He is absolutely right. It is no good having a lock without a key, or a key without a lock. It is no good asking people to sign an absent vote form if there is no way to check their signatures, or if there is no other information with which to identify them. The Minister is worried about that simple barrier, whereas we are looking for both the key and lock that will ensure the integrity of the voting system. I hope that the proposal commends itself to the House.

As I said, it is my intention at some stage to seek the House's opinion on what the Electoral Commission has proposed, if possible.

Mr. Forth: I am not convinced that the Government are serious about this matter. In her usual rather charming manner, the Minister gave the game away when she said that none of this was her idea. She has come to the House and said, "I never really believed in this at all but I've had my arm twisted so, a bit reluctantly, I've brought forward this half-baked scheme that I do not really want and am not sure will really work."

That suggests to me that the Government are not remotely serious about the substance of the proposals—a fact that emerged several times in the Minister's opening speech. She has tried to make us believe that the Government want these proposals to be adopted, but the Bill, the Government's new clauses and amendments, and the Minister's contribution all give the lie to that. The Government do not really want to make the electoral system at all robust. All too easily, even a half-determined person could circumvent or evade what the Government propose.

The Bill—and the new clauses and amendments—talks about dates of birth and signatures, but how robust can they possibly be when it comes to assessing whether a person is entitled to vote, or whether the person originally registered is the same as the one casting a vote? The use of the national insurance number has been mentioned repeatedly in the debate, and that would make the system significantly more robust than would the use of a date of birth or a signature.

The Bill suggests that people who want to play a part in deciding the Government of this country need not be bothered, or able, to find their national insurance numbers. That strikes me as more than a little bizarre. I confess that I believe that making registering to vote a little difficult is a good thing. If we expect people to have sufficient judgment to decide who should represent them in Parliament and govern the country, it is not asking too much of them to take the minimal step involved in establishing their identity with the registration authorities.

Mr. Redwood: My right hon. Friend makes an extremely good point. Has he thought about the following anomaly—that this same Government think that people should be able to supply all sorts of extremely complicated and difficult information in tax declarations? That is what the law requires them to do.

Mr. Forth: That is correct. On numerous occasions in everyday life—such as when we apply for passports, driving licences, benefits and so on—we are asked to provide a lot of information and proof of identity. Casting a vote overrides all those activities, as it

determines representation in this House and which party will make up the Government of the day, but the suggestion seems to be that it is too much to ask for something beyond a name and an unverified signature. That is completely the wrong way round.

The responsibility to register rests with the individual, and rightly so. The more individual that responsibility is, the better. Most people claim these days that individualism is good and that decisions are best made as close as possible to the individual.

Chris Ruane: The right hon. Gentleman says that filling in the form is up to individuals, but what happens if people cannot read the form?

Mr. Forth: Reasonable provision for dealing with that should be made right across Government. Proper assistance should be given, in a proper way.

Chris Ruane: What assistance does the right hon. Gentleman think should be given?

Mr. Forth: Very simply, a person in such circumstances should be able to nominate someone who can help them with the process, although both parties must be properly identified. I see no difficulty about making such provision for what will be, happily, a minority of cases. However, this debate has clearly identified the risk, to which the hon. Member for Somerton and Frome (Mr. Heath) referred, of widespread fraud in the electoral system. Preventing that fraud must be the thrust of our endeavours with this part of the Bill.

Chris Ruane: The right hon. Gentleman mentions a minority of cases. The functional illiteracy rate across the UK is said to be between 10 and 15 per cent. In poorer areas, it is a lot higher. How do we get over the problem of very low registration rates in poorer areas. In parts of my own constituency, for example, it is as low as 76 per cent., and in parts of Aberystwyth it is 52 per cent.

Mr. Forth: That is an amazing indictment of the education system that the hon. Gentleman's Government have presided over for more than eight years. For him to admit that illiteracy is rampant in his part of the world says a lot about what is happening in the education system there. Surely, if someone is incapable of reading and has not sought or been offered remedial action of the kind that the Government constantly boast about but are obviously failing to provide in his constituency, and indeed throughout Wales, his remarks must be noted and repeated often, not least by me. It is certainly not beyond the wit of the electoral registration authorities to provide proper and verifiable assistance to someone who claims to be incapable either of reading or of understanding what is required to register for a vote.

Chris Ruane: I remind the right hon. Gentleman that the majority of people who are 18 plus were educated under a Conservative Government.

Mr. Forth: The hon. Gentleman should probably stop digging at this stage and allow the debate to move on.

Mr. Heald: What sort of councils does Wales have? It has Labour councils.

Mr. Forth: My hon. Friend reminds me that the overwhelming majority of councils in Wales are run by Labour, and they are the local education authorities. The hon. Gentleman ought to be somewhat careful. Of course, Mr. Deputy Speaker, you will not want me—however tempted I am, and however much I should enjoy it—to be diverted from the thrust of my remarks and into a subsidiary debate about the appalling quality of education in Wales, delivered by appalling Labour councils. You would not want me to do that, and I shall not submit to the temptation.

The point I was making before the hon. Member for Vale of Clwyd (Chris Ruane) was so very helpful to me was that whereas it is a matter for an individual to have and to take responsibility for registering to vote, the opposite side of the coin is that it is the responsibility of the electoral registration authorities to do all they can and should do to verify that persons are who they say they are and are entitled to vote. I am not yet convinced that any of the mechanisms in the Bill, or indeed in the new clauses and amendments, go far enough in that direction. I should have thought that the national insurance number was probably the very least we could ask for. I should rather like some photographic identification to be given, such as the horrible new-style driving licences or the horrible European Community passports we are now all obliged to carry. There are a whole number of ways in which this could be pushed forward to send out the message that we want to ensure that someone who is claiming to be eligible to vote in elections in this country is who he or she says and is entitled to cast a vote. I see none of that, sadly, in the Bill.

We shall, I suppose, have to support the new clauses and amendments that take us a small way in that direction. Such is the nature of things. I did ask my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) earlier, when looking at amendment No. 17, what reassurance we have when someone applies and provides a signature and date of birth but says they do not have a national insurance number. I am not entirely sure he gave me an answer, so I shall give him the chance to have another go if he wants. Is there to be nothing else? Presumably in that case we are going simply to trust the date of birth and the signature, and not require any alternative to the national insurance number. That strikes me as taking us not very much further forward. My hon. Friend seemed to think that that provided some sort of assurance, but it almost writes a loophole into the amendment.

Mr. Greg Knight *rose—*

John Bercow *rose—*

Mr. Forth: I shall give way first to my right hon. Friend.

Mr. Knight: If my right hon. Friend looks again at amendment No. 17, he will see it appears to make it

[Mr. Knight]

incumbent on the person who claims not to have a national insurance number to make a statement in those terms. Would that person not therefore be committing an offence by making a false statement with the sole purpose of securing a vote?

Mr. Forth: My right hon. Friend is an eminent lawyer, so he must be right on that point, but I am not sure about the follow-up. We have to try to provide mechanisms that at least make it relatively easy and secure for the electoral registration authorities to provide the follow-up to which my right hon. Friend refers. I cannot see that that would necessarily be the case as matters stand. The mere statement that one does not have a national insurance number is not robust enough to allow the authorities to follow up in the way that he and I would like.

John Bercow: It was common ground in our earlier exchanges that relatively few people do not have national insurance numbers, so surely—on the balance of probability—in many cases when people say that they do not have such a number they really mean that they do not have it with them or they cannot remember it. Should it not be incumbent on that individual—as opposed to being incumbent merely on the authority—to check the veracity of that statement?

3.30 pm

Mr. Forth: My hon. Friend is correct. We need to make a distinction between the point at which an application is made to be included in the register and the point at which the voter turns up to vote at the polling station or seeks to use a postal vote, which is now all too freely and readily available. In either case, it is not asking too much for someone to provide their national insurance number. If people are employees, if they pay tax or if they claim benefits, their national insurance numbers are readily and freely available to them. I cannot believe that a significant number of people would find it difficult or impossible to produce that number.

Chris Ruane *rose—*

Mr. Forth: Oh, he is going to try again— *[Interruption.]*

Chris Ruane: I have no wish to know the right hon. Gentleman's national insurance number. I hope that he will get the problem in perspective. The response to a question that I tabled about the number of offences at parliamentary and local government elections in the past 10 years revealed that there had been no parliamentary election postal ballot fraud offences and only one or two in local government elections. While every case of postal ballot fraud is serious, the greater crime is the 3.5 million to 4 million people missing from the electoral register.

Mr. Forth: The hon. Gentleman gives the answer to his own question, however inadvertently. The fact that we do not have prosecutions reveals the fact that the present system is so porous, so full of loopholes, so weak and so vulnerable that the authorities do not have the ability, the power or the mechanisms to discover where the fraud is occurring or who is on the register who should not be.

Mr. Heald: My right hon. Friend may wish to comment on the remarks by the electoral commissioner in Birmingham, who said last year that

"no serious independent investigation was ever carried out into postal vote fraud. In short, there is likely to be no evidence of fraud if you do not look for it."

Is not the problem that insufficient attention has been paid to a serious risk to our system?

Mr. Forth: Indeed, and one can only guess why that is the case and what the motivation is at Government or local authority level. There is now widespread recognition that postal ballot fraud is a serious problem and that it has to be gripped. Labour Members, and even Ministers, who say that we would far rather have lots of people on the register who should not be there just in case the odd person has been incapable of ensuring—or too idle to ensure—that their vote is registered have got things completely the wrong way round. In my view, we should welcome those on the register who really want to vote, but we should ensure that people are not on the register if they are not entitled to vote.

Mr. Peter Robinson (Belfast, East) (DUP): I apologise for not hearing the beginning of the right hon. Gentleman's speech, but I was at another meeting in the House. I come from a part of the United Kingdom that already uses national insurance numbers as part of the identification process and we have had no problem with it. We have higher unemployment rates in Northern Ireland and probably more people trying to hide their identities, but there has been no difficulty. Not one person has ever raised the issue with me.

Mr. Forth: I am grateful to the hon. Gentleman. I was about to come on to Northern Ireland so his intervention is timely. The clue is probably that the quality of education in Northern Ireland is almost certainly much better than it is in the rest of the United Kingdom, which would go a long way to explain why the excellent citizens of Northern Ireland are not only capable of understanding what is required of them but are also willing to provide the information. They regard voting as important, and are well educated and able to use their vote responsibly.

That leads us to a simple point that has been made several times, but which bears repetition: if the safeguards envisaged in the new clauses and amendments can be implemented in Northern Ireland, as the hon. Gentleman has just verified, why on earth do we think that we are so weak and incapable in the rest of the United Kingdom that we cannot do the same thing? That leads me right back to where I came in. I cannot help getting the feeling that the Minister is trying to hide behind the pilots to ensure that the whole system is protracted and excuses can be made to demonstrate how difficult it is. The process can be delayed, ideally, beyond the next election and—who knows?—beyond the one after that if Labour happens by some mischance still to be in government. We must try to move things on, demonstrate that we are taking the matter seriously and

get something on to the statute book that challenges individuals to register and authorities to ensure that those who should be are on the register and that those who should not be are not. That should not be beyond the wit of man; it seems, sadly, to be beyond the wit of the Government.

Mr. Redwood: I rise to support my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) who has correctly drawn attention to the growing worries about the integrity of our electoral system. Like him, I was proud to grow up in a democratic country, with the mother of Parliaments, which in those days was sovereign over all matters relating to government in Britain and was elected on a universal franchise that had the confidence of the British people. It is a great sadness that we witness in election after election, to local and national government, growing fear and concern—from those who run the electoral system, the independent people, as well as from some politicians and political parties—about how accurate and complete the electoral register is.

Like the Government, I want everyone eligible to vote in my constituency to have the opportunity to register and when registered to have the opportunity to vote. No one on the Conservative Benches wants to deny bona fide British citizens their right to vote. We hold it as a great treasure and we want a system that allows us to continue to do so.

We do not think that our constituents are incapable of providing basic information to register to vote. We know that the Government expect them to provide an astonishing array of information to do practically everything else in our society, often under duress from the force of laws recently enacted by the Government. To comply with tax regulations, my constituents are expected to marshal huge amounts of information to return to the authorities on all their financial and savings transactions and their income. If I want to deposit a modest sum from my modest taxed income in a bank or building society, I have to take along my passport or driving licence, both of which contain a photograph of me, and a utility bill showing both who I am and where I live. If I do not have those bits of information, the bank or building society, under Government and European rules, can refuse to take my modest sum of money or can even say that I might be guilty of some offence because I may have come by the money through improper means. That is grossly over the top, but the Government who say that we must do that to deposit a small sum of money in a bank account that was legally set up with all the right information now tell the House that people need provide no additional information, apart from their name, to gain the extremely important privilege of voting.

Mr. Heald: Would my right hon. Friend care to reflect on the form for claiming pension credit, which is 13 pages long and includes the request to give one's national insurance number?

Mr. Redwood: That is another extremely good example, because the hon. Member for Alyn and Deeside (Mark Tami), who has been running down the Welsh education system under both Governments, seems to imply that a large minority of his constituents are quite incapable of reading or filling in any form at all. They must therefore need all sorts of additional help to get any of the basic benefits that are available under this and previous Governments, or to comply with any of the tax and other rules that the Government have laid down.

Presumably, the hon. Gentleman largely supports the Government and believes that they have found ways around that, so that people can get assistance if their literacy is stretched to fill in the tax credit or pension credit forms, their tax returns or whatever they need to do to gain benefits and to avoid paying the taxes that they do not need to pay. Yet he now says that they are incapable of getting the same assistance to do something that is much easier—providing a national insurance number.

I am sure that if my hon. Friend the Member for North-East Hertfordshire asks me to vote for an amendment tabled by the Liberal Democrats in due course because it is slightly better than the Government's proposal, I will loyally support him, but I am glad that we had the admission from the Liberal Democrats that their amendment does not amount to very much and will do very little to prevent the fraud that we now think is all too obvious in our electoral system, particularly surrounding postal votes.

It would give me greater pleasure to support the proposal of my hon. Friend the Member for North-East Hertfordshire—the only serious proposal that we have before us today—as it goes some way to tightening up the system. I am sure that he would agree that it would not be perfect, but it would be a lot better than the current system or than the very modest Liberal Democrat proposal. The need to supply a national insurance number will make people think twice. They would have to commit another fraud if they wished to carry on with a fraudulent request before voting. There also would be an opportunity to check against the national insurance number records and to check that, if they were lying, they were doing so consistently—that they had lied at both opportunities, when they first registered to vote and when they registered for a postal vote. That would be made more difficult, and making it more difficult in this connection gives us a little more security.

I hope that, if the proposal were to pass, the Government would understand that they also need to clean up their act not just on legal and illegal registration to vote, but on national insurance numbers. Many hundreds of thousands of such numbers have been issued over and above the number of legally settled workers that we believe are in the country, thus showing that the national insurance number system itself is far from perfect. To give even greater security, if the Government were to accept my hon. Friend's proposition, we would need not just to introduce it as a security device for electoral registration, but to ask the Treasury to go through the national insurance lists to try to get the number of legally issued national insurance numbers into line with the number of legally settled and working people in our country. That would give us a further precaution against fraud.

Mr. James Gray (North Wiltshire) (Con): Another problem with national insurance numbers is that a small number of people in the United Kingdom are not

[Mr. James Gray]

entitled to such numbers at all because they have never worked and never received any form of benefit. No matter how hard they try, as I have done for a number of my constituents, they cannot be issued with a national insurance number, unless they have applied for a benefit at some stage in their lives or worked. Therefore, the use of NI numbers in the way that has been described would not be easy.

Mr. Redwood: My hon. Friend is quite right, but my hon. Friend the Member for North-East Hertfordshire has thought of that excellent point, which is why his proposal includes provision for the very small number of people who do not have a national insurance number and cannot legally claim one: they can make a declaration to that effect. However, I hope that the Government wake up to the serious problem that the country now faces. With the mother of Parliaments and the democracy that most of us prize very highly, we have a serious problem of illegal registration and deception or fraud in our voting system. That is disfiguring our country's democracy and is beginning to be commented on by people outside this country, and one wonders whether, soon, instead of our sending people to oversee other people's elections in emerging democracies, overseas people will have to come here to oversee our democracy because it is becoming a scandal.

Mark Tami: Does the right hon. Gentleman also accept that there is a serious problem of under-registration?

Mr. Redwood: There might be in some places. I began my remarks by saying that I share the concern of the hon. Gentleman's party that everyone who is eligible to vote should have the opportunity to register and vote if they choose. I do not believe in compulsory voting, but we should say to people that we think that voting is most important and something that they should treasure. Of course, we want to make it straightforward for people to get their vote if they wish to use it. However, we do not wish to have a system that is so open to abuse that those who wish to manipulate it may do so easily. We know how difficult it is for prosecutions to be mounted, even by returning officers who have let the Electoral Commission and others know that they think that there has been serious abuse, yet cannot get evidence because the system is too loose and it is difficult to pin everything down.

I hope that the Government wake up. There could be cross-party agreement on the matter. For our part, we are keen to further the Government's aim of more full registration of all who are eligible to vote. We hope that they will be equally serious about wishing to get rid of fraud and impersonation.

3.45 pm

James Duddridge: It is a great honour to follow my right hon. Friend the Member for Wokingham (Mr. Redwood), who touched on several points that I would like to extend by reflecting back on something that I said in an intervention on the Minister, especially regarding financial services and the lack of efficacy of signatures as personal identifiers. I realise that this is late in the day, given that the Minister said that the financial services industry was not consulted, but perhaps she will reflect on the debate and consider engaging some members of the industry during the pilots because they have a lot to offer.

I cannot say that I am an expert in fraud—

Philip Davies: I am delighted to hear it.

James Duddridge: I thank my hon. Friend for correcting my obvious mistake. I am not an expert on fraud prevention, but I was involved in the banking system in both the UK and Africa for several years, so I know that a lot of research has been done on personal indicators. We should bear in mind that the matter is in the financial interest of banks, especially as the House has legislated that banks, not the customer, must pay for mistakes. Banks have to make billions of decisions worldwide about whether or not to pay that are based on personal indicators and personal information. Millions of such decisions are taken in the United Kingdom.

The banking system has moved away from signatures. Dates of birth are useful and, interestingly, national insurance numbers are especially useful for complicated and expensive financial products for which risk is greater. I have not heard anyone mention mothers' maiden names—*[Interruption.]* I apologise; I did not hear my right hon. Friend the Member for Wokingham mention them. Mothers' maiden names are especially useful because although they are good personal indicators because they are known by everyone, they are not reproduced on many documents, so they are unlikely to be of much use to a fraudster.

We should consider when personal indicators are used. In the banking system, certain indicators are useful for different distribution channels. If the Bill is to stand the test of time in the longer term, we will need to examine different delivery channels for voting, be that postal voting, or using the internet, phones and so forth.

Chris Ruane: On a point of order, Mr. Deputy Speaker. Would it be possible to clarify the name and constituency of the current speaker?

Mr. Gray: The Annunciator has changed.

Mr. Deputy Speaker: Order. I think that the hon. Member for Vale of Clwyd (Chris Ruane) has found the answer to his question with just a little glance around. Otherwise, there are excellent publications that repay close attention with which he may know every Member of the House.

James Duddridge: I apologise for my personal failing of not being better known and not plugging my constituency multiple times in every debate.

Signatures are useful when people meet face to face, but photo ID could be more useful in the longer term as a personal identifier that would allow us to move away entirely from national insurance numbers and signatures. I hope that I am not broadening the debate too much, but many people have talked about fraud regarding information that is provided. National insurance numbers could be used in such a way. It would

be of benefit to consider holding a pilot using some of the fraud prevention systems that the banks use to examine spurious information that is provided as a personal identifier. That would alleviate the problem of having anagrams of "I'm a made-up voter" and the ubiquitous Mickey Mouse-type submission on electoral forms and, as we see as Members of Parliament, on petitions. It could be useful, and I am mindful of the Minister's comments about a centralised web-based computer system that would facilitate a form of interaction at a national level to validate and spot trends.

I know that it is late in the debate to raise issues on personal identifiers, but there is an opportunity to consider some of the pilots. Although I am not bold enough to disagree entirely with my Front Bench—*[Interruption.]* Perhaps I will do so just this once, to create a reputation so that my constituency of Rochford and Southend, East is known. We could flip things on the head and in one pilot severely reduce the amount of information that is needed to get on to the register while severely increasing the information we need, in banking terms, at the point of sale—the point of voting. That would be useful when people sign up remotely and by different methods, and it would increase overall registration, which I would welcome.

Jeremy Wright: I will happily support the new clause tabled by the hon. Member for Somerton and Frome (Mr. Heath). Indeed, I would much rather support the proposal by my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) that we use national insurance numbers to ensure that the register has integrity. I am happy to do either or both of those things because I do not want, and I hope that no other hon. Member would want, to have the same experience that I, and I am sure many others, had during the last general election campaign of the unwillingness of those who had applied for postal votes to use them because they had insufficient faith that the postal vote would not be interfered with.

Although we are talking about registration, the integrity of the register and the voting system as a whole has a substantial effect on whether those people cast their vote. They do not have a choice between voting by post or voting in person at the ballot box. Their choice is between voting by post or not voting at all. If the House attempts to increase registration, which I fully accept is a desirable goal, but, in the course of doing so, damages turnout, that will be a strange and undesirable outcome. The House has an obligation, and we in this debate have an obligation, to find a way in which we can make a register as safe, reliable and complete as it can possibly be. The proposals that give us the most safe, reliable and complete register, from whichever side of the House they come, are the ones that should command the support of the whole House.

The objections by Labour Members that the national insurance number would do even greater damage to the level of registration do not hold water. It is improbable that the reason people do not register now is because of the obligations on them, by which I mean the obligation to give their name, signature or, in the future, national insurance number. The reasons for not registering are far more fundamental than that. I agree, as I am sure does pretty much every hon. Member, that something serious has to be done to address that level of disengagement, but adding the requirement to supply a signature or a national insurance number would not damage registration.

Mark Tami: If the hon. Gentleman believes that that is the case, how does he explain the collapse in registration in Northern Ireland, which was far beyond anything expected as a result of concerns about fraud?

Jeremy Wright: We would have to look carefully at what other circumstances prevailed at that election.

Mr. Heald: My hon. Friend will know from his work on the Committee that the Electoral Commission looked at the question of whether or not the 120,000 fall in the number of voters was a genuine reflection of an accurate register, and it found that it was. It was not a case of people who were entitled to vote being taken off the register.

Jeremy Wright: My hon. Friend has encapsulated the issue perfectly. We want to achieve the maximum registration of people who are entitled to vote. We do not simply want to increase the number—we want to ensure that people who are entitled to vote have the opportunity and are encouraged to do so. People who should not have the opportunity to vote, because they are not so entitled, should not be on the register in the first place. It is important to look at the circumstances that prevail in Northern Ireland and the reasons why turnout was not as great as it had been previously. The hon. Member for Somerton and Frome expressed clear support for a system using national insurance numbers, as proposed by the Opposition.

Barbara Keeley: The hon. Gentleman is talking about efforts to achieve the safest and most complete electoral system. First, to return to a point that I made earlier, he was present when the Constitutional Affairs Committee took evidence from the Electoral Commission. Its chairman, Sam Younger, talked about the tension between participation and security. We are juggling with a dilemma, as we cannot achieve the safest and most complete system at the same time. Sam Younger said:

"we do not feel national insurance numbers are something we should be asking people to provide at registration".

Secondly, I am surprised—

Mr. Deputy Speaker: Order. I think that the hon. Lady has taken the hint. An intervention is an intervention. If she has an argument to develop, she should seek to catch my eye.

Jeremy Wright: I accept what the hon. Member for Worsley (Barbara Keeley) said. I was present at that hearing, and the Electoral Commission has indeed come to the conclusion that national insurance numbers are not the best way forward. I disagree. As I have said, it is vital that everyone who is on the register and who is entitled to vote should have absolute confidence that everyone with whom they share the register is entitled to be on it and that the system has integrity. We should therefore seek to make the system as safe as possible.

Mr. Peter Robinson: May I help the hon. Gentleman by clearing up the reason for the fall in registration in

[Mr. Peter Robinson]

Northern Ireland? It is fairly well established that, in the first instance, there was a significant reduction because some people should not have been on the register in the first place. In subsequent years, there was a lesser reduction because of annual registration.

Jeremy Wright: I am grateful to the hon. Gentleman.

Mr. Heald *rose*—

Chris Ruane: *rose*—

Mr. Deputy Speaker: Order. Perhaps the hon. Member for Rugby and Kenilworth (Jeremy Wright) would like to indicate to whom he is giving way.

Jeremy Wright: I am giving way, first, to my hon. Friend the Member for North-East Hertfordshire and then to the hon. Member for Vale of Clwyd (Chris Ruane).

Mr. Heald: It has been suggested that the numbers in Northern Ireland fell for an improper reason, but that is not what the Electoral Commission said. It said:

"We do not agree with the assertion that 120,000 or so persons were disenfranchised as a result of the new legislation being introduced."

The evidence that we have just heard from the hon. Member for Belfast, East (Mr. Robinson) confirms that that is the case.

Jeremy Wright: I agree, as the judges say, and I have nothing to add. It is entirely felicitous that I should be able to rise to make a speech and not have to do so.

Chris Ruane: If the hon. Gentleman is holding up Northern Ireland as a paragon to be copied regarding the security of the vote, may I remind him that, initially, the electoral registration rate there went down to about 84 or 85 per cent? After a sustained campaign to reinstate people on the register it is now 92 per cent. If that were translated to the mainland, we would have to accept a loss of 3.5 million to 4 million registered voters.

Jeremy Wright: The hon. Gentleman must decide whether people would not remain on the register if they were invited to provide their national insurance number. That is profoundly unlikely. I agree entirely that there are serious problems in this country concerning people who are not on the register but should be. If their national insurance number were an additional requirement, I do not think that that would put them off. There are far more fundamental problems that we must address, but the national insurance number is not one of them.

Finally, I want to touch on one other point—pilot schemes, rather than a national roll-out scheme. I put this as charitably as I can: we all know that Government timetables tend to slip from what they hope to achieve. It is highly likely that if the Government were to roll out a pilot scheme, followed potentially by a national roll-out, that would not occur before the next general election. I come back to the point with which I began. The House has an obligation to all those who require the register to have integrity to give them confidence to use the electoral system. We owe it to them to provide for improvements to the system to be made soon.

4 pm

Geraldine Smith (Morecambe and Lunesdale) (Lab): Surely the problem is not the integrity of the register. In all my years in politics, I have not found evidence of widespread fraud and large numbers of people on the register who should not be on it. What I have found is many people who wanted to vote but who could not do so because they were not on the register. Surely we must address that issue first, and give local authorities more resources to get people on the register and to carry out the checks to make sure they should be there.

Jeremy Wright: I agree with the hon. Lady that that is a problem, as I agree with the hon. Member for Vale of Clwyd, but two wrongs do not make a right. The fact that there are insufficient numbers of people on the register is one problem. There is a problem—this is where I disagree with her—of people on the register who should not be there, and there is certainly a problem of perception among those who are properly on the register—

Geraldine Smith: Will the hon. Gentleman give way?

Jeremy Wright: No, I will not give way again. I am about to conclude.

There is a problem that people who perceive a great deal of fraud in the voting system—I am thinking particularly of those who use the postal voting system—are discouraged from voting because they do not feel that the system has integrity. The House has a responsibility to deal with that.

On national roll-outs and pilot programmes, that is a national problem and requires a national solution. It is also an urgent problem and requires an urgent solution. The solutions proposed by the Government in the Bill unamended do neither of those things.

Ms Harman: Much of the ground covered today was covered on Second Reading and in Committee. There was one offer, which came from the hon. Member for Rochford and Southend, East (James Duddridge), to use his experience of securing the banking system against fraud in the UK and Africa. I should like to take him up on that offer and use his expertise. We are concerned about fraud, as I said at the outset.

There are three legs to the stool on which the legitimacy of our democracy depends—first, that everybody who is entitled to vote is registered; secondly, that everybody turns out to vote so that it is democracy in practice, not just in theory; and thirdly, that no one fiddles the vote. We are concerned about fraud and we have been taking action to tackle it. In the Bill, aside from the provision to roll out personal identifiers, there are a number of tougher measures on fraud, including criminal sanctions. We have taken primary legislative action to back up our commitment and concern to ensure that the electoral system is fraud-free.

We are also proposing to bring before the House a number of secondary legislative measures which will help to tighten up the system against fraud, particularly

in respect of postal voting. I have an opportunity to discuss that with Richard Mawrey QC, who conducted the Birmingham investigation. The House will hear further about secondary legislative measures to tighten up postal voting.

As I mentioned, we are taking operational action at national level, which includes my meeting the Society of Local Authority Chief Executives. After the Bill has gone through, the Electoral Commission will be able to set performance standards on tackling fraud for local electoral registration officers, so that for the first time there will be national standards for fraud prevention with which local electoral registration officers will be required to comply. Those will be backed up by extra funding that will come with the Bill to local electoral registration officers.

In addition to national measures, we know that fraud is a problem in particular local areas. Some areas feel much more threatened by electoral fraud than others, and we will therefore provide active support at a local level to those who feel under pressure. I ask the House to reject the amendments that would provide a national roll-out for personal identifiers. The Bill states that personal identifiers will be piloted before they are rolled out nationally, and those pilots will show whether personal identifiers assist with security without undermining the completeness of the register.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

New Clause 15

REPORTING DONATIONS TO MEMBERS OF THE HOUSE OF COMMONS

'(1) Schedule 7 (control of donations to individuals and members associations) to the 2000 Act is amended as follows.

(2) In paragraph 10, after sub-paragraph (7) insert—

"(8) This paragraph does not apply to a donation received by a member of the House of Commons.

(9) For the purposes of sub-paragraph (8), it is immaterial whether the donation is made to the member of the House of Commons in that capacity or in his capacity as a member of a registered party."

(3) In Part 5 of the Schedule, after paragraph 15 insert—

"Donations to members of the House of Commons

15A (1) This paragraph applies in relation to donations received by a member of the House of Commons if—

(a) the House of Commons has in place arrangements requiring the member to report such donations, and

(b) the Commission think that the arrangements correspond to the requirements of paragraph 10.

(2) The Commission must make such arrangements as they think appropriate corresponding to section 69 as modified in pursuance of paragraph 15(3) to maintain a register of such information as they receive relating to such donations."

(4) The Secretary of State must not make an order under section 69 for the purposes of this section as it applies to members of the House of Commons unless he is informed by the Commission that they are satisfied that they will receive the information mentioned in paragraph 15A(2) of that Schedule (as inserted by subsection (3) above) in relation to such members.'.—*[David Cairns.]*

Brought up, and read the First time.

David Cairns: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss the following amendments: No. 21, in clause 29, page 33, line 36, leave out

'of four months ending with'

and insert

'from Notice of Election until'.

No. 22, in page 33, line 40, leave out

'of four months ending with'

and insert

'from Notice of Election until'.

No. 23, in page 34, line 1, leave out

'starting with the day when the vacancy occurs and ending with'

and insert

'from Notice of Election until'.

No. 20, in page 34, line 17, leave out subsection (6).

No. 3, in clause 30, page 34, line 33, at end insert—

"(3B) For the purposes of subsection (3A), any expenses incurred by a registered political party in respect of communicating with an individual elector in that election, at the address at which he is registered, shall be treated as an election expense if that communication makes reference to—

(a) the constituency in which the elector is registered, or

(b) any place or person within that constituency, or

(c) any candidate in that election,

irrespective of whether that communication makes reference to the candidate of that party by name.".'.

Government amendment No. 63.

David Cairns: In discussing the new clause, I shall take the opportunity to indicate the Government's attitude to the other amendments in the group.

Schedule 7 to the Political Parties, Elections and Referendums Act 2000 sets out the requirement that holders of elective office should report donations that they receive to the Electoral Commission, which then publishes them. Hon. Members must currently report donations to not only our own Register of Members' Interests, but the Electoral Commission, and many hon. Members take the view that such duplication is unnecessary. The hon. Member for Somerton and Frome (Mr. Heath) made that point on Second Reading.

On Second Reading, I said that we would consider the matter carefully and introduce our proposals. The Standards and Privileges Committee, of which the right hon. Member for North-West Hampshire (Sir George Young) is the Chair, published a report today expressing its support for new clause 15:

"We commend its proposals to the House"—

the Government's proposals—

"as an effective means of removing the existing duplication of reporting requirements faced by Members."

The new clause is relatively simple. It means that hon. Members will not have to report donations to the Electoral Commission, whether those donations were received in their role as an MP or in their role as a member of a registered political party. For technical reasons, the new clause retains the requirement for the Electoral Commission to record details of such donations on its register. The commission will also continue to monitor compliance with the regulatory system, as set out in the 2000 Act. However, it will have

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no role to play on the non-reporting of donations, and the Register of Members' Interests will retain its functions on that issue. The provision will commence only when the Electoral Commission is content that the House authorities have sufficient arrangements in place to ensure that the commission can still maintain an accurate register, but we do not think that that will be a problem.

We are working on a solution that would remove the requirement for all holders of elected office, which includes MEPs, Members of the devolved Administrations and local councillors throughout the UK, to report donations to the Electoral Commission. The Electoral Commission and the relevant bodies, including the Scottish Executive and the Standards Board for England, support the proposals, but some technical issues remain to be resolved, and we will continue to explore them with the intention of tabling an amendment, which will be introduced later in the Bill's parliamentary passage, covering all holders of relevant elective office.

Amendment No. 21 deals with what has become known as the "four-month issue" or the "relevant period issue". Although the provision concerns only third-party spending, there has been a great deal of discussion about the efficacy of the relevant period concept. I should like to take a moment to explain to the rest of the House the point that we have reached.

All members of the Committee, without exception, accepted that there is a problem in our system. We accept the principle of expenditure limits for national parties, that has been set, agreed to, and adhered to. We also accept the principle of expenditure limits in individual constituencies during general elections. That is a well understood and well adhered to policy. However, a relatively recent and growing phenomenon is that of the third category, as my right hon. and learned Friend the Minister described it in Committee, of unlimited, uncapped local spending in specific constituencies in the run-up period—the proximity period—to a general election. If we accept, as I think we all do, that there is a role for money to play in elections, but that it has to be regulated and limited, now is the opportunity to address the lacuna whereby unlimited spending can be undertaken in individual constituencies, often to the tune of many tens of thousands of pounds.

The Electoral Commission made a proposal, which we incorporated into the Bill and discussed on Second Reading, to introduce a four-month election campaign period, to be dated backwards from polling day, which would in effect spread the spending that takes place during an election across four months. That was an attempt to deal with the third category of spend. That proposal was not without its flaws, which were debated in depth, so I will not rehearse them. One problem is that we would not know when we were in the four-month period, because we cannot know that an election is going to take place until Parliament is dissolved, the Prime Minister goes to the palace and the election kicks off.

Another proposal was to revert to the status quo ante and not have MPs becoming candidates on the dissolution of Parliament, but it was felt that that would resurrect the prospective parliamentary candidate system, which also had its flaws—that was why we moved away from that in the first place.

Another major consideration in Committee was that because the spending limit for the four-week campaign—for want of a better phrase, the short campaign—is relatively low, perhaps on average about £10,000, although it obviously varies according to the size of constituency, if it was spread not over four weeks but four months, that would seriously limit the amount of legitimate campaigning that could go on in the run-up period to a general election. We have absolutely no wish to do that. The hon. Member for Somerton and Frome suggested—I do not think that it was his preferred option, but an attempt to explore some of the problems involved—that we should simply double the limit for the election campaign spend. However, that would create other problems. If the limit was put up to £20,000 or £25,000, there would be nothing to stop someone not spending anything in the run-up period but spending it all during the election campaign, which would have a distorting effect.

I hope that I have made it clear that there is no obvious solution to the problem that does not result in other problems. We therefore undertook in Committee to attempt to explore the issue further, in consultation with Front-Bench spokesmen, and to give an outline of how we will proceed.

Another point that was clearly expressed in Committee was that during the run-up period, or proximity period—the three months before the dissolution of Parliament—we will all continue to be MPs and to do our duties as MPs, including communicating with the electorate. Members expressed the fear that if we did that inadvertently during the time that was retrospectively to be part of the election campaign, we would get into trouble. That is a legitimate fear. We have to make it absolutely clear that expenditure by MPs discharging their duty to communicate with their constituents will not, wherever it has been sanctioned by the incidental expenses provision, in any way be counted against election spending after the event. We must be clear about that. Further consultation with the House authorities and the Electoral Commission is required to ensure that such a provision is robust and that Members of Parliament who go about their business will not be caught out by claims that something or other constituted election expenditure.

4.15 pm

Of course, the rule for indicated expenditure provision is that it must not be used for campaigning or party political purposes, irrespective of whether we are in the run-up to a general election. If we maintain the integrity of the IEP rules, that fear can be set aside.

We seek consensus on the issue. The hon. Member for North-East Hertfordshire (Mr. Heald) was probably right to say that all the controversy was likely to be about the first group of amendments. That is not to say that there will be harmony on everything else but we all accept that a problem exists and we are trying to find a solution together.

We want a workable solution that tackles the problem and maintains and strengthens the transparent and accountable regulatory system. To that end, we have

been consulting the Opposition parties and the Electoral Commission, and have devised what may be—I believe that it will be—a workable alternative. We propose to maintain the concept of a run-up period to the election campaign but to protect the election campaign as it currently stands. In other words, the campaign will kick off at Dissolution and a Member of Parliament will continue to be entitled to spend everything that one is now allowed to spend during the four-week campaign. That money is ring-fenced.

However, we propose to introduce the concept of a run-up period of three months, during which there will be a separate cap on what can be spent locally in a constituency. That period would have an expenditure limit. The definition of election expenditure would take account of the fact that Members of Parliament continue to carry out their parliamentary duties and constituency activities. During the run-up period, election expenses would cover only campaigning costs.

The proposal would create a rolling three-month period with a discrete limit. That will provide greater clarity by setting the rules for what can be spent on campaigning activities in the run-up to the dissolution of Parliament. It would avoid a situation whereby candidates accidentally exceeded the election expenses limit simply because they did not know that they were in the election period. The three-month proximity or run-up period and the current period would apply to all candidates thereby maintaining a level playing field.

The proposal does not resolve all the problems about the concept of a run-up period. Legitimate anxieties remain about the role of election agents and their legal responsibilities. I am sure that the hon. Member for North-East Hertfordshire will want to discuss those further. Problems remain such as precisely what spending should be included in the two different periods. Amendment No. 3 focuses on that. Whatever happens, the election expenses limit will almost certainly need to be increased. Problems remain about communicating with an individual elector and the correct category into which such communication falls.

We therefore propose to table an amendment at a later stage to take a power under the Bill to introduce a scheme through secondary legislation, which will follow full and wide-ranging consultation with all interested parties. We will learn from political parties' expenditure, party lists in Wales and Scotland and the Electoral Commission's current work on expenditure at the previous general election. I want to give a clear assurance that hon. Members will have the opportunity to have their say during any proposed consultation and before any scheme is submitted to Parliament.

Mr. Redwood: Does the Minister's outline proposal mean that only the last three months before an election would be subject to the controls? When he says that it would apply to the rolling three-month period, would that involve only those candidates who had not been a good judge of when the election was going to be? They could have spent a lot more between six and three months before the election, if they had been right in their judgment as to when the election was to be held. Is that correct?

David Cairns: That is essentially correct. The judgment has been made, however, that money spent closer to an election is more efficacious than money spent earlier. One of the proposals was simply to replicate the national system of having a 12-month period in which a rolling cap applied to every month, irrespective of the time of year. I was not attracted to that, however, because it is all very well for political parties to manage such a system given that they have well-paid professional people with great experience of these matters, whose job is to do just that, but it is a different matter for those of us who have voluntary agents, on whom we do not want to place too heavy a burden. We also do not want to create a perverse incentive for parties not to appoint agents until Dissolution, in order to avoid accusations of unauthorised spending. There is a balance to be struck. Before we get into too much detail, however, a lot more consultation and discussion needs to take place.

Rosemary McKenna (Cumbernauld, Kilsyth and Kirkintilloch, East) (Lab): I am happy to hear that from my hon. Friend, because there is clear evidence in at least two constituencies in Scotland of the aspiring MP spending hundreds of thousands of pounds—not just tens of thousands—over a period of two to three years. That is a blatant misuse of funds, because it covers not only the election period and the preceding six months, but the two or three years leading up to that.

David Cairns: I accept my hon. Friend's valid and legitimate concern. We are trying to address the most serious aspect of this fairly recent phenomenon without making the system too bureaucratic or placing too many burdens on voluntary agents. We are trying to strike a balance. Spending during the proximity period is more efficacious than at other times—that is why people do it, of course—and we probably need to be most concerned about that period at this stage.

Mr. Heath: As the hon. Gentleman knows, we are grateful to him for looking again at this issue. His proposal certainly has a basis for agreement. We agree, however, that the reporting process still presents some difficulties. In principle, if we could avoid the reporting, the suggestion made by the right hon. Member for Wokingham (Mr. Redwood) should apply. That is that in any three-month period there should be a cap on expenditure, provided that our agents did not have to report on every three-month period, because that would be too onerous a task. We might look again at that, but I agree with the Minister that the three months before a general election are the crucial period.

David Cairns: I thank the hon. Gentleman for that intervention. It is relatively easy for us to pass these regulations in response to legitimate concerns, but out there in the real world, they have an impact. I suspect that if the 650 agents out there knew what we were cooking up, they would be marching on Parliament to say, "What on earth are you up to? You're making things even more burdensome for us." We're aware of that possibility. On reporting, in regard to submitting electoral expenses, there is no doubt that the three-month/one-month period effectively creates an additional bureaucratic hurdle. As well as merely accounting for the election expenditure, the agent will have to account for the three months prior to that

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period. I hope that we can keep this as simple as possible—perhaps by using just one form, for example, so that the account is simply a continuation of that of the previous period. In reality, I would imagine that this will not be that much of an issue in the vast majority of constituencies, because there will not be a huge amount being spent in any given three months.

Mr. Heald: Obviously, this would not apply to any of the main parties, but one could imagine a situation in which an agent had come in to act on a voluntary basis for a candidate for a badly organised party during an election. He might not know anything about the candidate's spending history. How will the provision be policed, given that it is retrospective?

David Cairns: The hon. Gentleman has highlighted one of the key issues that remain to be resolved. Whether we talk of unintended consequences or of moral hazards, if we write into statute that the agent, once appointed, cannot be held responsible in any way for what was spent in the past, we shall merely create an incentive for no one to appoint an agent until Parliament is prorogued or dissolved before an election. That would lead to anarchy. Everyone would be spending everything and appointing agents the day before the Prime Minister went to the palace, and no one would be accountable for anything.

We are trying to strike a balance. I have been frank about the fact that we have not resolved all the issues, which is why it would be unwise at this stage to write anything too prescriptive into the Bill. The amendment that we propose to table in another place will be an enabling amendment, allowing us to present subsequent orders through the affirmative procedure. It will give us time to study the Electoral Commission's proposals, examine what happens elsewhere, continue the discussion among ourselves, and return to our constituencies and prepare for the arrangements by consulting our own agents. I have a particularly excellent agent, who I am sure will cope with it all admirably. None the less, we should be aware that we are creating burdens.

Amendment No 20 deals specifically with unauthorised third-party election expenses. Following the case of Bowman *v.* UK, the Government amended section 75 of the Representation of the People Act 1983 by means of the Political Parties, Elections and Referendums Act 2000 to increase the expenditure limit for unauthorised third parties. However, the relevant section remains ambiguous in relation to precisely what the money can be spent on. Clause 29 clears that up. Expenditure by unauthorised third parties up to the specified level, £500, will be allowed on holding public meetings or organising any public display, on issuing advertisements, circulars or publications, and on other ways of presenting a candidate's views to the electorate.

The purpose of clause 29(6), which amendment No. 20 would delete, is to enable the clarification provided by clause 29 to apply, to minimise the dangers of erroneous prosecution of a third party who has misunderstood the ambiguous legislation and may therefore have contravened it while acting in good faith. Anyone who has been prosecuted—which has already happened in one case—will now be able to cite subsection (6) in his or her defence, or in the event of a repeal.

We have taken powers in the Bill to ensure that when there is a list election under one of the various proportional representation systems, the names of all the candidates will not have to appear at the bottom of the documents, on which the imprint is quite large. Someone—I think it was a Conservative Back Bencher—asked about county council and other elections. *[Interruption.]* In fact, it was the hon. Member for Somerton and Frome. I apologise for calling him a Conservative. *[Interruption.]* Apparently the hon. Gentleman will see me outside. I spent the new year in his constituency, and this is how he repays me!

A sensible point was made. In next year's London election, one party will put up 60 candidates. Will the names of all 60 have to be listed at the bottom of the leaflets? They would take up half the space, which would obviously be silly. Our amendment No. 63 extends the provisions already applying to other types of election to cover the eventuality described by the hon. Gentleman.

Mr. Heald: I welcome amendment No. 63, because it makes a good deal of sense. It would allow the party name to be used if there were more than one candidate. I am glad that the Minister listened to what was said in Committee. We also welcome new clause 15, which will make life simpler and less confusing for all concerned without reducing sensible control over the transparency and accountability of Members of Parliament.

As I said on Second Reading, I share the concern that has been expressed about the more general issue of holders of elective office being required to report donations to the commission and to the body to which they are elected. I was pleased to hear the Minister's assurance that this issue is being looked at. We should also pay tribute to the commission, which was prepared to suggest sensible proposals and to support them.

4.30 pm

I thank the Minister for the welcome consultation that has taken place on the more difficult issue of a proposed regulated period for election expenses. As we pointed out, if the date of an election is unknown, a regulated period with an expenditure cap can create real problems. If the election date proves to be a surprise or if the election is delayed—as happened following the foot and mouth crisis—the money might be spent before the campaign starts; as a result, it would be impossible to compete effectively in the campaign. So it is good that the Minister has examined this issue and concluded that the election period itself should be ring-fenced, and that the expenses for the period in question should be dealt with according to current practice.

On the proposed taking into account of an earlier period, the Minister is right to say that the power to create such a provision through regulation should be discrete and subject to full consultation. There are some problems with this proposal. If volunteer agents—who may have been appointed as recently as the Dissolution of Parliament, or when an election campaign starts—are to be told, "You will be responsible for what happened in the previous three months", they might prove quite difficult to recruit. Alternatively, we might end up with

prospective parliamentary agents, just as we used to have prospective parliamentary candidates. So we need to look at this issue, although I accept the more general point that problems can arise if there is very heavy expenditure just before the election period starts.

Mr. Redwood: Of course, we used to run our Conservative associations—I guess that the same is true of Labour associations—properly until the election was called, and then close them down for the election period, so that they could not spend anything that could conceivably be construed as promoting the candidate. We cannot close our associations down for three months beforehand in the belief that there might be an election, so surely a limit must be set that allows an association—be it Conservative, Labour or Liberal Democrat—to spend its money promoting itself and its message in the normal way, and to promote any local government candidates who may be needed for by-elections or local government elections. Otherwise, associations could apparently overspend, even though the money was spent on more general purposes.

Mr. Heald: That is one of the key issues. Of course, it is not necessarily associations that would have spent such money. If a council promoted a particular issue and the councillor taking the lead on it proved later to be the parliamentary candidate, that could give rise to all manner of questions relating to council expenditure. We should also bear in mind the incidental expenditure provision. The Minister is right to say that if money is spent properly and in accordance with House rules, it should not be treated as a pre-election expense. However, it is necessary to examine in detail the commission's view of such matters, which it has a duty to define.

So we need to consult fully on these many complex details if we are to avoid ending up with a provision that is very hard to implement. My initial view was that although there is a problem, in solving it we might create a worse one. I therefore welcome the Minister's commitment to full consultation and to a separate order-making power, which could be implemented at a much later date, once all these issues have been looked into. The Electoral Commission is also concerned about the matter, and it will be worth looking at the study that it is undertaking.

Progress is being made, so I do not want to press amendments Nos. 21 to 23. The Government have listened to the very important points made in Committee by my hon. Friends the Members for Huntingdon (Mr. Djanogly) and for Epping Forest (Mrs. Laing).

Mr. Heath: I agree that several bouquets should be handed to Ministers in respect of this group of amendments and I am grateful for their engagement with the arguments advanced on Second Reading and in Committee. I am pleased that the potential nonsense posed by the imprints has been resolved and welcome new clause 15 in particular. The Minister was right to say that I called for that change on Second Reading, when I made it clear that a duplication existed in the two sets of rules. That was unhelpful in many ways, as the lack of distinction between those rules was causing problems. I shall not steal the thunder of the right hon. Member for North-West Hampshire (Sir George Young), because he is Chairman of the Standards and Privileges Committee and I served under him in the previous Parliament, so I know how concerned that Committee was about the matter. I am grateful to Ministers for the resolution that has been achieved.

Amendment No. 3, in my name, is a serious proposal, as it deals with a practice that is becoming widespread in all parties around the country that effectively circumvents the rules on local election expenditure. Literature generated from national parties' central headquarters is sent to individual electors in a way that can be construed only as an attempt to influence a specific election. However, because that literature does not mention the local candidate and is instead signed by the leader of the national party, or someone else, it does not have to be counted against local expenditure limits.

All hon. Members will have seen that happen. The practice is especially prevalent in hotly contested marginal constituencies, but probably unknown in others. All three major parties are guilty of what I consider an abuse: a piece of material put though people's doors that is intended to promote the interests of one party and its candidate in an election, or which is intended to reduce the likely success of another candidate in that election by drawing attention to real or imagined shortcomings in that candidate's performance or policies is election material and should be identified as such.

I would have preferred the Bill to be explicit about that, but I recognise that the Government and the Electoral Commission are genuinely working to identify what should be considered as local election material. I am content to allow that work to go on, but I will not be content if large sums continue to be spent in individual constituencies without being caught by the expenditure limits.

Mr. Andrew Turner (Isle of Wight) (Con): At the last election, I was privileged to receive a letter from the former leader of the Liberal Democrat party, the right hon. Member for Ross, Skye and Lochaber (Mr. Kennedy), inviting me to support that party. The hon. Gentleman will know the effect that that had in my constituency. When he says that such a letter must be identified as election material, does he mean that it should be attributable to the relevant party's local candidate, or that it should be a cost charged to that party's national expenditure allowance?

Mr. Heath: I am very clear. The spending should be counted against the election limits for the specific candidate. I am working on the assumption that central party organisations do not send out vast quantities of material without the local candidate's at least acquiescing, if not with his or her prior knowledge. I accept that that assumption is questionable, but nevertheless we can deal effectively with the mischief only by having proper control. The practice has been growing among all parties. Certainly, a significant number of letters were addressed to individuals in my constituency from the right hon. and learned Member for Folkestone and Hythe (Mr. Howard), and I know that people had letters from my right hon. Friend the Member for Ross, Skye and Lochaber (Mr. Kennedy).

[Mr. Heath]

Let us not be silly about this: we all know it is being done by the national parties in a competitive environment and I think it is an abuse and that we need to deal with it.

Dr. John Pugh (Southport) (LD): Surely the case is overwhelming when the letter contains data that are entirely specific to a particular constituency?

Mr. Heath: I agree, but there is a much easier test. It would be a mistake to get into the situation in which each item of mail has to be scrutinised to see what relevance it has to the local constituency. The only sensible way that I can identify to deal with the abuse is to say in terms that a communication to a specific elector in a specific constituency that has a political content either in supporting a party contesting the election or in opposing one is election material. Most normal people would recognise it as such, and I should like the law to recognise it as well.

I am grateful to the Minister for listening to what was said in all parts of the Committee about the four-month issue. Let us be clear about our common ground: we all accept that there is a potential abuse, which needs to be dealt with, through substantial expenditure prior to an election being called that is not caught by the present limits. I was concerned on a number of grounds by the original proposal put to the Committee. Clearly, it distorted current election limits, which were intended to apply during an election period, but which were to be extended over four months. I was concerned because of the difficulties of identifying such expenditure in the context of an election for which there is no fixed term, and therefore no fixed date. I was particularly concerned by the position in which honorary, non-professional agents would be put. They would have to account for expenditure over which they had no direct control and which, indeed, might have happened before their appointment. As a matter of natural justice, people should not be legally responsible for something over which they had, and could have, no control.

The Minister has made a suggestion to me and the hon. Member for North-East Hertfordshire (Mr. Heald), which we readily accept is a starting point for discussion, of separating out the three-month period before the election from the usual one-month campaign period. That makes sense because it preserves the present system for the campaign period, but the great unanswerable question in my mind is how we deal with the reporting issue for a period that is not defined and in which no one is actually controlling the expenditure, but someone nevertheless has to produce under pain of law an accurate account of the money expended.

We can explore this matter further and I do not want to detain the House today in exploring all the possibilities. I took seriously the point made by the right hon. Member for Wokingham (Mr. Redwood) about the rolling three months and the differentiation between that and the period immediately prior to an election. Things could operate on two levels. It could operate as a general prohibition of political expenditure in support of a particular party or candidate over any three-month period, which would enable someone to challenge the expenditure of large amounts of money in a constituency over that time. That would be more difficult without a reporting procedure, but it might provide some check on unnecessary or inappropriate expenditure.

4.45 pm

We could also have a proper reporting procedure over the three-month period preceding the election, but we would need some way of protecting the agent from responsibility for matters over which he or she has no control. Part of the answer might be the responsibilities of the political associations in each constituency through the Political Parties, Elections and Referendums Act 2000 procedure. I receive regular complaints from the honorary treasurer of my constituency association about the onerous duties now placed on treasurers. They now have a very difficult task in reporting terms and the good ones take very seriously how they account for expenditure by their constituency association. Given that returns already have to be made by law, that could provide part of the answer, but it is not the whole answer because of the issue of third-party expenditure.

I look forward to further discussions on this matter. It is right that we do not proceed further with debate on these matters today, but listen to what the Government have to say, contribute to their future considerations and ask those outside the House who are expert on the issue for their views on what is practicable and how we may address the problems. We have made substantial progress on several issues in this group of amendments and I am grateful to the Government for listening in this instance.

Sir George Young (North-West Hampshire) (Con): The hon. Member for Somerton and Frome (Mr. Heath) said that he did not want to steal my thunder, but the appropriate meteorological definition for what I want to say is more a ray of sunshine than anything to do with thunder. I wish to speak briefly in favour of new clause 15.

In opening the debate on the previous group, the Minister said that many of the amendments and new clauses were not hers, and new clause 15 is one of them. Its parentage is the Electoral Commission and the Standards and Privileges Committee, and I hope that that is a good pedigree. We all favour deregulation and spend much time trying to deregulate business and individuals. The new clause gives us the opportunity to deregulate ourselves. I am sure that I am not alone in noticing that MPs have to fill in more and more forms as we go about our daily lives. New clause 15 would enable us to minimise, to a small extent, their number.

As the Minister and the two previous contributors have said, we have to report certain financial donations to two institutions—the Register of Members' Interests and the Electoral Commission. That requirement can lead to confusion. New clause 15 paves the way for a uniform system of registration by MPs. To that extent, it is deregulatory and I welcome it.

I am also grateful to the Government for responding so swiftly to the report that was published this morning, which led to new clause 15. It paves the way for repealing the duplicatory registration requirements and, if it is approved, the Committee will carry out a general review of the House's rules on registering and declaring

interests and report back. We have to adjust our rules to accommodate the current requirements of the Electoral Commission. The new clause is good news for the House and for the Select Committee system, because the Government have taken on board one of its recommendations. I hope that it will begin to make life a little simpler for Members of Parliament.

Mr. John Horam (Orpington) (Con): My right hon. Friend the Member for North-West Hampshire (Sir George Young) said that the new clause was a ray of sunshine. I particularly welcome it, as I was the Member on whose conduct his Committee reported and whose inadvertent straying threw light on the possible duplication and confusion that Members were wont to experience.

Before the last general election, my constituency association received a donation that was duly reported to the Electoral Commission, but which I failed to report to the registrar of Members' interests. Subsequently, I found that Members on both sides of the House had been in the same confusion and ignorance as me; namely, that they had to make that double declaration. The registrar kindly offered to deal with the matter through a simple exchange of letters, as it was a minor infringement, but with my undying commitment to the interests of the House and all its Members, I declined and instead insisted that my right hon. Friend and his Committee look into the matter. It seemed to me that Members were ignorant about their obligations and, as my right hon. Friend said, there was considerable duplication. I am delighted that the Committee and, I think, the registrar agreed and, as a result, the Government have introduced the new clause.

Never has something that I advocated been responded to so rapidly by the Government of the day—and even by one whom I oppose. I wish that I could pull off the same trick in more important areas, but I am delighted that the Government have responded so quickly to the report of my right hon. Friend's Committee and to my views. I thoroughly commend the new clause to the House.

Mr. Redwood: I pay tribute to my right hon. Friend the Member for North-West Hampshire (Sir George Young), whose recommendation I have pleasure in supporting, and also to my hon. Friend the Member for Orpington (Mr. Horam) who helped to instigate it. It is a modest deregulation that will in no way affect the honesty of reporting and will help all involved.

In an intervention, I raised one of the problems that I saw with putting a three-month control on expenditure before an election was called; namely, that there could be a local government by-election in the area. Would that mean that the MP or the leading challenging candidate in the subsequent general election would have to rule themselves out of active campaigning in the by-election, as otherwise all the expenses involved could be deemed part of the controlled expenditure?

I speak as someone who, perhaps contrary to my views on free enterprise and economics, believes in regulation and control of the amount that candidates can spend in a general election. That we have extremely modest expenditure limits on individual races in individual constituencies is welcome. It means two things. First, it is easier for the challengers and, in a democracy, there should be choice and a proper challenge and, secondly, a Member of Parliament does not have to spend many months, or the whole of their time in Parliament, worrying about raising money, as, for example, members of Congress do. That unwelcome feature of an otherwise rather good American democratic system is one that I am pleased that we do not have in our country. I speak as someone who is philosophically in favour of tight expenditure controls.

I also favour controls even tighter than those we have at present on the sums that parties can spend on the national race in a general election. Most of the money spent by national parties in a general election is wasted. The only problem is that they do not find that out until after the event. Looking at the voting figures for all three main parties in the last general election, it is clear that practically all the money was tipped down the drain because the number of people abstaining greatly exceeded the number voting for even the most popular party—in England, the Conservatives and in the United Kingdom as a whole, Labour—let alone any other conclusion one might draw from those numbers.

Difficult cases could arise if we tried to extend the controls to the three-month period before an election was called. Let us suppose that quite close to the general election in this Parliament the Labour party needs a leadership contest, which is not that ridiculous a supposition. From time to time, the Prime Minister has said that he would like to serve all or most of this Parliament before bowing out, so there could be such a contest. We have been told that there is much talent and several people might like to be Labour leader and Prime Minister for a week or two. They would obviously want to put their names forward and campaign actively to attract support from the membership of the Labour party and the trade union movement in their democratic process. Therefore, very close to an election in the three-month control period, three, four or five Labour Members could spend a lot of money on promoting themselves and their views not just to the national membership generally, but in their own constituencies. It would not be their intention that that would have a big influence on the forthcoming race in their constituencies, but a great deal of money would certainly be spent on promoting them, as individuals and candidates for Prime Minister, just before the election was called.

Anyone looking at such expenditure would say that it clearly influences voters in those constituencies during the subsequent parliamentary challenge, although it has a different purpose. We must take into account those very hard cases when trying to craft a regulation that could stop what we want to stop—a party or individual spending disproportionately huge sums of money before an election is called with a view to influencing its outcome—without stopping all the legitimate activities that go on, such as leadership contests, local government contests and the normal promotion of active party politics in communities, all of which takes money. We need a little bit of caution, however good the intentions may be.

Mr. Brian Binley (Northampton, South) (Con): I pay tribute to Ministers, because we had a good Committee process and they have tried hard to listen and to take

[Mr. Brian Binley]

account of the points made by Opposition Members, and I thank them for that. If there is one issue where we should use all the talent of the House, it is electoral administration. I am delighted that that seems to be the Minister's view, and I am particularly appreciative.

I wish to deal with just two points, the first of which is agents. Many hon. Members—particularly you, Mr. Deputy Speaker—will know that I was proud to be a professional agent some years ago, when professional agents were much more likely to be seen. Sadly, that has changed, and we now see many less experienced agents. When I talk about professional agents, I mean those people who were agents for 22 years, although they did not get paid for it, and by dint of experience, made themselves very professional indeed.

We had a cadre of professional agents in that respect whom we could rely on to aid the electoral process. My experience suggests that they took their duties seriously and that they worked together to ensure that the democratic process was in the main carried out as well and honestly as possible. That is less prevalent today. Indeed, many agents are thrown into the job at the last moment, simply because no one else will accept it. Therein comes the problem, because agents are vital to the good administration of elections and, if we make it more difficult for them to do the job, we will make the good administration of elections more difficult. That point concerns me seriously and I hope that the Government will rethink that.

The second point concerns limits, for the Bill seems schizophrenic in talking about the co-ordinated online register of electors. I welcome CORE, but it gives an opportunity for political parties to use direct mailing much more efficiently. On the one hand, CORE suggests that we ought to move to a more professional approach, yet on the other, the new clause seems to suggest that we ought to limit that ability. Frankly, that issue has not been thought through properly, so the Government should reconsider it to get a more consistent view.

Do we want direct marketing elections, or do we not? If we want such elections, we need limits. If we do not want them, we need to be more decisive on the issue. The new clause does not answer that question and the Minister is concerned that he has not quite hit the right note. I ask the Government to reconsider that proposal and, to return to agents, they should think again, because we are all involved, and if we make such things more difficult, we make the whole electoral process more difficult.

David Cairns: We have had an interesting and well-informed debate that has perhaps been more indicative of the way in which the Bill has progressed through Parliament than that on the first group. Such was the outbreak of consensus that we drove the right hon. Member for Bromley and Chislehurst (Mr. Forth) out of the Chamber, although I am sure that he will reappear when we discuss reducing the voting age.

Richard Younger-Ross (Teignbridge) (LD): Enjoy it while you can.

5 pm

David Cairns: I am enjoying it. Metaphors about banging heads against a brick wall come to mind.

Questions were asked about new clause 15 and the reporting issues. It is true that success has many fathers and failure is an orphan. At least three hon. Members claimed paternity of new clause 15, but I am happy to give credit where it is due. I said immediately before the right hon. Member for North-West Hampshire (Sir George Young) entered the Chamber how indebted we were to him and his Committee for its report, so I am happy to repeat that now. I am grateful to him for casting the move as deregulatory. I had not conceived of it in those terms, but that will win us brownie points with the Cabinet Office and my right hon. Friend the Chancellor, who champions the deregulation agenda with great vigour.

The discussion about the period of four months highlighted the fact that everyone accepts that there is a problem, but understands that any solution proposed would create other problems. That shows the need for us not to be too prescriptive in primary legislation, but to proceed slowly and incrementally through secondary legislation.

A specific point was made about leadership elections. I appreciate that they are all the rage these days and am sure that we will have one in due course. There are two possible solutions to the problem that the right hon. Member for Wokingham (Mr. Redwood) mentioned. We would have to consider what the money was being spent on and ensure that our definitions were sufficiently robust to withstand the case that he mentioned. I was glad that he raised the matter because I had not considered it and we will now do so.

It is important that we get the limit right in the run-up period because it must be high enough so that the routine run-of-the-mill stuff done by us, constituency associations and constituency Labour parties is not constrained, but low enough to dissuade rich people from trying to buy seats. That is the essential dilemma that we face. It would be foolish to put such limits into primary legislation, so I commend what has been proposed to the House.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

New Clause 1

PERSONAL IDENTIFIERS (ABSENT VOTERS)

'(1) In schedule 1 of the 1983 Act (parliamentary elections rules) in rule 24, at end insert—

"(2) The prescribed form shall include provision for the form to be signed and, in the case of an elector, for stating his date of birth.".

(2) In schedule 4 of the 2000 Act (absent voting in Great Britain), paragraph 3 is amended as follows—

(a) after subparagraph (1)(a) insert—

"( ) the applicant has provided personal identifiers in accordance with section 13E of the 1983 Act (personal identifiers), and";

(b) after subparagraph (2)(b) insert—

"( ) the applicant has provided personal identifiers in accordance with section 13E of the 1983 Act (personal identifiers), and".

(3) In schedule 4 of that Act (absent voting in Great Britain), paragraph 4 is amended as follows—

(a) after subparagraph (1)(a) insert—

"( ) the applicant has provided personal identifiers in accordance with section 13E of the 1983 Act (personal identifiers), and";

(b) after subparagraph (2)(b) insert—

"( ) the applicant has provided personal identifiers in accordance with section 13E of the 1983 Act (personal identifiers), and".'.—*[Mr. Heath.]*

Brought up, and read the First time.

Question put, That the clause be read a Second time:—

The House divided: Ayes 229, Noes 307.

Division No. 120] **[5.3 pm**

AYES

Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Brooke, Annette
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Cash, Mr. William
Chope, Mr. Christopher
Clark, Greg
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Cormack, Sir Patrick
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Osborne, Mr. George
Ottaway, Richard
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Bob Russell and
Richard Younger-Ross

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John

Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kumar, Dr. Ashok
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Taylor, Ms Dan
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Wakho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Tom Watson and
Mr. Alan Campbell

Question accordingly negatived.

New Clause 2

REGISTRATION OFFICERS: GENERAL DUTY

'After section 8 of the 1983 Act (registration officers) insert—

"8A Registration officers: general duty

(1) Each registration officer shall have the general duty of ensuring as far as is practicable that—

(a) every person entitled to vote is registered;

(b) every person registered to vote has the opportunity to do so; and

(c) no person is registered who is not entitled to vote.

(2) Each local authority which appoints a registration officer under section 8 shall have a duty to provide the resources necessary to enable him to carry out his duties.".'.—*[Mr. Heath.]*

Brought up, and read the First time.

Mr. Heath: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker (Sir Michael Lord): With this it will be convenient to discuss the following:

Amendment (a) to new clause 2, No. (a), at end of proposed new subsection (1)(c) add—

'(d) any person registered to vote who is not entitled to vote is removed from the register as soon as reasonably practicable.'.

New clause 5—*Prisoners voting*—

'No person who has—

(a) been convicted of any criminal offence, and

(b) is currently serving a sentence of imprisonment and is detained in full-time custody in consequence thereof,

shall be included on the register of electors.'.

Government amendments Nos. 47 to 51.

Mr. Heath: I hope that we will resume the consensual approach that we enjoyed during the previous group of amendments. There is a pressing need to improve the registration process, and I know that the Minister shares that aspiration—I am as alarmed as she is by the deficiencies in the current process. Earlier, she mentioned electoral registration levels in London, and she has been kind enough to send me a letter containing the details. It is a huge indictment of the system that more than 500,000 Londoners who are entitled to vote are not registered to do so, and it is simply not acceptable that that should be the case in our electoral system.

Although London has particular issues, I am sure that that situation is replicated in many constituencies up and down the country. In constituencies such as mine, it is relatively easy to achieve high levels of registration, but communities that contain large numbers of houses in multiple occupation experience a lower level of registration. Frankly, some local authorities do not provide sufficient resources to allow registration officers actively to pursue registration and achieve the results that we would hope and expect from them.

Geraldine Smith: I agree with the hon. Gentleman's point. My constituency is one of those that he has mentioned—it contains a large number of houses in multiple occupation, and the local authority sometimes does not spend the necessary resources on electoral registration. When forms are just thrown into blocks of flats or houses, they do not reach the relevant people, and we must do something about that to allow people their legitimate right to vote.

Mr. Heath: The hon. Lady is absolutely right. It is alarming that electoral registration officers often do not realise that it is not only their duty but their right to insist on the resources from their local authority to do the job properly.

There are huge variations. Many experienced EROs have some clout within their local authority; equally, many do not. Many are relatively junior officers who find themselves at the whim of cost-cutting administrations when times are hard. Electoral registration is, unfortunately, one of the areas that bear the brunt of the reduction in resources—wrongly, because by statute EROs have a right to those resources.

Mr. Peter Bone (Wellingborough) (Con): I have found the reverse to be true in my constituency. We have a conscientious returning officer who feels that his problem is that he does not have enough powers to pursue voter registration.

Mr. Heath: There are instances of that kind. The Bill makes up some of the deficit in that respect, and I commend the Government for that.

We expect three things: as full a registration process as possible; opportunities for people who are on the register to be able to cast their vote effectively; and accurate registers to ensure that those who are not entitled to vote do not appear on the register in the first instance or at a later stage when they come to cast their vote. One of the points that recurred on Second Reading and in Committee was that we need to be absolutely clear about the duty on EROs, and on those who control their finances, to ensure that the process works effectively.

I agree with the Minister about the three legs of the stool as regards the legitimacy of the election process. To use slightly archaic language, an old political song in the Liberal tradition from the beginning of the last century says:

"Peace, Reform and Liberation
Be our triune aspiration".

The triune aspiration for us is to ensure that registration officers have a clear duty to maximise registration, that people who are registered have the opportunity to vote, and that those who should not be registered to vote are not on the register and do not have the capacity to affect the outcome of elections.

The difficulty is that that is nowhere to be found in the Bill. In clause 9, the Government have produced some duties to take necessary steps. There is an argument that clause 9 would become redundant were my new clause to be accepted, but I do not accept that. The new clause sets out the practical steps that we should expect registration officers to take. I want a declaratory statement of the basic duty of registration officers that they can put in front of the chief executive of their local authority and say, "Look—this is my duty, and I want to perform it on behalf of the electors in this constituency in this local authority area. Your duty, clearly stated, is to provide the resources necessary for me to carry out those functions." There is great merit in

[Mr. Heath]

being so clear. Including the declaratory statement improves clarity for all registration officers and I hope that the Government will warm to it.

5.30 pm

I do not dissent from the sentiments of amendment (a) but it is otiose. It adds a fourth duty that

"any person registered to vote who is not entitled to vote is removed from the register as soon as reasonably practicable."

I agree with that but it is encompassed by subsection (1)(c) in the new clause, which provides that

"no person is registered who is not entitled to vote."

If one is not entitled to vote, one should either not be registered in the first instance or not be allowed to remain on the register.

Mr. Binley *rose—*

Mrs. Eleanor Laing (Epping Forest) (Con): The hon. Gentleman is not wrong. We tabled amendment (a) to clarify and improve the new clause. However, if he does not accept it, we will not push the point. I agree with him and we will continue to support the new clause.

Mr. Heath: I am grateful to the hon. Lady and I hope that she accepts that I agree with her sentiments. Does the hon. Member for Northampton, South (Mr. Binley) wish to intervene?

Mr. Binley: No, I am just wide eyed.

Mr. Heath: The hon. Gentleman may be wide eyed but I doubt that he is bushy tailed or innocent.

Let me deal briefly with the other amendments in the group. I look forward with interest to Conservative Members' comments on new clause 5 about prisoners, and with even more interest to the Minister's reply. The European Court of Human Rights has made a judgment on the issue and there is a legitimate and sensible argument for prisoners' rights to vote. There is no obvious correlation between the deprivation of liberty and that of other civil rights that prisoners hold. We maintain several citizens' rights in the case of prisoners. We currently deprive them of their right to participate in the democratic process, but in many countries that does not apply. In recent years, I have been an election monitor in countries in the developing democracies of central and eastern Europe. I have visited some pretty filthy prisons there. I remember one in Tblisi where prisoners had the right to vote and were voting. It was happening under extraordinary conditions, but nevertheless they had the opportunity to exercise their franchise.

Let us not assume that, simply because it is not the practice in this country to give prisoners the right to vote, it is necessarily wrong to do so. It is sometimes argued that it is a good thing to do in preparing for release. I look forward to the Minister's reply because that will tell us what the Government intend to do about the adverse finding, which they need to address at some stage in future, if not now.

I have no argument with the Government's application of the safety test to others. It derives from discussion in Committee and I am grateful to them for tackling the matter.

New clause 2 constitutes a desperately important declaratory statement, which would mean that no one had any doubt about the principal duties of registration officers and the importance that we, as a Parliament, attach to their duties in franchising the citizens of this country. Woe betide any local authority that does not provide the encouragement or the resources to enable them to do that job even more effectively than they do it now.

Mr. Deputy Speaker: I call Mrs. Eleanor Laing.

Mrs. Laing: Thank you, Mr. Deputy Speaker. I apologise for the delay but I was deferring to the Minister in my usual deferential manner.

I shall be brief, given that we are nearing the end of our excellent debate. The hon. Member for Somerton and Frome (Mr. Heath) has made a good case for the new clause, which we support. I shall not take up the House's time in reiterating his arguments, which were well put.

I hope that the Government, and the House, will support new clause 2, as it will add to the Bill. We also strongly support Government amendments Nos. 47 to 51 and Government amendment No. 68. The Minister has been very reasonable and courteous in the way in which she has consulted throughout the Bill and taken on some of the arguments put by hon. Members on both sides of the House. We asked for these amendments, and we are pleased that the Government have now tabled them. However, that is where the consensus ends. We shall have a rather more robust debate on new clause 5.

We have tabled new clause 5 to clarify what might become an anomaly in our system. The hon. Member for Somerton and Frome has just argued against it. I shall now put the case for it. When someone is convicted of an offence that is serious enough to require a custodial sentence, part of the punishment is the loss of freedom and the loss of certain freedoms. Fortunately, the kind of prisons that the hon. Member for Somerton and Frome has seen in other countries do not—I hope—exist here. Of course we believe in upholding the personal human rights of prisoners, but the loss of the privilege of taking part in the democratic system does not come into that category. It is part of the punishment for a serious crime. I am not talking about people who are on remand, but about people who have been convicted of a serious crime. Such people should have their freedom withdrawn and should lose their right to participate in the democratic process. That is a simple argument, and for the sake of brevity I shall not go into it in any more detail.

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): Will the hon. Lady give way?

Mrs. Laing: I will give way to the hon. Lady, because I recall that on Second Reading she made a passionate case against this proposal, and that she is personally acquainted with the gentleman who brought the case that might give rise to the anomaly.

Ms Johnson: That is right. Mr. Hirst, who took the case to the European Court of Human Rights, is a

constituent of mine. Would the hon. Lady look favourably on the idea that, when passing sentence at the end of a court case, a judge might rule that someone's right to vote should be removed? That could be an alternative to the blanket provision of removing the right to vote from all prisoners.

Mrs. Laing: I take the hon. Lady's perfectly reasonable point, but I happen to disagree with her. I would argue that the passing of a custodial sentence implies that a serious crime has been committed, and that it deserves a serious punishment involving the loss of liberty and of certain other rights, including the right to participate in the democratic system.

I hope that you, Mr. Deputy Speaker, will consider allowing a separate vote on new clause 5, because this is a serious matter that deserves proper consideration on its own by the House this evening.

Ms Harman: The hon. Member for Somerton and Frome (Mr. Heath) has tabled new clauses dealing with increasing registration, and I strongly support his objective. However, we do not suggest that the House accept his new clauses.

New clause 2 would insert a new section 8A in the Representation of the People Act 1983, and would add additional elements to the duty in clause 9 of the Bill. Clause 9 places a new duty on registration officers to take steps, set out under the clause, to ensure that the electoral register is accurate. Subsection (1)(a) of the new clause specifies that the electoral registration officer has a general duty to ensure that everyone who is eligible to vote is registered. We believe that that is unnecessary. Clause 9 is already clear about the duties of electoral registration officers in ensuring that everyone who is entitled to vote is registered.

Subsection (1)(b) of the new clause specifies that the electoral registration officer has a duty to ensure that everyone who is entitled to vote has the opportunity to do so. Again, we believe that that is unnecessary. The Bill includes several provisions to widen access to all electors as far as possible. Clause 19 provides for a review of polling places that must take place every four years. Clauses 36 and 37 respectively provide for translations of documents into other languages and Braille, and for assistance for certain postal voters to find information about translations.

Subsection (1)(c) would add a new step to those specified under the new duty, stating that electoral registration officers must remove from the register those who are no longer eligible. That is already enshrined in section 9(2) of the Representation of the People Act 1983, and is reinforced by clause 12, which confers specific powers on electoral registration officers to remove from the register persons who are not, or are no longer, eligible.

We made the changes in clause 12 not because they lack the general obligation, but because at present it is not apparent that electoral registration officers can quickly remove persons who are already on the register except on the occasion of the annual canvass, or when a declaration-based registration lapses. The statutory provisions entitle a person to remain registered until such events occur; clause 12 changes that. Subsection (2) of the new clause attempts to place a duty on local authorities to provide the "necessary resources" to enable the electoral registration officer to do his duty. Again, I strongly agree with the hon. Member for Somerton and Frome. The same point has made been on many occasions by my hon. Friend the Member for Vale of Clwyd (Chris Ruane).

The current system of funding local authorities is designed to give them overall control of the amounts that they spend on different priorities, including elections. Different local authorities across the United Kingdom have differing needs in terms of election funding. It is difficult to establish a set definition of the "resources necessary" for electoral registration officers to carry out their duties. That is one of the problems that we identify in the new clause. However, we recognise that it is essential that returning officers and registration officers receive enough funding to be able to implement the measures in the Bill successfully and perform their duties effectively.

Clause 63 provides for the Electoral Commission to collate centrally information from local authorities on their spending on elections and registration. That is important. My hon. Friend the Member for Vale of Clwyd has been able to acquire information because the system is organised differently in Wales, but Members here cannot compare the amounts spent by electoral registration officers. Under the Bill, for the first time, information will be collected that will be crucial to the informing of future policy development.

The Opposition's amendment (a) to new clause 2 adds a further subsection 8A(1)(d). It is designed to require electoral registration officers to remove ineligible persons from the registers

"as soon as reasonably practicable".

The amendment is unnecessary, for the reasons that I gave in respect of the provision on removal.

Clause 9, the "new duty" clause, and clause 12 will build on section 9 of the Representation of the People Act 1983 to ensure that registers are complete and accurate. We support the aims of the new clause, but we believe that existing provisions in the 1983 Act are sufficient. We therefore ask the House not to accept the amendment.

I have two things to say about new clause 5. We appreciate that the hon. Member for Epping Forest (Mrs. Laing) has sought an opportunity to submit the issue for debate, and we welcome that. However, I respectfully suggest that she ought not to ask the House to divide on her new clause, which simply re-states current law but in perhaps less well-drafted terms. She will not want those outside this House to think that there is a policy dispute between us, simply because we fail to support her new clause. I am happy to give way if she wants to ask a question.

5.45 pm

Mrs. Laing: The consensus that the right hon. and learned Lady reasonably seeks on this issue may not actually exist. The hon. Members for Kingston upon Hull, North (Ms Johnson) and for Somerton and Frome (Mr. Heath) disagree with me on it, so perhaps there is a policy difference. I appreciate that, in the light of recent judgments, the Government may not have had a chance to consider my new clause, and that, in strict legal terms, it perhaps does what the right hon. and learned Lady

[Mrs. Laing]

says it does. However, it might help the Government's thinking on this issue if we vote on it, so that the opinion of the House can be known.

Ms Harman: We do not normally use consideration of Bills on Report to vote on provisions that simply repeat the current legal position. The hon. Lady's new clause would not change the current legal position, which is that no convicted prisoner can vote. There is no proposal before the House to change that position. Her new clause would simply reinforce and repeat existing law, and inviting us to vote on a draft version of one part of current law is not sensible. I appreciate the intention behind bringing such a provision before the House for debate, but voting on a new clause that would simply reinforce the current legal position and make no change whatsoever makes no sense.

Philip Davies: I am not sure that I share the right hon. and learned Lady's absolute confidence that the current law is as she describes. The point is that the law has been brought into question: it may well allow prisoners to vote, in the light of her Government's Human Rights Act 1998, so it would be very useful if the position were clarified once and for all through a vote in this House.

Ms Harman: The law as it affects elections in this country is laid down in electoral legislation passed by this House. Although the European Court's judgment might cause us to reflect and reconsider—we must address that judgment, which we have yet to do—it does not of itself change the law of this country. The laws of this country are made by this House. We are considering the Electoral Administration Bill, and there is nothing in it that changes the law of this country relating to the circumstances in which prisoners can vote. They can vote when on remand but not after conviction and when serving their sentence, so any vote in the House on this issue would be otiose.

If, as a result of the European Court judgment, we were introducing a provision that changed the voting rules for prisoners, it might be sensible for the hon. Member for Epping Forest to press to a vote a provision that would keep the old law, but we do not plan to change the law on prisoners through this legislation. I welcome her bringing her concerns to the House, but it would be nonsensical to press her new clause to a vote, given that we would vote against it simply in order to keep the current law, which is that those on remand can vote, but those who are convicted cannot. I do not know whether anyone is any the wiser after that, but I hope that the hon. Lady understands what I have said.

Mrs. Laing: I do understand what the Minister has said, but still believe that there would be a benefit in the House dividing on this very important point of principle. The European Court of Human Rights judgment in the Hirst case criticised Parliament for not discussing this issue. The minority of dissenting judges noted that:

"it cannot be said that there was any substantive debate by members of the legislature on the continued justification in light of modern day penal policy and of current human rights standards".

This debate has been brief, but it is a test of the opinion of the elected representatives of the British people. I do not mind—

Mr. Deputy Speaker: Order. I think that the hon. Lady is still making an intervention, and that we should perhaps bring it to an end.

Ms Harman: I thank the hon. Lady for that intervention, and I understand her better now. She is saying that the ECHR has suggested that we should consider the matter further, that the new clause has been proposed to precipitate that consideration, and that the matter will be sorted out when we vote on it.

However, we must look carefully at what that further consideration suggested by the ECHR involves. I am almost certain that a debate on a new clause tabled on Report, important though it is, is inadequate for the purpose of satisfying the court that we have visited the matter afresh after wide consultation and proper consideration in Committee. Her intention is helpful, but the new clause will not do the trick in this regard, especially when the Bill as drafted does not contain a similar proposal. Therefore, no purpose would be served by pressing the matter to a vote.

Mr. Jim Devine (Livingston) (Lab): I seek clarification on this matter. Does my right hon. Friend believe that, in a Division, both sides would be voting for the status quo?

Ms Harman: I do not think that new clause 5 exactly repeats the current law, as it does not employ the same statutory language. I would not want to replace the existing provisions with a hand-drafted proposal that is less precise.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): I want to help the hon. Member for Epping Forest (Mrs. Laing). Is she saying that the existing provisions might eventually have to be given further consideration in light of the ECHR judgement? Does she agree that accepting new clause 5 would mean not that the existing legislation had been given further consideration, but that an alternative form of words had been adopted in its place? Would that not mean that we might end up with two potentially conflicting formulations that could cause greater confusion in the courts in the future?

Ms Harman: My hon. Friend makes a very helpful point. He has said that the consideration of new clause 5 is likely to be insufficient and defective. The debate has been useful, but it would not be appropriate to press the new clause, as it is drafted, to a vote. It would not satisfy the European Court, and it would not be acceptable to us because it does not contain the right repeals. We would therefore have duplication, with two versions of the law on the statute book at the same time, one being inferior and one the current position.

Anyway, the hon. Lady will have to make her own decision on what to do. Let me turn to the court judgment. Under section 3 of the Representation of the People Act 1983, which remains the law and is unchanged by the European Court's judgment, convicted prisoners are barred from voting while serving their sentences. In April 2001, John Hirst challenged the

ban on voting by way of judicial review. He was unsuccessful in the UK courts and subsequently sought redress at the European Court of Human Rights. The court found in its initial judgment, given in March 2004, that there had been a breach of article 3 of protocol 1 of the European convention on human rights, which provides for states to hold elections

"under conditions which will ensure the free expression of the opinion of the people."

The Government challenged the judgment and requested that the case be referred to the Grand Chamber of the European Court of Human Rights. That heard the case afresh in April 2005, delivering its judgment in October. It found in favour of the applicant and that the blanket ban on convicted prisoners was a breach of article 3 of protocol 1 of the convention.

We are considering how to respond to that judgment. We have brought forward no proposals, and the current law stands. The court does not make a finding as to what measures would be considered incompatible with the ECHR. The judgment simply implies that any decision must be fully debated and emerge from a discussion that considers modern-day penal policy and current human rights standards. With the best will the world, I do not think that we have had the opportunity to give the issue the consideration that it clearly deserves and which the court has clearly indicated it would like us to give it.

The court has not said that all convicted prisoners should have the right to vote. The majority of the judgment is about process and whether or not we have given the right balance to the question of the right to vote compared to deprivation of liberty following a court judgment. We will have to revisit our consideration of the matter. The judgment raises a number of complex issues about what consideration we will need to give it if we are to bring the UK into ECHR compliance.

I hope that the hon. Lady will withdraw the proposed new clause. It would be confusing for people were we to vote against something that purports to reinstate the current legal position. I hope that she will accept my reassurance that she does not need to reinstate the substantive law as I have expressed it and which she supports.

Mrs. Laing: The right hon. and learned Lady is a very astute lawyer and an eloquent Minister. I appreciate that she is in an awkward position, but we shall nevertheless press the new clause to a vote. It is a chance for an expression of the opinion of the elected representatives in the House, and that can do no harm to the further consideration that may well be necessary of this extremely important matter.

Ms Harman: Although I understand that the hon. Lady's draft is a correct repeat of section 3 of the Representation of the People Act, on which I have asked for advice since she said that she intended to put the new clause to a vote, it does not include section 3A, which refers to prisoners in Broadmoor, and it does not use the correct terminology. So, frankly speaking, I do not want my colleagues and I to be in the position of looking as if we are voting against the current law, when in fact we support it. However, if she puts the new clause to the vote, we will have to vote against it, because of the drafting problems and the Broadmoor issue. That will not help people outside understand the will of the Government or the House.

It being Six o'clock, MR. DEPUTY SPEAKER *put forthwith the Question already proposed from the Chair, pursuant to Order [25 October].*

Question put, That the clause be read a Second time:—

The House divided: Ayes 237, Noes 310.

Division No. 121] **[6 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Cash, Mr. William
Chope, Mr. Christopher
Clark, Greg
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Cormack, Sir Patrick
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David

Kawczynski, Daniel
Keetch, Mr. Paul
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Luff, Peter
Mackay, rh Mr. Andrew
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Osborne, Mr. George
Ottaway, Richard
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Roger Williams and Jo Swinson

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona

Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Alan Campbell and
Mr. Tom Watson

Question accordingly negatived.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary to dispose of the business to be concluded at that hour.*

New Clause 5

PRISONERS VOTING

'No person who has—

(a) been convicted of any criminal offence, and

(b) is currently serving a sentence of imprisonment and is detained in full-time custody in consequence thereof,

shall be included on the register of electors.'.—*[Mrs. Laing.]*

Brought up, and read the First time.

Question put, That the clause be read a Second time:—

The House divided: Ayes 170, Noes 375.

Division No. 122] **[6.17 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brazier, Mr. Julian
Browning, Angela
Burns, Mr. Simon
Burt, Alistair
Butterfill, Sir John
Cash, Mr. William
Chope, Mr. Christopher
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Cormack, Sir Patrick
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Luff, Peter
Mackay, rh Mr. Andrew
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mundell, David
Murrison, Dr. Andrew
O'Brien, Mr. Stephen

Osborne, Mr. George
Ottaway, Richard
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Mr. David Evennett and Andrew Rosindell

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Baker, Norman
Balls, Ed
Banks, Gordon
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh Mr. Alan
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bottomley, Peter
Bradshaw, Mr. Ben
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browne, Mr. Jeremy
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cable, Dr. Vincent
Caborn, rh Mr. Richard
Cairns, David
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Carmichael, Mr. Alistair
Caton, Mr. Martin
Cawsey, Mr. Ian
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clegg, Mr. Nick
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Featherstone, Lynne
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Goggins, Paul
Goldsworthy, Julia
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hancock, Mr. Mike
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Dr. Evan
Harris, Mr. Tom
Harvey, Nick
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hemming, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Hosie, Stewart
Howarth, David
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Hughes, Simon
Huhne, Chris
Humble, Mrs. Joan
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keetch, Mr. Paul
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kramer, Susan
Lamb, Norman
Lammy, Mr. David
Laws, Mr. David
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacNeil, Mr. Angus
MacShane, rh Mr. Denis
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary

McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moore, Mr. Michael
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mulholland, Greg
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Oaten, Mr. Mark
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Reid, rh John
Riordan, Mrs. Linda
Robertson, Angus
Robertson, John
Robinson, Mr. Geoffrey
Rogerson, Mr. Dan
Rooney, Mr. Terry
Rowen, Paul
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salmond, Mr. Alex
Salter, Martin
Sanders, Mr. Adrian
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Thurso, John
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Webb, Steve
Weir, Mr. Mike
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wishart, Pete
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Mr. Alan Campbell and Mr. Tom Watson

Question accordingly negatived.

Clause 1

CORE SCHEMES: ESTABLISHMENT

Amendment made: No. 47, in page 1, line 11, leave out 'may' and insert 'must'.—*[Ms Harman.]*

Clause 10

ANONYMOUS REGISTRATION

Amendments made: No. 48, in page 7, line 16, leave out from 'the' to end of line 17 and insert 'safety test is satisfied'.

No. 49, in page 7, line 18, leave out from second 'the' to end of line 19 and insert 'safety test is satisfied'.

No. 50, in page 7, line 27, leave out from second 'the' to 'no entry' in line 29 and insert 'safety test is satisfied'.

No. 51, in page 7, line 42, at end insert—

'(9A) The safety test is satisfied if the safety of the applicant for an anonymous entry or that of any other person of the same household would be at risk if the register contains the name of the applicant or his qualifying address.'—*[Ms Harman.]*

Clause 22

NOMINATION PROCEDURES

Amendments made: No. 52, in page 23, line 40, leave out from 'paragraph' to end of line 3 on page 24 and insert '(3)(a)—

(a) the words "(of not more than 6 words in length)" are omitted;

(b) after "rule 6A(1)" insert "or (1B)".'.

No. 18, in page 24, line 33, leave out subsection (9).—*[Ms Harman.]*

Clause 23

DESCRIPTION OF INDEPENDENT CANDIDATES

Amendment made: No. 54, in page 24, line 35, leave out Clause 23.—*[Ms Harman.]*

Clause 25

USE OF CANDIDATES' COMMON NAMES

Amendment made: No. 55, in page 28, line 7, leave out '(against upgrading the M399)'.—*[Ms Harman.]*

Clause 35

REPLACEMENT OF COUNTERFOILS

Amendment made: No. 56, in page 46, line 34, leave out subsection (9).—*[Ms Harman.]*

Clause 37

ASSISTANCE FOR CERTAIN POSTAL VOTERS

Amendments made: No. 57, in page 48, line 6, before 'in' insert 'at an election held'.

No. 58, in page 48, line 8, before 'in' insert 'at an election held'.

No. 59, in page 48, line 10, leave out

'(whether free of charge or otherwise)'.

No. 60, in page 48, line 19, at end insert—

'(4) In the case of a ballot paper issued to a person resident in the United Kingdom, the returning officer must ensure that the return of the ballot paper and postal voting statement or declaration of identity is free of charge to the voter.

(5) In any other case, regulations may provide that the returning officer must so ensure.'—*[Ms Harman.]*

Clause 49

POLITICAL PARTY DESCRIPTIONS

Amendments made: No. 61, in page 60, leave out lines 8 and 9 and insert—

'(2) The following provisions of section 28A apply to an application under this section as they apply to an application under that section—

(a) subsections (2) to (5);

(b) subsection (7), so far as it relates to subsection (2)(g).'.

No. 62, in page 60, line 26, leave out subsection (2).—*[Ms Harman.]*

Clause 62

DETAILS TO APPEAR ON REFERENDUM AND ELECTION MATERIAL

Amendment made: No. 63, in page 66, leave out from beginning of line 42 to end of line 16 on page 67 and insert—

'"(2A) For the purposes of subsection (2)(c), election material to which subsection (2B) applies—

(a) is not to be regarded as being published on behalf of a candidate merely because it can be regarded as promoting, procuring or enhancing his electoral success or standing, but

(b) may be regarded as being published on behalf of the party mentioned in subsection (2B).

(2B) This subsection applies to election material which can be reasonably regarded as promoting, procuring or enhancing the electoral success or standing of two or more candidates standing in the name of a party or included in a list of candidates submitted by the party in connection with the election."'.—*[Ms Harman.]*

Clause 64

FUNDING OF SERVICES AND EXPENSES OF RETURNING OFFICERS

Amendment made: No. 64, in page 70, line 16, at end insert—

'( ) This section ceases to have effect if, before it is brought into force, paragraph 6(3) of Schedule 21 to the 2000 Act is brought into force.'—*[Ms Harman.]*

Clause 67

RESTRICTION ON POWERS OF ARREST BY PERSONS OTHER THAN CONSTABLES

Amendments made: No. 65, in page 72, line 7, after 'arrest' insert 'inside a polling station'.

No. 66, in page 72, line 8, leave out from '(personation)' to end of line 9.—*[Ms Harman.]*

Clause 72

EXTENT

Amendment made: No. 67, in page 73, line 21, at end insert—

'(aa) section (repeal of personal identifier provisions);'.—*[Ms Harman.]*

Schedule 1

AMENDMENTS

Amendments made: No. 68, in page 77, line 10, leave out '9B(2)' and insert '9B(9A)'.

No. 69, in page 88, line 41, leave out

'issue of the notice of poll'

and insert

'publication of notice of the election'.

No. 70, in page 95, line 32, at end insert—

'88A (1) Section 29 (payments by and to returning officers), as proposed to be amended by paragraph 6(3) of Schedule 21 to the 2000 Act, is amended as follows.

(2) For subsections (3) to (6) substitute—

"(3) A returning officer shall be entitled to recover his charges in respect of services rendered, or expenses incurred, for or in connection with a parliamentary election if—

(a) the services were necessarily rendered, or the expenses were necessarily incurred, for the efficient and effective conduct of the election; and

(b) the total of his charges does not exceed the amount ("the overall maximum recoverable amount") specified in, or determined in accordance with, regulations made by the Commission, with the consent of the Treasury, for the purposes of this subsection.

(4) Regulations under subsection (3) may specify, or make provision for determining in accordance with the regulations, a maximum recoverable amount for services or expenses of any specified description and, subject to subsection (5) below, the returning officer may not recover more than that amount in respect of any such services or expenses.

(5) In a particular case the Commission may, with the consent of the Treasury, authorise the payment of—

(a) more than the overall maximum recoverable amount, or

(b) more than the specified maximum recoverable amount for any specified services or expenses,

if the Commission are satisfied that the conditions in subsection (6) are met.

(6) The conditions referred to in subsection (5) are—

(a) that it was reasonable for the returning officer concerned to render the services or incur the expenses, and

(b) that the charges in question are reasonable."'.

No. 71, in page 98, line 37, leave out 'or 6B'.

No. 72, in page 99, line 35, leave out paragraph 118.—*[Ms Harman.]*

Schedule 2

REPEALS

Amendments made: No. 73, in page 101, line 40, in column 2, at end insert—

'In Schedule 1, in rule 6(3)(a) the words "(of not more than 6 words in length)".'.

No. 74, in page 102, line 10, at end insert—

'Police and Criminal Evidence Act 1984 (c. 60)	In Schedule 2, the entry relating to the Representation of the People Act 1983.'.

No. 75, in page 102, line 12, in the second column, at end insert—

'Section 25(1).'.

No. 76, in page 102, line 36, at end insert—

'This Act	Sections 13 to (Repeal of personal identifier provisions).'.

No. 77, in page 102, line 36, at end insert—

'This Act	Section 64.'—*[Ms Harman.]*

Order for Third Reading read.

6.31 pm

Ms Harman: I beg to move, That the Bill be now read the Third time.

The Bill is an important step in the very big task of restoring health and legitimacy to our democracy. Our democracy is not working properly unless everyone eligible is registered to vote, everyone participates in elections and no one fiddles the vote. The Bill takes forward measures on all of those three legs of the stool on which democracy depends.

I pay tribute to the Under-Secretary of State for Scotland, my hon. Friend the Member for Inverclyde (David Cairns), for his excellent work on the Bill. I said at the outset that we would listen and respond to points made on the Bill from all parts of the House. Our approach has been non-party political and non-partisan. In that spirit, I particularly thank the Opposition—the hon. Members for North-East Hertfordshire (Mr. Heald) and for Somerton and Frome (Mr. Heath)—for their helpful suggestions, many of which have found their way into the Bill.

I acknowledge and thank our Whip on the Committee, my hon. Friend the Member for Cardiff, West (Kevin Brennan), and my Parliamentary Private Secretary, my hon. Friend the Member for Battersea (Martin Linton).I acknowledge the work of Select Committees, above all the Constitutional Affairs Committee, and the Office of the Deputy Prime Minister Committee, the Northern Ireland Affairs Committee and the Standards and Privileges Committee, all of which have had a substantive input into the Bill.

I thank Back Benchers from all sides, particularly those who served on the Committee. We were helped by the assistance of the hon. Member for Belfast, East (Mr. Robinson). I single out my hon. Friend the Member for Vale of Clwyd (Chris Ruane), because much of the discussion that we have had in the House and in Committee was informed by the fact that he has asked a great many parliamentary questions, elicited answers and done a great deal of research. I also thank hon. Members who did not serve on the Committee, but who none the less played a large part in producing the substance of the Bill. I thank the hon. Member for South Staffordshire (Sir Patrick Cormack) for introducing what I call the Cormack amendments. I also thank hon. Members in all parts of the House, particularly the hon. Members for Chichester (Mr. Tyrie) and for Blaby (Mr. Robathan), who highlighted the issues of service voters and their under-registration. I look forward to further debate on that in another place.

Much of the Bill has been agreed, and much of it has been changed, often at the suggestion of Back Benchers or Opposition Members. One thing that has not changed, however, is the position of prisoners, who are not entitled to vote if they have been convicted.

Although we agree with the official Opposition about convicted prisoners, we do not agree with them about the roll-out of personal identifiers as a condition of registration, which they think should happen immediately. The Government have decided that that must be piloted before a national roll-out, so we agree on the principles, but disagree on implementation. Our approach has remained non-partisan, consultative and evidence-based, which is why we have stuck with the pilots and will insist on them before any roll-out.

After Third Reading, we will send the Bill from the House of Commons to the House of Lords, and I look forward to hearing their lordships' views. I know that their lordships will acknowledge that the Bill is about elections and bear in mind that consideration by the elected House has been thorough and non-partisan. I am sure that my noble Friend Baroness Ashton will share the approach adopted by me and my ministerial colleagues by taking an open-minded and non-partisan approach to amendments introduced in the Lords.

6.36 pm

Mr. Heald: I join the Minister in thanking all those involved with the Bill on both sides of the House. I particularly thank the Minister and the Under-Secretary for being constructive and prepared to consult.

I pay tribute to my hon. Friends the Members for Huntingdon (Mr. Djanogly) and for Epping Forest (Mrs. Laing), who have done all the hard work. I also pay tribute to our Whip, my hon. Friend the Member for North-West Norfolk (Mr. Bellingham), who is sadly not here today, but who has worked hard on the Bill. I also pay tribute to my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), who has already been mentioned and who has happily been returned to us, and my hon. Friends the Members for Chichester (Mr. Tyrie) and for Blaby (Mr. Robathan).

The Electoral Commission has briefed us throughout the process, and I pay tribute to Sam Younger and Lisa Watch, who have provided us with excellent back-up.

I do not agree with the Minister about prisoners. The European Court of Human Rights has ruled that the blanket ban is not compatible with the European convention on human rights, and one of the reasons that it gives for that opinion is that the ban has not been properly discussed in the House, so we cannot be criticised for introducing an amendment drafted in similar terms to the current law to allow that to happen. The Minister's colleagues in another place may want to consult on the matter, but we feel that we have pushed the process forward. We are sad that Ministers did not join us in the Division Lobby, because the two main parties should be united on the matter—we know that the Liberal Democrats take a different view, but the responsible parties should unite on the issue.

As I said on Second Reading, we welcome the improvements to the Bill such as the new offence, the marked register for postal votes and anonymous

[Mr. Heald]

registration, all of which we have discussed this evening. I am also pleased about the changes that we called for on Second Reading such as assurances about CORE, fairness on the descriptions allowed for independents and party candidates, clarifying the election expenses rules, not reducing the threshold for the loss of deposits, which would have helped extremist parties, and a firmer test regarding safety for those who are at risk when it comes to anonymous registration. The Government have examined all those matters and acted upon them, and we are grateful.

However, we are still unhappy that the Government have been unable to help on individual voter registration, which is a vital, urgent and much-needed protection against postal vote fraud. It is sad that they are still not prepared to make the tiniest concession on that beyond the pilots, which are not an answer to the problem. It is also a pity that they are still not prepared, despite all the recommendations of the Electoral Commission, to rule out all-postal vote elections for the future.

We would like some concrete measures on service voters. I will not speak for too long in the hope that other hon. Members will be able to say a few words about that.

There is more to be done with the Bill in the other place. When the Northern Ireland voting system was being considered, the advocacy of my noble Friend Lord Glentoran persuaded the Government to overcome their original objections and introduce a secure system. I hope that that might happen again with this Bill.

6.40 pm

Rosemary McKenna: I very much appreciate the opportunity to welcome the Bill despite the fact that my amendment was not selected.

I want to put it on the record that the Minister has assured me that the circumstances that arose in my constituency at the last election will not arise again. Five hundred ballot papers were ruled out as ineligible because the polling clerk had written on the ballot paper the identifying number of the electors. That was a scandal and a disgrace. The returning officer was absolutely right that according to the law they could not be allowed. What worries me is that that is all right with an 11,000-plus majority, but it would have a significant effect in a by-election or a council election in my constituency, or anywhere.

This particular individual in Kirkintilloch had been a presiding officer in a polling station in the past, had had extra training, as had all the others, and had been given the information from the Electoral Commission, yet he still made this mistake. The Minister has assured me that the separation of the ballot paper from the identifying marks means that it cannot possibly happen again, and I am delighted to have that reassurance. It is crucial that it does not happen again—the 500 people who voted in Oxgangs primary school had their votes taken away.

The terms of the provision could have been reinforced a bit more, and I will be watching its operation carefully. I very much welcome all the other changes that have been made in the Bill.

6.43 pm

Mr. Heath: I add my thanks and congratulations to those that have already been put on the record. I welcomed enormously the approach taken in Committee by Ministers and by Conservative colleagues, and by my hon. Friend the Member for Southport (Dr. Pugh), when trying to put forward constructive proposals to make a good Bill better.

Mr. Heald: I forgot the hon. Gentleman when I was paying my tributes. I apologise, because he has played a very big part in these proceedings and should definitely have been included. Perhaps he will put in a leadership bid—who knows? *[Interruption.]*

Mr. Heath: My odds are 33:1 with a leadership run, which will not happen. I am grateful to the hon. Gentleman for his kind comments. I will just about forgive him the fatuity of the last vote, which was an exercise in pointlessness as it asked the House to divide on two positions that amounted to the same thing.

On the principal objectives, we have striven for consensus whenever possible, even if we have not always achieved it. That is as it should be. We have made the point over the years, including in the previous Parliament when we considered electoral reform, that such issues should not be partisan and that we should agree a common framework for our essential democratic processes. It is important that we listen to each others' points of view and accommodate them as far as possible. That has happened during the Bill's passage.

Changes have been made through our consideration and as a result of the points that were made not only by the hon. Member for South Staffordshire (Sir Patrick Cormack), but by the right hon. Member for North-West Hampshire (Sir George Young), who chairs the Standards and Privileges Committee and made the point about reporting donations to hon. Members. A minor consideration on imprints was also taken into account. There has been a retreat on descriptors, thus preventing us from holding a difficult debate on whether "annibynnwr" is a better description than "annibynnol" for independent candidates on Welsh ballot papers. A minor amendment was made when the Government finally understood my point about arrests within polling stations. I was right and the Minister eventually accepted that the original wording did not convey what the Government intended.

Clearly, we need to make more progress on the four-month issue, which we debated. Progress has been made on deposit thresholds. The definition of election material is important and will be introduced probably through secondary legislation. The Government accepted the point that the hon. Member for Cumbernauld, Kilsyth and Kirkintilloch, East (Rosemary McKenna) made.

It is a shame that we did not reach the amendments that the right hon. Member for Walsall, South (Mr. George) tabled. He has been my colleague on many occasions on Organisation for Security and Co-operation in Europe monitoring expeditions. He well knows the requirements of international organisations that we do not yet fulfil.

Ms Harman: We accept the spirit of the amendments of my right hon. Friend the Member for Walsall, South (Mr. George) and we will table amendments in another place that will effect his proposals on independent observers.

Mr. Heath: Again, that is welcome. I made points in Committee that the right hon. Gentleman intended to make today in good faith to ensure that our systems were compatible with the international treaties that we had signed. The Minister therefore gives us good news.

I also welcome the fact that we will deal with the service voter issue in another place. That is an important matter and I hope that we will not have hard travail to reach a conclusion.

As far as possible, we have dealt with matters in this elected House rather than the other place. That is important because such decisions should be made here. Notwithstanding the wealth of experience in another place, we are responsible to our electors for ensuring that our democratic system is in place.

There is one outstanding issue: how we maintain the integrity, especially of the postal ballot, but also of our wider electoral arrangements. I am not convinced by the Government's proposal for pilot schemes. We need personal identifiers but we must continue that argument elsewhere and it may revert to us for determination. In other respects, the Bill is a good measure, which I commend to the House.

6.48 pm

Mr. Betts: I welcome the Bill, especially the way in which my right hon. Friend the Minister and my hon. Friend the Under-Secretary have conducted discussions on it. They have listened not only to Opposition Members but to Labour Back Benchers. I thank them for their approach.

Clearly, it is a national disgrace that 4 million people who are entitled to vote in this country are not even registered. It is also undemocratic and discriminatory because a disproportionate number of those who are not registered come from inner-city areas, are young, are members of black and other ethnic minority groups or live in private rented accommodation and houses in multiple in occupation. It is right that the Bill seeks to address that deficit in our democratic system.

I particularly welcome the powers and responsibilities given to registration officers in clause 9. However, I still want further reassurance about the powers of officers to obtain information from organisations that are not within the council for which they work, especially when houses are transferred from a local authority to arm's length management organisations or housing associations. Organisations such as local colleges, the Post Office and even private sector organisations such as utility companies might have to give information to registration officers.

The Bill represents a welcome step forward, but I believe that we shall eventually have to move to a system similar to that in Australia, in which most of the information comes to returning officers automatically from various organisations, and in which canvassers are used on a periodic basis to back that up. That would turn our system round to some extent.

I welcome the setting of a national standard for the way in which officials operate. It is clearly right that general elections be conducted on registers that are drawn up on a similar basis in every local authority in the country. Having a national standard is important for that reason, if for no other. I also welcome the powers given to the Electoral Commission to ask for reports from various officers, to assess how different authorities are doing and to draw comparisons between them. I hope that such reports will be made annually and that we shall also encourage the scrutiny committees of local authorities to engage with their registration officers and others in considering how they compare with the work being done by their counterparts in other authorities. We must have scrutiny at local level, as well as information produced by the Electoral Commission at national level, so that Members of Parliament can ensure that our registers are much more accurate and democratic.

6.51 pm

Sir Patrick Cormack (South Staffordshire) (Con): We often pass imperfect legislation, but legislation is always improved by proper consultation. I pay tribute to the Minister of State, who has conducted herself in an exemplary manner in that regard. I am particularly grateful for her help, support and encouragement with the amendments that I tabled. I am also grateful for the great help that I received from my hon. Friend the Member for North-East Hertfordshire (Mr. Heald), who has led so ably from our Front Bench, and from the hon. Member for Somerton and Frome (Mr. Heath).

This has been a good exercise in co-operative working in Parliament and the law is being significantly improved as a result. I am also grateful to the hon. Member for Livingston (Mr. Devine), who looked after my interests in Committee. I appreciate that, because his predecessor, Robin Cook, was one of the sponsors of my private Member's Bill, which led to the amendments that I tabled.

I am aware that other hon. Members wish to speak, and I hope that my hon. Friend the Member for Chichester (Mr. Tyrie) will catch your eye, Mr. Deputy Speaker, because he has done valiant work on service voters, although he has yet to see a result. I hope, however, that as a result of the Bill's consideration in another place, he will.

6.53 pm

Mr. Jim McGovern (Dundee, West) (Lab): I particularly welcome amendments Nos. 59 and 60. I thank the other members of the Committee. I have served on a few Committees now and have thoroughly enjoyed it.

I particularly want to thank the Minister of State for getting back to me so quickly and efficiently on the point that I raised in Committee about possible charging for postal voting. I believe that democracy should be free and open to all, although I understand that some hon. Members have concerns about postal voting. However, if we are to have postal voting, it must be free and open to all.

Before it was amended, the Bill would have allowed the Secretary of State to impose a charge for postal voting. While I am confident that the present Secretary

[Mr. Jim McGovern]

of State would not have done so, I want to protect people in the future, and the amendments address that point. Should any future Secretary of State try to introduce a such charge, they would have to do so through primary legislation, and such a proposal would have to be debated and voted on by all right hon. and hon. Members. I am confident that the House would not let us down on that issue.

I have served on several Committees since I arrived here in May and, as I said earlier, I thoroughly enjoyed it, once I managed to decipher the intricate details of the Bill in question. If my initial inquiry has led to an amendment that has strengthened the Bill, I will be delighted.

6.54 pm

Peter Bottomley (Worthing, West) (Con): I thank the Minister for telling us that the thrust of the new clause on election observers tabled by the right hon. Member for Walsall, South (Mr. George), which we did not reach today, would be dealt with in another place. I also welcome the new section 6D in clause 31, which deals with observers at polling stations and counts. I pay tribute to Tim Sheehy, whom I first met through his work on democracy in southern Africa at the Catholic Institute for International Relations. He and his colleagues, who have done similar work in central America and elsewhere, have drawn attention to the inconsistency in the fact that we expect to go to other countries and see what goes on at polling stations, while registered observers have not been able to do the same in this country. I welcome a change that I consider right, proper and balanced.

I pay tribute to my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), who joined the House after the general election some weeks after the rest of us. I also pay tribute to my hon. Friend the Member for Chichester (Mr. Tyrie), who persisted in pursuing an issue which, if I may be slightly partisan, I will describe as a scandal. The changes in the electoral registration requirements for service voters should not have been made, and I am glad that the position is to be put right. I hope that when I visit our service personnel around the world, they will all say, "I know that I am registered, and I know that I can vote."

6.56 pm

Mr. Andrew Tyrie (Chichester) (Con): I am grateful for what my hon. Friend the Member for Worthing, West (Peter Bottomley) said about service voter registration. I shall make three brief points about that.

First, having campaigned for about 18 months, I am now certain that the Minister has understood the problem and really wants to do something about it. That is a huge plus. Secondly, I have the strong impression that the whole House is convinced that we need to do something about it. All parties agree that we cannot stay where we are. Thirdly, we have not yet cracked the problem because not all parts of the Government agree on what should be done. My strong impression is that the Ministry of Defence never liked the old service voter registration scheme. It feels that it has better things to do than to act, effectively, as a returning officer. That is a perfectly reasonable attitude. The MOD would much rather try to muddle through with the existing scheme and see whether it can be made to work. I do not think that it can, and I do not think we should accept that approach.

There are two other possible routes. One involves trying to devise a much better piece of legislation, which I do not think will be possible in the time available to the other place. If we are to try to find the best solution, that will mean putting enabling powers on the statute book that the Minister can then activate through secondary legislation. As a legislator, I do not like that approach, but I realise that it may be necessary. That was the purport of an amendment that was tabled by the Opposition, but not debated today.

The other possible approach is one that I recommended originally and have not yet abandoned. It involves repealing the relevant clause in the old legislation and returning to the status quo ante, so that at least during the next few years and at the next general election, 250,000 service voters will be back on the register. That would give us time to work out together what is the best scheme, but the best must not become the enemy of the good. We cannot allow the scandal of service voters who work for democracy in countries such as Iraq finding themselves disfranchised at home to continue. We cannot allow it to happen at an election again. I salute the Minister for reaching that conclusion and hope that she will emphasise, with all possible vigour, the need to resolve the issue in a sensible way.

Question put and agreed to.

Bill accordingly read the Third time, and passed.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

EXCISE

That the Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) (Amendment) Order 2005 (S.I., 2005, No. 3330), dated 5th December 2005, a copy of which was laid before this House on 5th December, be approved.—*[Kevin Brennan.]*

Question agreed to.

Mr. David Willetts (Havant) (Con): On a point of order, Mr. Speaker. I want to raise the written statement that the Secretary of State for Education and Skills made this morning concerning the case of the man on the sex offenders register who was given permission to teach physical education in a school. I know how much importance you attach to Ministers coming to this House to explain their decisions. Since that written statement was made, the Secretary of State has appeared on television answering questions from journalists about it, but we have not had the opportunity to question her about it in this House. As you know, this issue is of great concern to millions of parents. They want to know how the decision to allow someone on the sex offenders register to teach in a school could be taken, and how many other such cases there might be. Will you advise us on what procedures exist to ensure that we can question the Secretary of State in this House on this important matter of public concern?

Mr. Speaker: I thank the hon. Gentleman for his point of order. I have not had the opportunity to read the written reply in detail, but I note that the Secretary of State said that she will make a further statement to the House shortly. Given that there was an interview on television, I propose to instruct my officers in Speaker's House to get in touch with the Secretary of State to find out exactly when that statement will be produced. I give no guarantees to anyone in the House, but the hon. Gentleman has the right to put an urgent question before me for consideration. I stress that it is still my right to decide whether that urgent question be granted. I have no more to say on this matter.

Right-to-buy Scheme

Motion made, and Question proposed, That this House do now adjourn.—*[Kevin Brennan.]*

7.2 pm

Dr. Brian Iddon (Bolton, South-East) (Lab): Given that 2005 was the 25th anniversary of the statutory right-to-buy scheme, which was introduced by the Housing Act 1980, it seems appropriate to assess the policy's impact on the British housing scene today. I was elected to Bolton metropolitan district council in 1977 and for 20 years I served on its housing committee, which I chaired from 1986 to 1996. For most of those 20 years, the council house waiting list remained at about 5,000 applications. When it started to rise in the late 1980s, I became concerned, but I became alarmed when it rose to about 8,500.

The right-to-buy policy had started to impact by then. Unfit private sector houses were still being cleared, albeit on a much-reduced scale, and council house building had stopped completely. The housing committee therefore formed a partnership with five preferred housing associations. The council provided land at nil cost in order to keep rents down, and we started to build our way out of what was becoming a housing crisis. Thus was born Bolton Community Homes Ltd, which still thrives today. It compiles a joint housing register for all social housing, called "Homes For You". Councillor Noel Spencer, the current chairman of Bolton At Home, which is an arm's length management organisation, told me that the "Homes For You" housing register has recently exceeded 20,000—the highest expression of interest in social housing that Bolton has ever seen.

"Homes For You" in Bolton runs a choice-based lettings system. Every week, a list of available properties is published in the property section of the *Bolton Evening News*. In one corner of its advertisement appear the results of expressions of interest in properties that were advertised two weeks earlier. These weekly lists provide evidence of a steadily rising demand for social housing, which was one reason for seeking this Adjournment debate. Bolton is not able to build its way out of its difficulties today because its housing capital resources have been shifted to the pathfinder authorities and to other areas of the country.

Another reason for seeking this debate was that I and others believe that Bolton's highest-ever housing registration figure has been inflated as a result of the right-to-buy scheme. Bolton has sold 28 per cent. of its housing stock, close to the national figure of 30 per cent. Of course, it is always the better homes in the high-demand areas that are sold first. On some Bolton estates, sales stand at well over 50 per cent.

Knowing that council house modernisation schemes affect valuation prices very little, tenants sometimes wait in the hope that a modernisation programme will improve their property before they exercise their right to buy. Investment in the decent homes policy might be accelerating sales for that reason, but there is no doubt that current prices in the private housing sector are the most significant impacting factor.

In Bolton, house prices rose by an average of 12 per cent. in 2001–02, by 16 per cent. in 2002–03, and by a significant 32 per cent. in 2003–04, although the rise

[Dr. Brian Iddon]

slowed to 10 per cent. in the first half of 2004–05. The National Housing Federation has reported that a person on average earnings in the north-west needed to borrow 6.1 times their annual salary in May 2005 to purchase an average home. In Bolton, the borrowing ratio was worse, at 6.3 times the average salary.

That brings me to public sector valuations, which have always lagged behind private sector valuations for similar houses in similar areas. In Bolton, sale prices are established by private sector valuers. Completion of sales takes about 12 months, but the valuation is front-loaded, which means that the sale price can be significantly out of date at the time of completion.

Bolton's chief housing officer reported in February 2005 that, of 26 applications referred for determination to the district valuer, 19 were reduced by an average of 6 per cent. Five valuations remained the same, while two were increased by an average of 4.4 per cent. Those two increases were the first ever valuation increases by the district valuer in Bolton since the right-to-buy policy was introduced in 1980.

I shall give my hon. Friend the Minister some idea of how low the valuations in Bolton are. For example, Hargreaves house in the town centre was built in 1958. Recently, a two-bedroom flat there was valued at £28,000, and was sold for only £8,400. Bolton council recently completed internal refurbishment of the flat, and the discounted purchase price hardly covered the cost of that refurbishment. In addition, almost immediately before that sale the council had spent £638,000 refurbishing Hargreaves house, both externally and in the communal areas. However, the cost-floor rules do not allow such improvements to be taken into consideration in the sale of the property. In contrast, Marsden house is a recently built block of flats less than a quarter of a mile away from Hargreaves house. The selling price of a typical two-bedroom flat there is £150,000.

To accommodate a large family, two three-bedroom semi-detached properties in Mancroft avenue, built in 1932, were recently converted into a six-bedroom house at a cost of £28,000. Yet the converted property was valued at only £57,500, and it sold at a discounted price of £27,600—less than the conversion cost. Again, the cost-floor rules allowed that to happen. Will my hon. Friend the Minister therefore be prepared to look at the cost-floor rule to prevent such anomalies in the future?

It seems to me that the guidance for valuations of tenanted public sector homes is not working to the advantage of the public purse. How is it possible to reach those valuations in any case, when there are very few comparisons with sales of tenanted properties in the private sector? Will my hon. Friend the Minister also look at the valuation guidance, in the interests of the public purse?

According to a recent parliamentary answer by my right hon. Friend the Deputy Prime Minister, housing waiting figures have gone up by 50 per cent. nationally since 1997. That means that another 1.5 million are waiting for an affordable home in the public sector. The worst-hit areas, of course, are London and the south-east, where rising property prices have meant that waiting lists for council homes have risen by 77 per cent. In the case of Hertsmere council in Hertfordshire, they have risen by a massive 2,424 per cent since 1997. In the early days of the RTB scheme, we were led to believe that houses sold would be replaced, but no Government, not even a Labour one, have met the demand for social housing.

That brings me to capital receipts. For every house sold in Bolton, 75 per cent. of the capital receipt ends up in the Treasury. I wonder how much of the pooled income from across the country is spent on providing new, affordable public sector homes. More than generous discounts, heaped on top of ridiculously low valuations, have meant that capital receipts, even had they all been spent on building new homes, have been nowhere near enough to build the replacement homes we need. In most financial years, significantly more council homes have been sold through the RTB policy than were built by local councils and housing associations put together.

Despite the RTB scheme's obvious popularity, first realised by Margaret Thatcher, it was always destined to affect most those in the greatest housing need. The Office of the Deputy Prime Minister has established that more than 15 years after purchase at least half the purchasing households remain in occupation on the estates, which helps to stabilise them. However, many of the homes sold end up in the hands of private landlords who let former council houses at more than double council rents. That has put a huge strain on the housing benefit budget. Furthermore, tenants evicted by their council landlords for antisocial behaviour often end up living round the corner on the same estate, and on at least double the rent, which is often met from the public purse.

Owner-occupation rose from 58 per cent. in 1981 to 71 per cent. in 2004, but with it comes responsibility. Unfortunately, many former council tenants, persuaded to purchase their homes by low valuations and generous discounts, by low mortgages since 1997 and by successive Governments, have not always realised the true cost of maintaining a home.

The RTB is preserved for those tenants whose homes have been the subject of large-scale voluntary transfer. An accelerating number of sales is creating increasing financial difficulties for those housing associations—registered social landlords, we call them today—that have taken ownership of a considerable number of former council home properties.

The effect of the RTB policy in rural areas has been devastating, particularly in attractive parts of the country where properties are sold off as second homes. The Housing (Right to Buy) (Limits on Discount) (Amendment) Order 2003 reduced the RTB discount in 41 local authority areas in London and south-east England that were experiencing high levels of homelessness and high property prices. The changes appear to have slowed sales. Will my hon. Friend the Minister therefore review the current position and consider extending the order to other local authorities?

A pressurised housing status exists in Scotland, and East Renfrewshire council became the first to win it. Tenants there are prevented from exercising their right to buy until the status is lifted, which makes sense to me. Will my hon. Friend also consider providing a level playing field between the right-to-acquire policy,

applicable to housing association tenants who can receive a maximum discount of only £9,000 in the north-west region, and that for council house tenants, including those managed by arm's length management organisations, whose discounts are far more generous?

As a result of abuses to the original RTB scheme, changes have been made, too, to the qualifying period before a public sector tenant can make an RTB application, to the discount calculations and to the rules for repayment of discounts. Those exercising their RTB must now offer the property back to the council at the market price if they choose to sell it within 10 years of purchase. It will be interesting to measure the effect of those changes on RTB sales.

At the end of September, local authorities across England became duty bound to write to all their secure tenants to explain how the purchase price of their homes is calculated, provide details of how to apply and explain the potentially high costs associated with owning a home. The home ownership section of Bolton Community Homes has included a warning in its leaflet about the private companies whose representatives still appear on doorsteps to try to persuade tenants to exercise their right to buy. Sometimes they pretend to be working with the council. They spread rumours that the right to buy is coming to an end, when it is not, and that the council is about to sell off its homes, when it is not. They also tell tenants that their rents are likely to double.

Mr. Ken Purchase (Wolverhampton, North-East) (Lab/Co-op): Would not the right to buy not matter so much if councils were still able and willing to build new housing to replace the stock lost?

Dr. Iddon: That is certainly an underlying theme of this debate.

Recent Shelter research, published in August last year, showed that housing affordability and a safe neighbourhood are valued considerably ahead of home ownership by British citizens. Britain's housing policies are transferring wealth upwards and widening the gap between the richest and poorest families, when what the country really needs is a redistribution of wealth downwards.

According to research from Sheffield university, if current trends continue, in 30 years the richest 10 per cent. of children will have access to more than 100 times more housing wealth than the poorest 10 per cent. My worry is that we are creating a situation that will badly stigmatise the poorest in our society, trapping them in residual social housing with high rents. Reliance on benefits prevents those tenants from escaping that trap, even if they want to work to support their families with dignity.

I look forward to the response from my hon. Friend the Minister.

7.16 pm

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): I congratulate my hon. Friend the Member for Bolton, South-East (Dr. Iddon) on securing this debate on the right-to-buy scheme and I acknowledge his experience in these matters. I will try to respond to the points he has raised.

The Government want to offer as many people as possible the opportunity to own a home, provided that they can sustain the commitments that go with it. We have acted to help first-time buyers, including people living with family, key workers, and those renting privately or from social landlords. The right to buy is a key part of our strategy.

Our new HomeBuy scheme, due to commence in April 2006, will help some 100,000 households into home ownership by 2010, including 30,000 key workers. That will build on the success of our starter home initiative, which helped more than 10,000 key workers to find a home, and on our existing shared ownership and equity loan schemes. I should stress that, as my right hon. Friend the Deputy Prime Minister has said, we are committed to the principle of the right to buy. It has helped more than 1.7 million people to realise their aspirations to own their homes.

The right to buy has been a great benefit to individuals and their families, freeing them from a dependency mindset. It has brought wider social benefits too, by helping to create sustainable mixed-tenure communities, and it has generated more than £45 billion in capital receipts, which have been used to reduce local authorities' debt burden and free some resources to be ploughed back into social housing and other public spending.

But the right to buy has led to problems. The rules have been exploited by some tenants and by some companies. Other tenants have bought but have found the costs of home ownership burdensome. My hon. Friend refers to valuation of homes sold under the right to buy. Under section 127 of the Housing Act 1985, that is the price that the property would realise if sold on the open market by a willing vendor, disregarding any improvements made by the tenant. The market price depends on a number of factors, including the condition of the property, what the surrounding area is like and its location in relation to services. Improvements may add a lot of value in some areas, but much less in others.

The Government recognise that there are concerns about right-to-buy valuations, so we commissioned research from the College of Estate Management. This was published in 2004 and is available on the Office of the Deputy Prime Minister website. It recommended that guidance should be issued for those involved in right-to-buy valuations, so we convened a working group of practitioners led by the Royal Institution of Chartered Surveyors. The working group is preparing guidance, which will be published quite soon.

My hon. Friend referred to the cost floor, and suggested that it may not be working well. Under the cost floor, the right-to-buy discount should not reduce the price of a property below what the landlord spent on it during the previous 10 years. If my hon. Friend would like to send me more of the examples that he mentioned, our officials will look into the matter.

My hon. Friend also referred to the use of capital receipts. As he said, local authorities pay the Government 75 per cent. of their receipts from right-to-buy sales, which are taken into account when we determine the level of investment in housing that we will support, bearing in mind local needs. So pooling is a means of redistributing resources to areas where the need is greatest.

[Jim Fitzpatrick]

Like my hon. Friend, many Members will have seen the leaflets pushed through doors on council estates, claiming that the Government are about to do away with the scheme and urging tenants to buy now, with a little help from the company that has issued the leaflets. Research published in March 2003 highlighted the motives of some companies: to persuade people to agree to sell the homes they bought under right to buy to the company, at the discounted price available to tenants. So those companies are able to buy up ex-council homes cheaply and then let them out at market rents, which are unaffordable for people in the greatest housing need. I am glad to say that the Government have made such exploitation a whole lot harder. We have also tackled another abuse, which endangered regeneration schemes by forcing councils to pay compulsory purchase compensation to people who had bought their homes at discounted prices knowing full well that they were scheduled for demolition.

My hon. Friend mentioned antisocial behaviour by tenants. We agree that eviction often simply moves the problem round the corner, so our respect action plan, published yesterday, sees eviction as a last resort. It emphasises managing antisocial behaviour through rehabilitation, family support, antisocial behaviour injunctions and of course antisocial behaviour orders. Furthermore, we have given landlords the power to suspend right-to-buy applications from tenants involved in antisocial behaviour.

In the Housing Act 2004, we tightened up the right-to-buy rules to make the scheme fairer to both landlords and tenants who are committed to their communities. As my hon. Friend noted, we had previously lowered the maximum right-to-buy discount available to tenants in 41 areas under the greatest housing pressure, in terms of high levels of homelessness and high house prices.

John Battle (Leeds, West) (Lab): I understand the rules for Adjournment debates, so I appreciate my hon. Friend allowing me to intervene. I am also grateful to my hon. Friend the Member for Bolton, South-East (Dr. Iddon) for securing the debate.

In the light of my hon. Friend's comments about the gap that is emerging between people who can buy and the poorest who cannot, does my hon. Friend the Minister accept that there will be a real problem when the best family housing has been sold off? We are facing a crisis of hidden homelessness. People who have to rent can never get a job because they would come off housing benefit and would be unable to pay their rent. At the bottom end of the market, the gap is too great for people to get on the ladder to buy. We need more homes that people can afford to rent.

Jim Fitzpatrick: My hon. Friend makes a powerful point, which was appropriately emphasised by my hon. Friend the Member for Bolton, South-East.

We have also made it easier for social landlords in rural areas to restrict the resale of ex-council homes to local people, to help them to stay in the areas where they were born and brought up, if they want to do so. We have modernised right to buy as part of our programme to encourage the development of sustainable mixed communities.

Exploitation is not the only concern, however. As my hon. Friend the Member for Bolton, South-East said, some people who bought their homes have since found it difficult to afford the cost of maintaining them. Some of them may not have thought far enough ahead; some have been the victims of unforeseen life chances, while others may not have had access to information about the implications of home ownership.

Several Members have contacted my ministerial colleagues to inform them that some of their constituents who have bought flats are finding it hard to pay service charges for major works such as putting a new roof on the block. The bills for such work come all at once and can be large, sometimes as much as £40,000 or more.

Such a bill can be daunting, but we should remember that the leaseholder will have bought their property at a significant discount. Over time, its value will have grown, and the major works are likely to increase its value even further. Often the problem is one of cash flow, rather than being unable to pay. However, we have acted to ensure that information about the costs of home ownership is available to tenants who want to own their homes. A range of options is already in place to help leaseholders to pay service charge bills.

On information, buying their home is the biggest purchase most people will ever make, so they should be able to balance the costs against the obvious benefits. Our booklet for tenants, "Your Right to Buy your home", contains sections on things to consider before buying, on the costs of buying and on other regular costs of home ownership.

Under the Housing Act 2004, landlords must give tenants both a written explanation of the key features of the right-to-buy scheme and information about the costs involved. They must be told about stamp duty, survey fees, paying off a mortgage, buying annual insurance and paying for gas, water and electricity. They must also be told about the costs of maintaining their homes, which crucially includes the service charges that the owners of leasehold flats must pay to their landlords.

Besides having a right to information before they buy, leaseholders have a long-standing statutory right to be consulted about major works and long-term agreements, to see the documents showing service charge costs and to challenge the reasonableness of any charge or the standard of the service or work involved.

Leaseholders can be helped to pay off large service charge bills. Landlords can offer them low-cost loans. They can extend the repayment period, or delay repayment until the property is sold. The Government meet 35 per cent. of the cost of their doing so where it exceeds £50,000 in a year. Finally, where major works are funded from specified central Government programmes, service charges must be reduced to no more than £10,000 in any five-year period.

Leaseholders can also get free advice on the options open to them from the Leasehold Advisory Service, known as LEASE, which is an independent advice agency grant-aided by the Office of the Deputy Prime Minister. So a lot of help is available to leaseholders.

We have commissioned research into the impact on service charge bills of local authorities spending on ensuring that all their housing stock meets the decent homes standard by 2010. The report is being finalised

and will be published in due course. We are looking into the issues that have been raised about leaseholder service charges.

On the future, as a Government we are committed to encouraging owner occupation. The right to buy is a key element in our strategy. Where is the right to buy going? Conservative Members have called for it to be given to housing association tenants, 1 million of whom—more than half—already have the right to buy or a preserved right to buy because they have transferred with their homes from local authorities. Also to extend the right to buy to all housing association tenants would be costly—up to £300 million a year—and we have no plans to do so.

Some people have called for right-to-buy discounts to be increased, to help even more tenants, but more generosity to tenants means more cost to the taxpayer, who must meet the difference between the price that the property would fetch on the open market and the discounted price that the tenant pays, as my hon. Friend the Member for Bolton, South-East has mentioned.

The Government's aim is to strike a reasonable balance between helping tenants, ensuring value for money for taxpayers and helping those who are homeless or are living in overcrowded accommodation. That is why we changed the discount rules in 1999 and in 2003, when we lowered the maximum limits in London and a few other areas in the south-east of England. Some people want us to go further and lower maximum right-to-buy discounts in other areas. My hon. Friend recently asked us to do so in areas of high demand. My hon. Friend the Minister for Housing and Planning replied that the Government are keeping the position on maximum right-to-buy discounts generally under review, and I reaffirm that today. We do not rule out further changes, but they must be proportionate.

We recognise that the right to buy does not work for everyone. For some people, part-ownership is a long-term solution to their housing needs. That is why we are introducing HomeBuy—an improved range of low-cost home ownership schemes—to go alongside the right to buy and the right to acquire, thus building on the success of what we have already done in partnership with the housing association sector.

I hope that I have responded to all my hon. Friend's points. If I have not done so, I assure him that I will write to him in due course.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Seven o'clock.

House of Commons

Thursday 12 January 2006

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

EDUCATION AND SKILLS

The Secretary of State was asked—

University/Industry Links

1. **Albert Owen** (Ynys Môn) (Lab): What steps she is taking to encourage the strengthening of working relationships between universities and industry. [41061]

2. **Mark Tami** (Alyn and Deeside) (Lab): How she intends to strengthen working relationships between universities and industry. [41062]

The Minister for Higher Education and Lifelong Learning (Bill Rammell): Relationships between universities and industry are both diverse and valuable. This Government have significantly strengthened those working relationships. We recently announced £238 million for the third round of the higher education innovation fund; sector skills councils are working with universities to address the higher skill needs of their sectors; we are expanding foundation degrees; and we are continuing investment through research councils, regional development agencies and other programmes. The environment is ripe for greater engagement by industry.

Albert Owen: I am grateful to my hon. Friend for that response. As he said, links between universities and business are vital in research and development, and there are many fine examples throughout the United Kingdom. In my constituency and that of my hon. Friend the Member for Conwy (Mrs. Williams), Bangor university is innovative in its Technium organisations and networks. However, the knowledge transfer partnership suffers from the complexity of the funding streams and procedures. What steps can my hon. Friend take to ensure that we simplify those so that we do not discourage the business community in the future?

Bill Rammell: Although this is a devolved matter, I am aware of the partnership to which my hon. Friend refers. Complexity is an issue that we constantly keep under review; I discuss it with my noble Friend the Minister for Science and Innovation, and we seek to simplify the process. However, according to the latest research, substantial progress is being made on initiatives driven by the higher education innovation fund, with £358 million per annum in turnover from spin-off companies and employment for some 13,000 full-time equivalent staff. Knowledge transfer is taking place, but I fully accept that we need to make the process as simple as possible.

Mark Tami: My hon. Friend may be aware of the training partnership between Deeside college, the North East Wales institute of higher education and Airbus in north Wales, but is he aware that the partnership trains hundreds of employees every year to a very high standard? Is not that a model from which industry and Government could learn? May I invite him to visit in the near future?

Bill Rammell: As this is a devolved matter, I am not sure that I can immediately agree to the request for a visit. I am aware of the hugely exciting initiative to which my hon. Friend refers; it is led by the sector skills council, SEMTA, and supports a fast-track apprenticeship foundation degree programme. What I find particularly attractive about the initiative is the way it seeks to widen and increase participation, moving on to higher level skills and professional jobs in the process—that is one of the key challenges that we face in vocational education. Someone with two A-levels has a 90 per cent. chance of going on to a higher education qualification, but someone with the vocational level three equivalent has only a 50 per cent. chance. Initiatives such as this could help us to crack that problem.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): Is the Minister aware that despite the concerns of local business, which view it as a vital ingredient in the success of the city, Milton Keynes still lacks a dedicated undergraduate university? As the Minister, I am sure, agrees with the principle of infrastructure before expansion, and it is the focus of the sustainable communities plan, will he agree to meet local business leaders and listen to their plans, and perhaps support in principle a new university for Milton Keynes?

Bill Rammell: I will be more than happy to meet those business leaders if the hon. Gentleman contacts my office. Although there is not a dedicated university in Milton Keynes, there is of course the Open university, which I believe to be one of the finest achievements of any Labour Government.

Mark Pritchard (The Wrekin) (Con): Is the Minister aware of the excellent work of the university of Wolverhampton and its relationship with RAF Cosford and the defence college of aeronautical engineering? If so, will he have words with his colleagues in the Ministry of Defence and ensure that the ongoing defence training review does not move defence training and valuable engineering jobs, skills and training from Shropshire to Wales? May I offer a refuge in Shropshire?

Bill Rammell: I am aware of the initiative to which the hon. Gentleman refers. The fact that the Government have introduced the higher education innovation fund, and sequentially increased the funding from £77 million to £187 million and now to £238 million, has substantially helped such projects. If the hon.

Gentleman wants to contact me with his specific concerns about the Ministry of Defence, I will of course talk to colleagues.

Richard Burden (Birmingham, Northfield) (Lab): Does my hon. Friend agree that getting the world of work and the world of study co-operating effectively is important not only for industry and the further and higher education sectors, but for providing pathways for people either wanting to change career or to retrain after perhaps having lost their job? Does he agree that restrictions such as the 16-hour rule and the 28-day rule all too often get in the way of that, and we need an urgent review of those procedures?

Bill Rammell: My hon. Friend makes some reasonable points from a position of experience, as he dealt effectively with the awful aftermath of the collapse of Rover. The Rover taskforce, where it broke down some of the Chinese walls and barriers between different funding streams and Departments, was successful in overcoming the problems. There are lessons to be learned, and we keep them under review and discussion with colleagues from other Departments.

Mr. Boris Johnson (Henley) (Con): The Minister knows how fervently the Opposition support his work to encourage links between the universities and industry. In that spirit of cross-party consensus on higher education, will he join me in supporting all those engaged in the study and teaching of disciplines that greatly stimulate and develop the mind, but which do not have an immediate vocational application? May I also ask him finally to dissociate himself and his party from the remarks of the former Secretary of State, who deprecated the study of taxpayer-funded history? *[Interruption.]* Medieval history or any other type of history. Does he agree that those remarks were not only sad and surprising from a man who was notionally in charge of higher education, but economically illiterate?

Bill Rammell: I welcome the hon. Gentleman to his new duties and look forward to exchanges and debates with him.

I think that the hon. Gentleman misquotes what the former Secretary of State said about history. Although I welcome the hon. Gentleman's conversion to a commitment to such subjects, the difference between the Conservatives and Labour in government is that we have substantively increased funding to universities, whereas the previous Conservative Government cut it.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): Is my hon. Friend aware of the excellent work that the north-east process industry cluster has developed between universities and industry, especially in the pharmaceutical and chemical industries? I am sure that we can expect support from our Government to ensure that that work continues. In the same spirit as my hon. Friend the Member for Alyn and Deeside (Mark Tami), I invite my hon. Friend the Minister to Teesside to see the excellent work that the cluster is doing.

Bill Rammell: Before I send my diary manager through the roof, I would be happy to consider such a visit if my hon. Friend will contact me with the details. I am aware of the initiative to which my hon. Friend referred; in fact, I cited it in a speech last night. It is an exciting initiative that brings together the chemical and pharmaceutical industries. It tackles the downturn in other industries and significantly increases the high-level skills base. I applaud what the partners are doing in that area.

Classroom Behaviour

3. **Mr. Adrian Bailey** (West Bromwich, West) (Lab/Co-op): What steps she is taking to assist teachers in managing disruptive classroom behaviour. [41063]

4. **Mr. Mark Hendrick** (Preston) (Lab/Co-op): What representations she has received from teachers' unions on the development of policy on preventing disruptive behaviour in the classroom. [41065]

The Secretary of State for Education and Skills (Ruth Kelly): We have consulted a range of teacher representatives, including trade unions, on how to tackle poor behaviour in schools. We shall shortly be introducing statutory powers for teachers and other school staff to discipline pupils, as well as a range of other measures.

Mr. Bailey: I thank my right hon. Friend for that reply. The Ofsted report shows an improvement in pupil behaviour over the past year, which is reflected in the drop in the number of exclusions in my local authority of Sandwell. Does she agree that more needs to be done and that essential to the campaign to improve pupil behaviour is parental support? Will she outline the steps that the Department is taking to engage parents further in that process?

Ruth Kelly: My hon. Friend is absolutely right to draw attention to the involvement of parents and how important it is for improving not only children's behaviour, but their attainment in school. When we asked a group of head teachers—the Steer group—to look at those issues, they came up with a number of recommendations specifically about how parents might better be involved in the process: for example, that parenting contracts should be made available earlier, before a pupil is excluded from school; that parents should be responsible for supervising excluded pupils during the first five days of an exclusion; and that parents should attend a mandatory reintegration interview following their child's suspension from school. Those are all concrete, useful proposals that we shall be able to take forward in the forthcoming education Bill and they will make a difference to the standard of behaviour in schools and, I hope, to the attainment of those pupils.

Mr. Hendrick: My right hon. Friend will be aware that there are four excellence clusters in Lancashire. The schools in those clusters have received about £6 million since 2004, and £3 million just in this financial year alone. Is she also aware that one of those schools has had a 77 per cent. reduction in permanent exclusions since this process started?

Ruth Kelly: My hon. Friend is absolutely right to draw attention to the good work that is being done by head teachers, staff and schools in tackling disruptive behaviour in the classroom. That is why we are investing in giving schools the resources that they need to make

the improvement sustainable. Of course, we will also take other measures, not just the behaviour improvement programme funding, that teachers will be able to use to improve pupil behaviour further. In particular, it is important that teachers have a clear right to be able to discipline pupils. That was first proposed in the late 1980s—I believe that it was rejected by the Administration at that time—but I can assure my hon. Friend that we will take that proposal forward.

Mr. Nigel Dodds (Belfast, North) (DUP): In supporting absolutely what has been said about parental involvement in tackling this problem, can the Secretary of State give a commitment that the necessary resources will be given to help to involve parents in tackling the problem in the home environment?

Ruth Kelly: The hon. Gentleman draws attention to a very important point: how can parents best be involved in their children's education? As I said earlier, that will make a difference not just to the behaviour of those children, but to how well they do at school. One of the proposals made by the group of head teachers that came together under Sir Alan Steer was that dedicated home-school liaison officers should work with the most disadvantaged pupils—perhaps those from particularly complex and difficult family backgrounds—to tackle not just the needs of the child, but to look at the whole family context as well, and we should be able to take forward that suggestion in our coming set of proposals.

Mr. Tobias Ellwood (Bournemouth, East) (Con): One way to combat disruptive behaviour is to ensure that pupils are able to concentrate. Of course, that can be achieved with proper nourishment. Yet I read in the Bournemouth *Daily Echo*—a fine Dorset paper—that the Government are considering cutting subsidies for school milk—

Mark Tami (Alyn and Deeside) (Lab): Can you eat it?

Mr. Ellwood: Milk? No.

Mr. Speaker: Order. The hon. Gentleman is stretching a point.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Secretary of State will know that a lot of what is involved in tackling disruptive behaviour boils down to funds and helping schools. How can she justify giving rural local education authorities, such as that in Shropshire, just half of what London gets per pupil?

Ruth Kelly: I am glad that, in the recent ditch-a-policy-a-day campaign, the Conservative party has now decided to back us on investment in schools, as well as on reform. Of course, that investment is necessary, and it has been taking place in every school in the country. On average, revenue funding per pupil has increased by more than £1,000 under this Government, and we intend to take that programme of investment further forward.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): The Secretary of State will be aware that one of the causes of disruption in the classroom is that some children are bored by a lack of challenge and that others are frustrated by lessons that are too difficult. That is why Sir Alan Steer's report links the appropriateness of the curriculum to standards of behaviour. Does she accept, therefore, that to reduce disruption in the classroom it is vital that children are taught to the right level of their ability—that academic children are challenged and that the less able are given time and attention? If she accepts that, what measures is she taking to raise the level of setting in secondary schools from its current position, where just 40 per cent. of lessons are set, including just 51 per cent. of lessons in English?

Ruth Kelly: I am glad that consensus is breaking out right across the House on these issues and that the Conservative party has finally realised that every school ought to have a policy to cater not just for the least able, but for the most talented children in the school. I draw the hon. Gentleman's attention to the fact that there has been a huge increase in setting under this Government. I would have hoped that he would stand up and welcome that. For example, in 1996–97, only 28 per cent. of classes were set. That figure rose to 36 per cent. in 2003–04. In particular, in year 7, when children arrive at secondary school, there has been a very steep increase.

I hope that the hon. Gentleman welcomes the guidance that we are giving schools to increase setting. I hope that he also welcomes the fact that we are now directing more resources to schools so that, if necessary, they can provide individual support to help children to catch up if they have not reached the required standard at 11, and individual or small group support for the brightest children in the subjects in which they are strong.

Young People (Consultation)

5. **Edward Miliband** (Doncaster, North) (Lab): What steps the Department is taking to give young people more choice in and influence over the activities and facilities made available to them. [41066]

The Parliamentary Under-Secretary of State for Education and Skills (Maria Eagle): The "Youth Matters" Green Paper outlined plans to put resources directly into the hands of young people and for young people to have more say in the way that resources were spent to give them more choice and influence over provision. Extra resources made available through the pre-Budget report will provide a total of £115 million in the two financial years from April for the youth opportunity and youth capital funds. The youth opportunity card, which will be piloted from April, will give funding directly to young people. That will encourage activity providers to be more responsive in delivering what young people want.

Edward Miliband: I thank my hon. Friend for her reply. Does she agree that we are now able to give young people more of a say in youth provision because we have started to invest in that area? For many decades, that was not done. Does she also agree that we will never meet young people's aspirations if we adopt the policy proposed by some in this House that public spending overall should grow more slowly than the economy grows?

Maria Eagle: I agree that investment is needed. My right hon. Friend the Chancellor has made his position clear by greatly increasing the money available to be spent on the youth opportunity and the youth capital funds. In the consultation, 68 per cent. of the 19,000 young people who replied said that they wanted to help in local decision making on how councils spend money on the provision of activities for young people. We have a big opportunity. I hope that other parties will put their money where their mouth is and support the policy fully, and that means funding it as well.

David T.C. Davies (Monmouth) (Con): Does the Minister agree that parents and pupils will have no real choice in the facilities they use when the Government have a policy of allowing paedophiles to be put in charge of them?

Mr. Speaker: Order. The Minister will not answer.

Mary Creagh (Wakefield) (Lab): Will the Minister elaborate on the new fund that she mentioned, specifically in relation to the challenges faced by young people in rural areas? Will she join me in congratulating Denby Dale parish council in my constituency, which has been listening to young people and has just started work on a new skate park in the village of Skelmanthorpe—a small village of only 6,000 people?

Maria Eagle: I am happy to congratulate that local authority on its efforts. The resources that the Chancellor has provided for the two years in which we are putting the funds in place will enable us, on average, to give each local authority up to £500,000 to develop such initiatives. That is real money and local young people will have a real say in deciding how it is spent.

Trust Schools

6. **Mr. David Chaytor** (Bury, North) (Lab): If she will make a statement on trust schools. [41067]

The Secretary of State for Education and Skills (Ruth Kelly): Acquiring a trust allows schools to do more to raise standards using external support and collaboration between willing partners, the strong governance arrangements that we have seen working in voluntary-aided schools, and the flexibilities that almost 900 foundation schools have used to manage their assets and resources. Trust schools are local authority-maintained schools, which means that they operate within the same funding and capital system and exactly the same code of fair admissions as other schools do now.

Mr. Chaytor: Of course, my question would have been Question 7 had the Conservatives not withdrawn their interesting question on grammar schools.

If the only technical difference between trust schools and other categories of school is that the trust has the capacity to have a majority on the governing body, what specific powers will be available to trust schools that are not already available to academies, foundation schools or even bog-standard specialist schools?

Ruth Kelly: I know that my hon. Friend takes a deep and sustained interest in these issues as a member of the Select Committee on Education and Skills, so he will know that we are building on best practice, allowing all schools working together to avail themselves of existing flexibilities that, for example, are available to voluntary-aided schools. He knows that the trust school is legally a foundation school with a foundation. There are examples of historical foundations that run a number of schools. I should like to make it possible for schools to come together with an external partner—75 per cent. schools currently work with an external partner—and ask whether they can form a more permanent relationship with them. For example, if a group of schools comes to together, and those schools want to offer a broader, more varied vocational curriculum to pupils—it will never be the case that one school will be able to offer the full set of vocational opportunities—and they know that a local business foundation, the local university and others in the community can help them to establish that new curriculum, it will be a significant additional freedom for those schools to bind in those external partners more permanently.

Paul Rowen (Rochdale) (LD): How many of the failing secondary schools does the Secretary of State envisage becoming trust schools? If they do not become trust schools, what measures does she propose to introduce to ensure that all pupils receive the education that they deserve?

Ruth Kelly: The first thing that we need to do is crack down on failing schools. In the past eight years, we have halved the number of failing schools. I am determined to raise the bar even higher with the new inspection regime and the changes to the league tables—in future, schools must include attainment in English and maths as well as other GCSE subjects. I am determined, too, to give local authorities the powers that they need to intervene earlier and quicker to turn around schools before they start to fail. I would like to give local authorities an additional tool for tackling failure—the ability for it to become a trust school. I hope that local authorities regard that as a vital weapon in their armoury to tackle failure.

Helen Jones (Warrington, North) (Lab): Will my right hon. Friend be a little more specific about the people whom she envisages as being able to run trust schools? She has previously said in a parliamentary answer that people barred from becoming directors would not be able to run a trust. Does that mean, however, that firms such as McDonald's, for instance, would technically be able to run trusts?

Ruth Kelly: I know that my hon. Friend has a sustained interest in this issue. She will be interested to learn that we published a prospectus for trust schools just last week, which sets out not just the opportunities available to trust schools but the specific safeguards that we intend to put in place in legislation if the trust—and the school must want the trust to do this—appoints the majority of governors. Those safeguards are pretty tough, and they include not just the safeguards that she set out but additional protections so that the trust can be removed or, indeed, cannot be set up if the local authority thinks that there will be some detriment to standards.

Mr. David Willetts (Havant) (Con): I welcome this first opportunity to question the Secretary of State. Whatever our differences on other matters today, I can assure her and the Government of our support if they do indeed pursue serious education reform. Will she clear up a crucial confusion? When the hon. Member for Bury, North (Mr. Chaytor) asked her in a Select Committee hearing last month if trust schools would be independent like academies, she said:

"No . . . Trust schools are local authority maintained schools."

In October, however, the Prime Minister said that they would be "independent, self-governing state schools" with "Academy-style freedoms". Which is it to be? Will the Secretary of State sort out this confusion once and for all by simply repeating the Prime Minister's words? If I may say so, today is a good day for her to stick very close to the Prime Minister. If she does so, I hope that she will assure us that trust schools will be independent, self-governing and, indeed, have academy-style freedoms.

Ruth Kelly: I welcome the hon. Gentleman to his post, and I am glad to see that he has returned to his portfolio as shadow Secretary of State for Education. No doubt, he enjoyed it so much the first time that he wanted to come back for a second go. The answer to his question is that trust schools are local authority-maintained schools, just as foundation schools are now. They will have the additional freedoms of voluntary aided schools. For example, they can appoint the majority of governors. If they apply for the power to innovate—any school can do so—they will have the sort of freedoms currently available to academies.

The hon. Gentleman says there is a contradiction in speaking of schools as independent state schools. I refer him to our party's manifesto, if he can bring himself to read it. There, we referred to independent specialist schools. Those are local authority schools within the state system, as everyone recognises. Trust schools are also local authority-maintained schools, with additional freedoms.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): Can my right hon. Friend say a little more about the incentives there will be for trust schools to collaborate more with each other? Does she agree that the trust school model lends itself more to an urban setting than to a rural setting?

Ruth Kelly: I know that my hon. Friend has been following the debate closely. It is when schools want to collaborate on a deeper, more sustainable basis that they will consider the option of developing a mutual or common trust between them. A rural school might need that ability to collaborate and establish a permanent relationship even more than an urban school. For example, if a rural school wanted to develop its vocational curriculum—an example that I gave to my hon. Friend the Member for Bury, North (Mr. Chaytor) a moment ago—it would be an opportunity for that school to embed those relationships with other schools further away. But if, for example, a rural school had difficulty tying in local services for the "Every Child Matters" agenda—a technical phrase meaning that the voluntary sector and the various agencies, including health, are bound into the future of that school—that again might be a reason why a rural school in particular wanted to set up a trust. These opportunities are available to schools. We are not forcing schools to go down the route of setting up a trust, but that is a possibility they might consider.

Mr. Edward Davey (Kingston and Surbiton) (LD): In her reply to the hon. Member for Warrington, North (Helen Jones) about who can run trust schools, the Minister spoke about safeguards. I know that she is having a few problems with lists at present, but I remind her that she promised to produce a new list—a list of which organisations and individuals would be suitable and appropriate to operate trust schools. When will she publish that list? Can she confirm that she has not ruled out fast-food chains like McDonald's and Burger King from running trust schools? Can she say anything about any criteria that she has in mind for judging whether a body is suitable to run a school?

Ruth Kelly: The best safeguard for trusts is to trust the schools and the parents. If a trust is set up as a charitable foundation, has educational objectives according to charity law, and can prove and show that school and the parents that it will be able to raise standards in that school or perhaps link that school to other schools to raise standards, parents and schools should have that choice, subject to the appropriate safeguards. Although there has been huge progress over the past eight years, one in four secondary schools are still underperforming, and we have a duty as a Government to take the action that is needed to increase opportunities for every child in our secondary school system.

Child Care

7. **Meg Hillier** (Hackney, South and Shoreditch) (Lab/Co-op): What plans she has to provide more affordable child care places. [41068]

The Minister for Children and Families (Beverley Hughes): Since 1997, as a result of the Government's policies there has been a net increase in child care places nationally of some 90 per cent. In December 2004, we published the 10-year child care strategy to ensure a sustained supply of child care places to give parents choice, flexibility, quality, availability and affordability. The Childcare Bill before the House will give statutory force to those commitments by placing local authorities under a duty to ensure as far as possible sufficient child care, with particular regard to working parents on low incomes.

Meg Hillier: It is welcome news that money is being invested in young people. My right hon. Friend will be aware, however, of the challenges in London. In my constituency, where there is a higher than average population under the age of 16, it particularly bites. Low wages and high premises costs make the cost of child care especially high. Even with Government support, it is difficult for many parents to access child care. Will my

right hon. Friend visit Sure Start projects in my area to hear from parents about the difficulties, so that we can move together further to tackle access to child care for parents on low incomes in London?

Beverley Hughes: I thank my hon. Friend for her interest in the subject, to which she pays close attention in her constituency. I have talked to parents and Sure Start project providers in London and realise that affordability is an issue in some London boroughs, although child care places in Hackney have increased by 406 per cent. The London Development Agency and my Department are jointly funding pilot schemes to establish the best way to subsidise the additional costs in London that result in higher charges for parents. I am pleased to say that Hackney is among the 26 London boroughs participating in the first round of pilots, which will run until 2008, and I expect all other eligible London boroughs to be included in the next round.

John Bercow (Buckingham) (Con): Given that the duty on local authorities in the Childcare Bill to provide child care places does not specify that any of those places must be free and that non-working parents are by definition ineligible for the working tax credit, what plans does the Minister have to ensure that non-working parents can obtain ready access to free child care, so that they can attend job interviews or undertake training?

Beverley Hughes: The hon. Gentleman takes a welcome interest in the subject. The duty on local authorities in the Bill is not directly to provide child care, but to sustain a market in their area. It will include not only working parents, but those who are in education or training and who are seeking jobs, so the duty on local authorities and the definition of sufficiency will encompass non-working parents. In addition, substantial resources—£2.7 billion, which does not include the additional resources for the free education offer for three and four-year-olds—have been allocated to local authorities for the period from 2006 to 2008 as part of the general Sure Start grant. Local authorities will be able to make their own strategic decisions on subsidies to non-working parents who fall outside the category of education and training.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): My right hon. Friend knows that the Education and Skills Committee takes a great interest in early years, into which it has conducted a major inquiry. It welcomed the expansion in child care places, but what has been done about increasing the pay and qualifications of the people who look after our precious children?

Beverley Hughes: In addition to increasing the supply of child care places, the Government consider it important to maintain and increase provision across the board, because we know that high quality provision makes the difference for young children. The initial qualifications held by the work force and the opportunities for continuing professional development are critical, which is why we have set up the Children's Workforce Development Council and are putting £250 million into the transformation fund over the next two years to enable private sector providers in particular to employ more highly trained people. Our ambition is to see a graduate leader in all day care and child care centres by 2015 and to train up people at lower levels. The issue is very important for us.

Hywel Williams (Caernarfon) (PC): The Minister knows that the particular difficulties in providing child care places in rural areas has created a shortage. What plans do the Government have to address that particular rural economic disadvantage?

Beverley Hughes: The issue is important, which is why we have given local authorities the strategic lead. As I have said, they will not directly provide services, but they will sustain a market in relation to local conditions. Under that duty, they must assess the market with providers and parents and work out the best way to ensure the supply of places given local circumstances such as rurality, which the hon. Gentleman has mentioned. There is great potential for providers to collaborate in the development of networks of child minders. As a result of the duty, local authorities will be able to do a great deal more in rural areas.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): As my right hon. Friend develops more child care places, will she especially consider the needs of families with disabled children? I am sure she knows that they often pay a premium for their places, which causes them genuine financial hardship. They, too, need affordable child care on an equal basis with other families.

Beverley Hughes: My hon. Friend is absolutely right and I share her concern about that. That is why the duties on local authorities include having especial regard not only to working parents on low incomes, whom I mentioned earlier, but families with disabled children. I am happy to say that there are some welcome recent innovations, especially among child minders who specialise in the care of disabled children and develop relationships with families and expertise in different sorts of disabilities. Local authorities will want to build on that type of development.

Mrs. Maria Miller (Basingstoke) (Con): Sure Start remains a core component of the Minister's child care plans. Does she share my concern that it fails some of the children who are most in need? The Opposition support the principles of Sure Start but, as the Minister knows, Government research shows that, in practice, the adverse effects for some children could be greater than the beneficial effects for others. Surely simply changing practice guidelines does not measure up to the sort of reform that Sure Start needs today.

Beverley Hughes: I am glad that the Conservative party has at least taken one step and said publicly that it supports the principle of Sure Start because before the general election, which is not that long ago, Conservative Members claimed that they would dismantle it and spend the money on something else. We have therefore progressed slightly. However, Conservative Members have yet to make it clear that they would continue that important programme, which is vital for disadvantaged children, to the same extent as the Government.

If the hon. Lady has considered the evaluation, she knows that the issue is whether enough was done in some—not all—programmes to reach genuinely disadvantaged people and those who do not easily access public services. We have taken that finding on board and all the children's centres that we roll out now, wherever they are sited and whether the area is disadvantaged or not, will have to ensure that they have strong outreach services so that lone parents and those who are very disadvantaged, on very low incomes and often suspicious of publicly provided services are brought into contact with them and—

Mr. Speaker: Order. I think that the Minister should drop a note to the hon. Lady.

Science Research Funding

9. **Linda Gilroy** (Plymouth, Sutton) (Lab/Co-op): What recent assessment she has made of funding for science research in higher education in the south-west of England. [41070]

The Minister for Higher Education and Lifelong Learning (Bill Rammell): The Department's spending on research and knowledge transfer in English universities is rising by £383 million between 2004–05 and 2007–08. In the current year, universities in the south-west are receiving £77.3 million in recurrent research funding, which is up from £50 million in 2002. In addition, they have received £83 million in capital funding from the science research investment fund since 2002.

Linda Gilroy: I thank my hon. Friend for that reply and the welcome increase in funding. However, he knows about the concerns that Plymouth university and others have expressed about the change in the formula that is used to allocate the money from the higher education innovation fund and the potential impact on knowledge partnerships and small and medium-sized enterprises. Will my hon. Friend meet me and some people from Plymouth university who have been working on those important matters to discuss a way forward?

Bill Rammell: I am more than happy to meet my hon. Friend and her colleagues. However, I reassure her that the higher education innovation fund—HEIF—has not been cut. It has increased from £77 million to £187 million and now to £238 million. The allocation method has changed in that we have moved from an exclusively competitive bidding round in response to concerns from universities. Now the method is 75 per cent. formula driven with 25 per cent. based on competitive bidding. I do not believe that the position is dire for Plymouth university. Under HEIF 2, it received £2.5 million and under HEIF 3, it received £1.9 million. However, that takes no account of the fact that it is open to Plymouth university to bid for the £54 million that is available from competitive bidding and has yet to be allocated.

Higher Education

10. **Mr. David Jones** (Clwyd, West) (Con): If she will make a statement on measures to promote fair access to higher education. [41071]

The Minister for Higher Education and Lifelong Learning (Bill Rammell): Fair access to higher education is one of the Government's top priorities. That is why, from 2006, no full-time student in England will have to pay fees up front, nor will they repay anything until they are in work and earning more than £15,000 a year. It is also why we are restoring student grants. Alongside this, we have the Aimhigher programme, which seeks to raise aspiration and attainment levels among those currently under-represented in higher education.

Mr. Jones: Does the Minister agree that the sole criterion for admission to university should be academic ability? Does he also agree with the chairman of the Headmasters and Headmistresses Conference that the best method of testing academic ability is the use of the A-level, and that it is essential that we have an A-level that we can trust? If necessary, will he speak to the heads of private and state schools to ascertain whether A-levels should be made harder?

Bill Rammell: With respect to the hon. Gentleman, I do not think that he is up to speed with what is happening with A-levels. We are seeking to make them tougher through the requirement to complete an extended project and other measures. In response to the views—*[Interruption.]*

Mr. Speaker: Order. If I may interrupt the Minister, it is becoming quite common for mobile telephones and other devices to go off in the Chamber. Hon. Members should be careful to switch those devices off before they come into the House.

Bill Rammell: Thank you, Mr. Speaker.

In response to the Heads of Public Schools Association, I would say that I am certainly not against any young person with ability from an independent school going to university, and academic excellence should be the criterion. However, I want that opportunity for every child in every kind of school in every part of the country. Young people from state schools are under-represented in higher education. We need to tackle that issue, and the Government are right to focus on it.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Minister has just mentioned under-representation. Is he aware that the 7 per cent. of young people in this country who are force-fed education in private schools have hugely disproportionate access to the Russell group universities? What does he intend to do to remedy that situation, particularly in relation to universities such as the London School of Economics, which takes a high proportion of privately educated students as well as taking students from foreign countries, because of the extra money that those students bring in, and for whom the level of qualification required is often lower than that required of our own students?

Bill Rammell: If my hon. Friend looks at the evidence from the past five or six years, he will see that the proportion of young people from state schools going to all classifications of universities has increased. I certainly want that trend to continue, which is why we

are introducing a better and fairer student financial system. We are also consulting on a fairer admissions system, and if we can achieve consensus on that, we shall move towards a post-qualification system. Undoubtedly, however, institutions need to work with us to ensure that the admissions system is as fair as possible. From all the discussions that I have with university institutions, I am confident that that is also what they want to do.

Mr. Tim Boswell (Daventry) (Con): Will the Minister confirm that two important principles are involved? The first is the entirely desirable wish to encourage people from either socially disadvantaged or educationally unconventional backgrounds to go into higher education institutions. The second is the right of those institutions to select their students on the basis of their academic suitability. If I am ready to concede the first principle to the Minister, will he in return concede to me the principle that the academic freedom of choice of those institutions is paramount and will not be tampered with by Ministers?

Bill Rammell: The Government most certainly do not tamper with university admissions—*[Interruption.]* The Government do not do that. Universities are autonomous. I agree with the hon. Gentleman, who used to hold the post that I now hold, that academic excellence and success in qualifications are the key criteria. However, the problem for the country is that too many suitably qualified young people do not have the aspiration or the opportunity to go on to higher education. That should be the key issue that makes us all determined to do an awful lot better.

Women Apprentices

11. **Julie Morgan** (Cardiff, North) (Lab): What plans she has to increase the number of women apprentices in non-traditional occupations. [41072]

The Parliamentary Under-Secretary of State for Education and Skills (Phil Hope): Forty per cent. of apprentices are female, but we recognise that there are some major imbalances in different occupations. One of the ways in which we are addressing that is by working with the Equal Opportunities Commission, the Learning and Skills Council and other sector bodies to improve information, broaden choice and explore more flexible apprenticeship learning opportunities. Those include new entry arrangements into apprenticeships to help young people develop skills before they find an employer. We are also trialling apprenticeships for more mature workers.

Julie Morgan: I thank the Minister for his reply. I am sure that he would agree that this skill segregation at the apprentice stage leads to the unacceptable pay gap later in life. What could the Government do, for example, to encourage older women, rather than just school leavers, into apprenticeships such as electronics or plumbing, as such women could then be role models for younger women?

Phil Hope: My hon. Friend has made an important suggestion. I agree that we must do more to tackle stereotyping at work and in training, and I look forward to the Women and Work Commission report, which is to be published soon. We are evaluating now how successful trials of adult entry into apprenticeships are in addressing under-representation of men and women in various shortage sectors. We are also preparing some detailed responses to each of the recommendations of the EOC investigation into occupational segregation in work and training. One example that I can quote to her is of a young woman, Michelle Jones, who was last year's apprentice of the year, and technician of the year, at BAE Systems.

SOLICITOR-GENERAL

The Solicitor-General was asked—

Criminal Proceedings (Media Reports)

20. **Steve McCabe** (Birmingham, Hall Green) (Lab): What factors the Law Officers take into consideration in assessing whether media reports of criminal proceedings constitute contempt. [41081]

The Solicitor-General (Mr. Mike O'Brien): Under the Contempt of Court Act 1981, a strict liability contempt is committed where a media report creates a substantial risk that the course of justice in proceedings will be seriously impeded or prejudiced. The Law Officers are guided by case law when deciding what factors to take into consideration when assessing whether reports constitute contempt, such as the passage of time between publication and trial, the effect reporting had on the trial and the ability of a trial judge to ensure a fair trial despite the reporting.

Steve McCabe: I have no desire to muzzle the press, but surely when a case is actually before the courts members of the media and Members of the House have a responsibility to exercise some restraint.

The Solicitor-General: My hon. Friend is absolutely correct. The right to a free press is an enormously important part of our democracy, but so is the right to a fair trial, and those rights need to be balanced. Freedom brings with it responsibilities, one of which is to abstain from saying things that might prejudice or impede a fair trial. It is therefore right that, when proceedings are pending, we should exercise restraint. The position is different after a trial, when people can comment with greater freedom.

Mr. Andrew Turner (Isle of Wight) (Con): Where the courts have ordered that the place of residence of a defendant or of someone who has been found guilty of a crime should not be made known, would it constitute a breach of that order to make it known where that person is not resident?

The Solicitor-General: I hesitate to give general legal advice from the Dispatch Box—I suspect that any lawyer would be cautious. It would depend on the circumstances, to use a good lawyerly phrase. Clearly, however, it is a matter of some seriousness if a court

order is breached, and it will be for the judge in the case to take a view as to whether that constitutes something on which the court wishes to act.

Mr. Dominic Grieve (Beaconsfield) (Con): The Solicitor-General will be aware that as well as the reporting of court proceedings and of material that might be in contempt of court, another issue that is a growing cause for concern is the reporting of matters that might prejudice a trial between the time of a person's arrest and the time that charging takes place. The hon. and learned Gentleman might well agree that the press previously exercised a considerable degree of self-restraint in that respect but no longer seem to do so. What steps are being taken by the Attorney-General's Department and the Home Office to consider that problem and to see whether legislation might be necessary?

The Solicitor-General: When the matter is serious charging can usually take place fairly quickly, shortly after arrest and some questioning, but there are cases in which an arrest is made, the person is bailed for a period and the charge takes place after that. During that process, there is more freedom for the press. We are watching the position closely, and we are keen to ensure general press freedom, but I agree with the hon. Gentleman that there must be a balance between the right to freedom of the press and the right to a fair trial, and the press must be sure to act properly. It has its freedom, but it must also recognise the right to a fair trial.

Discontinued Prosecutions

21. **Mr. Nigel Dodds** (Belfast, North) (DUP): In how many cases a prosecution has been discontinued in the public interest in the last 12 months. [41082]

The Solicitor-General: Provisional figures show that during 2005, 25,400 cases were discontinued in the public interest in England and Wales—just over 2 per cent. of the total number of completed cases. The only figures for Northern Ireland relate to Fermanagh and Tyrone and Greater Belfast. Between 1 April and 30 September 2005, 164 cases were discontinued in the public interest—again, just over 2 per cent. of the total.

Mr. Dodds: The Solicitor-General will know that the most high-profile case which has caused the most controversy in the House recently is the dropping of charges in the public interest against the IRA members involved in the Stormont spy ring. Is it not time for more information to be put in the public domain in the public interest, so that people have a clearer understanding of the bizarre events surrounding the dropping of those charges? In particular, can the Solicitor-General go further than the Attorney-General did in his letter to the leader of my party on 22 December, and tell us which Ministers—including the Prime Minister—were consulted before the decision was made to drop the charges?

The Solicitor-General: The Foreign Secretary, the Prime Minister, the Home Secretary and the Secretary of State for Northern Ireland were certainly consulted.

The Shawcross procedure was initiated back in 1951 by Sir Hartley Shawcross, who set out the rules very clearly. In the case to which the hon. Gentleman has referred, it took place in January. The decision relating to the decision to discontinue the prosecution was made in December as a result of information received from the Chief Constable of the Police Service of Northern Ireland. In that instance there was no Shawcross procedure and no consultation of other Ministers, apart from a discussion between the Director of Public Prosecutions for Northern Ireland and the Attorney-General following information received from the Chief Constable in November. The Shawcross consultation took place earlier in the year on a different matter. A separate issue arose in November and December, as a result of which the Director of Public Prosecutions for Northern Ireland took the view, after consultation with the Attorney-General, that the prosecution should be discontinued.

Simon Hughes (North Southwark and Bermondsey) (LD): Like many other cases, the Northern Ireland case gives the public great cause for concern, because they do not understand why a prosecution that they expected to take place did not go ahead. Will the Solicitor-General consider the adoption of a much better procedure, allowing the Director of Public Prosecutions and the Crown Prosecution Service to be regularly accountable to the public—to explain why they make such decisions, to answer questions, and to increase the credibility of their decisions as a result?

The Solicitor-General: The Director of Public Prosecutions for Northern Ireland gave careful consideration to the information that he received from the Chief Constable of Northern Ireland in November 2005. I think that the DPP acted quite properly. He did consult the Attorney-General, but no other Minister was involved in the December decision to discontinue the prosecution.

Having regard to his duties as prosecutor, the DPP weighed the relevant factors—including the Human Rights Act 1998—in deciding that it was not in the public interest to continue the prosecution. It is not open to the DPP or to me to make public the reasoning behind that decision. To do so would be liable to give rise to the very damage that the decision to stop the prosecution was intended to avoid. The hon. Gentleman seems to want the information to be in the public arena, but the purpose of the decision was to stop certain information from entering the public arena.

Treasury Solicitor's Department

22. **Mr. Peter Bone** (Wellingborough) (Con): How many people were employed in the Treasury Solicitor's Department in the years ending 31 December 2003, 2004 and 2005; and what the cost of the Department was in each year. [41083]

The Solicitor-General: The full-time equivalent number of staff employed by the Treasury Solicitor's Department for the calendar year 2003 was 797 and the Department's overall cost was £80 million. For 2004,

there were 848 staff and an overall cost of £79.6 million. For 2005, there were 861 staff and an estimated overall cost of £80.2 million.

Mr. Bone: The House will be surprised at the number of people employed and the huge cost. Has the Solicitor-General examined whether some of that work could be carried out by the private sector, and what savings could be made?

The Solicitor-General: The 8 per cent. rise in staff matches increased productivity, which is 18 per cent. in chargeable hours. On cost-effectiveness, overall costs are up only 0.25 per cent.—less than the rate of inflation. There is extra work to do, and it is being done with only a small increase in the number of staff. If the Government put the work out to, say, City firms, which do much of such work, their charging rate would be much higher than the Treasury Solicitor's Department's. TSol charges about £134 per hour, but private City law firms would charge at least double that; frankly, if I were in a City firm, I would charge well over double that figure. In other words, we get value for money from Treasury solicitors.

Non-stranger Rape

23. **Mr. Tom Clarke** (Coatbridge, Chryston and Bellshill) (Lab): What further steps are being taken to improve the conviction rate in prosecutions for non-stranger rape. [41084]

The Solicitor-General: Convictions in non-stranger rape cases are low because there are no independent witnesses and, frequently, no forensic evidence. Since July, I have been working closely with the Crown Prosecution Service to develop a package of measures that will enhance the effectiveness of rape prosecutions and improve the courtroom treatment of victims. That will improve conviction rates, and I hope to make an announcement shortly.

Mr. Clarke: Does the Solicitor-General agree that because rape victims are immensely traumatised—all the more so when a non-stranger, such as a close friend or an acquaintance, is involved—there is often a delay in reporting? Such delay has often been used by the defence to discredit victims. This issue is of great concern to many people and I would welcome the Solicitor-General's observations on it.

The Solicitor-General: It is undoubtedly the case that some victims delay making a complaint owing to trauma, and defence lawyers will cross-examine victims on this point, playing on society's erroneous assumption that a real victim would come forward immediately, which is not always the case. I therefore propose that experts be allowed to provide generic evidence of rape's psychological impact on victims. That will assist juries by addressing some of the myths that persist about rape, which were highlighted in a recent poll conducted by Amnesty International. I believe that that will make a substantial difference to conviction rates.

Business of the House

11.33 am

Mrs. Theresa May (Maidenhead) (Con): May I ask the Leader of the House to give the House the business for the following week?

The Leader of the House of Commons (Mr. Geoffrey Hoon): The business for next week will be as follows:

MONDAY 16 JANUARY—Remaining stages of the Equality Bill [Lords].

TUESDAY 17 JANUARY—Opposition Day [11th Allotted Day]. There will be a debate relating to the Child Support Agency, followed by a debate relating to civil nuclear power. Both arise on an Opposition motion in the name of the Liberal Democrats.

WEDNESDAY 18 JANUARY—Remaining stages of the Work and Families Bill.

THURSDAY 19 JANUARY—Remaining stages of the National Lottery Bill.

FRIDAY 20 JANUARY—Private Members' Bills.

The provisional business for the following week will be:

MONDAY 23 JANUARY—Consideration in Committee of the Government of Wales Bill.

TUESDAY 24 JANUARY—Continuation of consideration in Committee of the Government of Wales Bill.

WEDNESDAY 25 JANUARY—Remaining Stages of the Childcare Bill.

THURSDAY 26 JANUARY—Remaining stages of the Criminal Defence Service Bill [Lords], followed by motion to take note of the outstanding reports of the Public Accounts Committee to which the Government have replied. Details will be given in the *Official Report*.

FRIDAY 27 JANUARY—The House will not be sitting.

I should also like to inform the House that the business in Westminster Hall for 26 January will be:

THURSDAY 26 JANUARY—A debate on strengthening health services in developing countries.

[Following is the information: Motion to take note of the outstanding reports of the Public Accounts Committee and the Government replies since last debated on 29 June 2004.]

Mrs. May: May I take this opportunity to wish you, Mr. Speaker, and all Members and staff of the House a happy new year? Judging by the evidence of yesterday, it will be an entertaining new year, courtesy of the Liberal Democrat leadership contenders. [HON. MEMBERS: "Where are they?"] I assume that they must all be out announcing their leadership candidacy. I heard that Liberal Democrat MPs were each signing more than one nomination for leadership candidates, which takes Lib Dem indecision to new heights.

I am sure that the Leader of the House was as concerned as I was to hear that Ministers have allowed people on the register of sex offenders to be employed to teach children in our schools. Was he as outraged as I was to hear that despite—

Mr. Speaker: Order. A point of order was raised last night by the hon. Member for Havant (Mr. Willetts). Because of that point of order, I requested that the Secretary of State for Education and Skills make a statement, which will follow this statement, so I ask the right hon. Lady to leave that matter and move on to other subjects. That is not something for the Leader of the House; the appropriate Secretary of State will make a statement.

Mrs. May: I am grateful for your guidance on this matter, Mr. Speaker. I would, however, wish to ask a number of questions about aspects of the issue that are not relevant to the Department for Education and Skills—

Mr. Speaker: No, the right hon. Lady will not do that. An appropriate Minister will make a statement to the House, and I will not allow this now. We are talking about the business for next week.

Mrs. May: Thank you, Mr. Speaker. In that case, I shall return to future business and suggest to the Leader of the House that as the Government have now dropped their Northern Ireland legislation from the business for two weeks' time, that gives them an opportunity to introduce legislation covering the results of Sir Michael Bichard's inquiry into the Soham murders. Will the Government change the business of the House to ensure that such legislation can be brought forward?

There are a number of issues relating to child protection, not least of which are some of the points raised during the passage of the Children Act 2004. Will the Leader of the House ensure that in due course we can have a wide-ranging debate on child protection as it relates to all Government Departments?

There are indications in the press that the Prime Minister intends to reshuffle his Cabinet. I cannot imagine why he might feel that some Secretaries of State are not appropriate for their jobs—although I understand that the Secretary of State for Education and Skills has been given his full support. Will the Leader of the House confirm that if a reshuffle takes place, the Prime Minister will fill the post of Chancellor of the Duchy of Lancaster, which has remained vacant for many months?

Given all that has happened with Government statistics, and the variability of the statistics produced by the Chancellor of the Exchequer, I am sure that hon. Members were concerned to read yesterday that the Bank of England is apparently so concerned about the uncertainty of Government statistics produced by the Office for National Statistics that it has had to introduce a unit to provide its own figures, so that it can have some decent figures on which to operate, as opposed to those produced by the ONS. Will the right hon. Gentleman therefore give the House a debate in Government time on the whole question of Government statistics, and the reliability of the figures on which Government decisions are based?

Finally, bearing in mind the fact that over the Christmas recess it was announced that the health authorities in Oxfordshire, under Thames Valley strategic health authority, had had not only to delay heart operations but to cancel operations that people had been expecting—including the very same operation of which the Prime Minister recently had the benefit—

[Mrs. May]

will the Leader of the House give us the opportunity for a full and proper debate on the impact of Government policy on the health service? As we heard yesterday from my hon. Friend the Member for Hammersmith and Fulham (Mr. Hands), 300 health service jobs are to go in Hammersmith. Jobs are also to be lost in Shrewsbury. That is the real impact of Government policies, and it should be debated in Government time.

Mr. Hoon: I thank the right hon. Lady for her good wishes, which are, of course, reciprocated.

I shall try as best I can to deal with the right hon. Lady's observations about questions arising from the register of sex offenders but am mindful, Mr. Speaker, of your observations. My right hon. Friend the Secretary of State for Education and Skills will deal specifically with the question of legislation, and I think it best that she be allowed to make that statement in due course. There will certainly be opportunities in future to debate, as we should, the question of the impact of those issues for all Departments, and I assure the right hon. Lady that the issue will be taken properly and seriously by all of them. Matters will obviously arise in the light of Michael Bichard's report.

As far as the position of the Duchy of Lancaster is concerned, I am disappointed that the right hon. Lady did not give full credit for the excellent work of my hon. Friend the Under-Secretary of State for the Cabinet Office, who has done a superb job in ensuring that the work of the Duchy is properly carried forward on behalf of the Government and of Parliament. Perhaps I might add to her observation an addendum saying what a magnificent job he has been doing. I am sure that he is keen to continue doing it.

As far as Government statistics are concerned, we have made clear the importance of having such statistics developed independently and with the confidence of the country. That is why we have made recent changes to the arrangements, and I am sure that all Members will acknowledge that and congratulate the Government on the efforts made.

The right hon. Lady's final observation about the health authority in Oxfordshire is one of a type of question that has arisen from the Opposition Benches over a number of weeks about deficits. I am sure that she would want me to make it clear that deficits are restricted to a very small number of national health service bodies. Around 4 per cent. of them are responsible for something like 50 per cent. of the deficit. More than 65 per cent. of NHS organisations are in surplus or achieving a balance. I would find it more interesting if Opposition Members came to the House to share my concern about why, when the great majority of health service bodies are able to balance their books or, indeed, to have a surplus, others are failing, despite the considerable extra public funding going into the health service, to achieve that balance. If Opposition Members said that they shared that concern, there would be something on which we could all agree.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I draw my right hon. Friend's attention to early-day motion 1349 on mesothelioma as a specialism.

[That this House welcomes the expeditious processing, over the last three years, of asbestos-induced cancer cases by the introduction of a fast track system in the Queen's Bench Division of the High Court; recognises that it has dramatically reduced litigation time for both live plaintiffs and surviving relations; is concerned that this progress has been put in jeopardy by the Department of Constitutional Affairs in its consultation paper Focussing Judicial Resources Appropriately—The Right Judge for the Right Case by proposing an end to some civil specialisms including mesothelioma; and calls on the Lord Chancellor to review the proposal and recognise mesothelioma as a specialism.]

There has been an arrangement in the Queen's bench division of the High Court for a fast-track system for mesothelioma cases, and live cases have been rushed through in a matter of four weeks. That is in jeopardy because the Department for Constitutional Affairs has put out consultation suggesting that certain civil specialisms, including mesothelioma, should be ditched. There is an important wider issue here about asbestos, with something like 4,000 people dying each year as a result of exposure and 2,000 diagnoses every year of mesothelioma cancer—

Mr. Speaker: Order. I am very sympathetic to the case that the hon. Gentleman is making, and I know constituents who have such terrible difficulties. However, what he is putting forward is more like an Adjournment debate than a question on business. If he applies to me for an Adjournment debate, I will make no guarantees, but he stands a good chance.

Mr. Hoon: My hon. Friend has demonstrated in the past few moments his undoubted expertise in, and extensive knowledge of, this important subject, which affects his constituents and many other people across the country. I am aware of the concerns that he has expressed, and I will certainly draw them to the attention of my right hon. Friend the Lord Chancellor.

Mr. David Heath (Somerton and Frome) (LD): I also wish the House a happy new year. This is an exciting time, especially for Conservative Members, who open their newspapers each morning to find out which of their cherished policies has been ditched, and whether it is a Labour or a Liberal Democrat policy that takes its place.

I take note of what you said earlier, Mr. Speaker, but will the Leader of the House say whether there is any possibility of the Home Secretary bringing forward his six-monthly statement to the House on the implementation of Sir Michael Bichard's report? Many people have serious questions about the lamentably slow progress being made in a number of areas, not least with the IMPACT computer system. It is now three years late, and a key part of the Government's response.

May I ask for an urgent debate on defence procurement, given today's Government announcement of the flotation of Qinetiq? There are very important questions to be asked about the original valuation, the sale of a substantial stake in the company to the US group Carlyle, and that group's tax arrangements in Guernsey. Other questions involve the availability of receipts to the Minister of Defence and national security. If we cannot have a debate or a statement in the House, can the issue be referred as a matter of course to the Public Accounts Committee?

Finally, may we have a debate on the implementation of the Freedom of Information Act 2000? The Prime Minister was reported to have said over Christmas that that legislation was the worst thing that the Government have done. Does the Leader of the House agree with that assessment, or does he believe instead that it was a very important Act that should not be subverted, either by new charging systems or further restrictions on the application of information—or is that something that he cannot tell me?

Mr. Hoon: I have already responded to the House's seasonal good wishes, and I should like to respond in kind to the hon. Gentleman. Perhaps rather ungenerously, I suggested before the Christmas recess that his chances of becoming Liberal Democrat leader were in the order of 100:1. Recent events may have shortened those odds, and I am sure that we would all congratulate him if he were to succeed.

As I have said already, I agree that it is important to give people across the country confidence about the arrangements for dealing with people on the sex offenders register. All Government Departments take that seriously, and I have made it clear that my right hon. Friend the Secretary of State for Education and Skills will make a statement in due course about the implications for education. However, it is important to raise these matters in connection with other Departments, including the Home Office. Home Office questions take place on Monday, and they will provide an opportunity to question Ministers. Ministers representing other Departments will be answering questions on subsequent occasions.

The hon. Gentleman asked for a debate on defence procurement, and I can tell him that the previous Secretary of State for Defence established the important tradition that such matters should be debated on a very regular basis. I assure him that there will be opportunities to debate defence procurement in the very near future but, in the meantime, a written ministerial statement today deals with the question of Qinetiq. He should read that statement, and I shall endeavour to answer any questions that he may want to raise with me in due course.

I am very pleased with reports of the success of the freedom of information legislation, which gives people opportunities to secure information in a way that was not possible previously. I am only slightly disappointed that the hon. Gentleman did not congratulate the Government on their efforts in that respect.

Ms Sally Keeble (Northampton, North) (Lab): Is my right hon. Friend aware that the Road Safety Bill's sanctions against those who cause death by careless driving were watered down by an amendment approved in another place? When the Bill returns to this House, will he ensure that arrangements are made for an amendment to be tabled that would restore the original penalties? That would enable hon. Members to put into effect the deeply held view that the offence is very serious, for which it should be possible to impose a prison sentence on summary conviction.

Mr. Hoon: I am grateful to my hon. Friend for raising that important issue, which is regarded with great seriousness, especially—as she has indicated—by Members of this House. Given her knowledge of and expertise in parliamentary procedures, I am sure that she will ensure that an appropriate amendment is tabled at an appropriate stage.

Peter Bottomley (Worthing, West) (Con): The whole House will welcome the indication that the Leader of the House gave to the hon. Member for Barnsley, West and Penistone (Mr. Clapham) on asbestos-linked diseases. We hope that the Lord Chancellor will solve the problem without the need for a debate.

The report published today by the Health Committee on the proposed reorganisation of primary care trusts is a devastating commentary on a change that will affect everyone in England. I hope that the Government will arrange for a debate, not so that we may be partisan—the issue is too serious for that—but to ensure that we do not lose 18 months on reorganisation and another 18 months on trying to get the benefits, when health needs need to be met now, next year and the year after. Linked to that, will the Leader of the House have a word with the Prime Minister and others who talk—as the Prime Minister did yesterday in columns 281 and 282—about how waiting times have reduced for nearly all the main indicators? They need to include audiology tests in hospital in the main indicators, because the waiting time for a 20-minute hearing test and to get a hearing aid is up to two or three years. It is disgraceful that those times have not been reduced. I do not accuse the Government of being at fault for that, but they have the power to ensure that people have a hearing test within a few months and a hearing aid shortly afterwards.

Mr. Hoon: The hon. Gentleman achieved his ambition of not being partisan on the issues and I will try to respond in kind. What is important about the reorganisation that the Government propose in relation to primary care trusts is that it is bottom up. It reflects the concerns of health professionals in their different areas about the best way to deliver health care in their local communities. That is central to the changes that are being made, which—as I hope he will recognise—are the result of the Government investing significant amounts of extra money in health care. By 2007–08, we will have trebled the amount of money available to the national health service and for that money—as I hope my previous responses have made clear—this Government, like any Government, expect to see real improvement in the standard and quality of care. It is no good investing huge amounts of extra money if it does not produce real changes for the hon. Gentleman's constituents, my constituents and the constituents of every other hon. Member. However, I accept that we still need to make significant improvements in some areas.

I assure the hon. Gentleman that I will draw to the attention of my right hon. Friend the Secretary of State the issue of hearing tests. It is important that all waiting lists are reduced and if there is a significant problem in the area that the hon. Gentleman mentions I know that my right hon. Friend will want to address it.

Mr. Jim Devine (Livingston) (Lab): I do not know whether my right hon. Friend has had the chance to look at early-day motion 1344.

[Mr. Jim Devine]

[That this House welcomes the Scottish Executive's initiative to attract the Commonwealth Games to Scotland in 2014; expresses its support for the bid; and wishes it every success.]

It is in my name and has been signed by more than 30 of my hon. Friends from all over the United Kingdom. It supports the Scottish Executive's initiative to bring the Commonwealth games to Scotland in 2014. That initiative was supported yesterday by the Prime Minister and I wonder if we can have time for a debate on the practicality of assisting that excellent initiative.

Mr. Hoon: I congratulate my hon. Friend on raising that question. My right hon. Friend the Prime Minister made it clear that the Government would give strong support to that initiative and I am sure that there will be opportunities for my hon. Friend and others to raise the issue in due course. I am convinced that it would be of great benefit not only to Scotland, but to the United Kingdom as a whole.

Mike Penning (Hemel Hempstead) (Con): I wonder whether the Leader of the House could arrange for an urgent debate on judges' sentencing decisions, especially in the light of a monster being sentenced to 12 years for raping a 10-week-old child.

Mr. Hoon: The Government have devoted much time, not always—if the hon. Gentleman will forgive me for saying so—with the support of Opposition Members here or in the other place, to the question of affecting judicial sentences. The Government have had some real difficulty with Opposition Members when we have sought to consider the ways in which judges impose sentences. The hon. Gentleman will be aware that it has been a strong tradition that sentencing is a matter peculiarly for judges to determine, and is not a matter for Members of Parliament or indeed Ministers. However, we believe, and I hope that the hon. Gentleman shares this view, that in some areas sentencing has not always reflected the views of the community. That is why we have taken steps to impose standards and ensure that sentencing reflects the views of the wider community. I hope that the hon. Gentleman will in future support the Government's initiatives in that respect.

Geraldine Smith (Morecambe and Lunesdale) (Lab): Tomorrow I shall meet officers from Lancashire county council in an attempt to secure funding for Carnforth Connect, which is an award-winning rural public transport scheme. It is a bus service that links Carnforth station with villages in my constituency, such as Silverdale and other villages to the north, and is very popular with local residents. However, when I ask Lancashire why it is cutting the service, it says that it is not getting enough Government funding and, of course, when I ask the Transport Minister, I am told that Lancashire has received adequate funding. May we have an early debate on rural transport and how we may obtain more funding?

Mr. Hoon: The Government have put a significant amount of extra money into rural transport services—*[Interruption.]* I hear the usual comments from the Opposition, but I would be happy to answer any questions on the issue from Opposition Members, whose party cut transport support, not least in rural areas. Lancashire and other local authorities must manage the extra funds that they have received. Overall, local authorities have received a 39 per cent. increase in funding since 1997 in real terms. It is a question of local authorities using that money in a way that they judge to be appropriate. I do not accept my hon. Friend's observation that insufficient funding has been provided, but I will ensure that the issue is drawn to the attention of my right hon. Friend the Secretary of State for Transport.

Sir George Young (North-West Hampshire) (Con): Before the Christmas recess, I asked the Leader of the House to use his influence to secure for Labour Members a free vote on smoking. I am grateful to him for his success. Can he tell us when the debate will take place? Can he think of other items in the Government's legislative programme that have caused equal distress and can he think of any reason why the convenient solution of a free vote on a manifesto commitment could not usefully be extended?

Mr. Hoon: One of the joys of this job since the privilege of my appointment has been listening to right hon. Members who had distinguished careers in previous Governments advocating courses of action that they would never have advocated when they were Ministers. At least, if they had advocated them they would have been quickly told to think again by their Chief Whip. If they advocated them twice, no doubt their Prime Minister would have given them a reason for not pursuing the matter. It is an intriguing suggestion, but I do not recall the previous Conservative Government ever making such an offer.

Hugh Bayley (City of York) (Lab): It is important for environmental reasons to get more people to use public transport, and that means keeping fares low. However, in many areas there is a virtual monopoly, despite the introduction of competition, with just one company providing almost all the local bus services. Would it be possible to have a debate about local bus services and whether it would be right to give local authorities greater powers to regulate fares?

Mr. Hoon: As I indicated in an answer a few moments ago, the issue of local rural bus services is of crucial importance to people. There has been a significant increase in the number of such services, largely as a result of Government assistance. My hon. Friend is right to recognise that the question of fares is important, and I shall draw it to the attention of my right hon. Friend the Secretary of State for Transport.

Mr. Ben Wallace (Lancaster and Wyre) (Con): Last week, we heard that another prosecution against a member of the armed forces serving in Iraq—a trooper in the 22nd Special Air Service—had been dropped. On all previous occasions, either the Minister for the armed forces or the Solicitor-General came to the House to give us details about why the case had been dropped. Will the Leader of the House press on his colleagues the

need to come to the House to answer questions about this case and to give more detail about why such cases are constantly brought, at great expense to the taxpayer, and why they seldom, if ever, result in a prosecution?

Mr. Hoon: I recognise the hon. Gentleman's genuine concern about the armed forces and possible prosecutions, but if he considers carefully he will realise that it is vital that not elected politicians and Ministers but independent prosecutors judge whether it is appropriate to bring proceedings and, if proceedings are brought, the extent to which they should be continued. I hope that he agrees that it is in the interests of the armed forces that such matters should be decided independently and not be the subject of political comment.

Keith Vaz (Leicester, East) (Lab): May we have a debate or a statement next week on the conclusions of the report by the Minister for Immigration, Citizenship and Nationality about the claim that people are being granted indefinite leave by the immigration and nationality directorate on the basis of their good looks? According to the civil servant concerned, a pretty young Brazilian girl would get a two-year extension but an ugly man would not have an extension. Speaking for the second category, and bearing in mind the backlog of 221,000 cases at IND, is that a change of Government policy and, if not, may we have clarification as soon as possible?

Mr. Hoon: I have had cause to congratulate my hon. Friend on his expertise in this matter on previous occasions. He draws to my attention something with which I was not familiar, but I am sure that the Home Secretary will be interested in his observations and I shall certainly ensure that the question is put before my right hon. Friend.

Mr. Nigel Dodds (Belfast, North) (DUP): May we soon have a debate in Government time about pension reform, following the publication of the Turner report? We know that a heated debate is going on within the Government, but it would be useful to have a debate in the House on provision for tomorrow's and today's pensioners, not least so that we can highlight the iniquity of the Government's growing dependence on means-testing to deal with the situation, which is a problem for many pensioners.

Mr. Hoon: I have previously indicated in answer to such questions the importance that the Government attach to pension reform, the Turner report and the need for debate both on the Floor of the House and in the country. I accept the force of the hon. Gentleman's argument and am sure that in due course there will be opportunities to debate those important questions.

Andrew Miller (Ellesmere Port and Neston) (Lab): Members on both sides of the House will welcome the stated aims of the Legislative and Regulatory Reform Bill, which was published yesterday. Will my right hon. Friend give the date for Second Reading? From press comment, I take it that it will be in February, but will it be the earlier or latter part of the month?

Mr. Hoon: I was about to congratulate my hon. Friend on his excellent work on behalf of the House in chairing the Regulatory Reform Committee, but in the light of his question perhaps I should invite him to recognise the need to reduce the level of detail with regard to some aspects of our legislation. Perhaps he could wait a few short weeks for the detail he requests.

Mr. John Hayes (South Holland and The Deepings) (Con): The Leader of the House will have read with sadness and alarm, as I did, the National Audit Office report on school standards, which reveals that 1,557 schools are performing badly, that many of them have performed badly for a considerable time and that some local authorities do not act on that. Indeed, as you will remember, Mr. Speaker, the Prime Minister said yesterday that 1 million children are being failed by our school system. The whole House will share my sadness and alarm. I have no doubt that Members on both sides of the Chamber want to do the best for our children, but the Government must do better. We need an early statement so that we can debate the matter, for we must not fail the next generation.

Mr. Hoon: I have read the relevant report. I am slightly surprised that the hon. Gentleman picked out only those aspects of it that make the Opposition case and failed to read the full report as thoroughly as he should when making such representations. Contrary to what he said, the report reveals that there has been a significant improvement—since 1997, I might add—in reducing the number of failing schools. When the hon. Gentleman makes such observations, I hope that he will give the House the full picture rather than simply select the highlights that make the Opposition's political case.

Safeguarding Children

12.5 pm

The Secretary of State for Education and Skills (Ruth Kelly): I am grateful for this opportunity to make a statement about the arrangements for vetting and barring those who work with children. As the House knows, I laid a written ministerial statement at 9.30 yesterday morning and I now want to update Members of the House and answer questions.

Child protection has been a top priority for the Government, as it was for previous Administrations. Over the past 10 years, the child protection system has improved fundamentally as a result of action first taken by the Conservatives, on which we have built, with cross-party support, in reforming our sex offences laws and setting up the Criminal Records Bureau. Given the scale of change over the last decade, it is helpful to set out briefly the systems currently in place before examining how the issues have arisen and what I propose to do about them.

List 99 covers those barred for life from working in schools and has been in place for decades. The decision-making process has remained substantially the same, with Ministers in successive Governments required under law to make sensitive child protection judgments on individuals who have come to the attention of the police. Members on both sides of the House will have experience of making such difficult judgments.

We have significantly tightened List 99 in recent years, with more individuals automatically barred from working with children, and the criteria for inclusion on List 99 being broadened. However, the list does not act in isolation. The previous Government paved the way for the introduction of the sex offenders register, which came into force in 1997. We established the Criminal Records Bureau, which reveals all cautions and convictions to employers where relevant. We have now committed to strengthen the system further through the implementation of a new vetting and barring scheme, as recommended by Sir Michael Bichard. All those measures significantly tightened the protection available to children and ensured that we have some of the toughest sex offender laws in Europe.

The system currently works in the following way. Where a teacher is convicted of one of a number of specified offences they will automatically be included on List 99, which bars them for life from working in schools. The vast majority of sex offenders are therefore automatically barred from working in schools. For other offences, or where the individual has received a caution, the law currently requires each case to be considered individually and a decision taken by Ministers, based on evidence and advice, even though the individual may have been placed by the police on the sex offenders register.

In my statement yesterday I said that initial inquiries indicate a small number of such difficult cases. I fully understand the concern that that has caused and I am determined to do something about it. I have, therefore, commissioned as a matter of urgency an exhaustive review of all such cases since the introduction of the sex offenders register in 1997, to confirm the precise number of those individuals, their whereabouts and whether their behaviour has been of concern to the authorities.

I am sure, however, that hon. Members on both sides of the House will agree that those cases raise questions about whether the long-standing arrangements need to be changed. I will therefore also review urgently the decision-making process surrounding such cases and the policy implications—in particular, how the closest possible alignment can be secured between List 99, the sex offenders register and other data sources; whether Ministers can be removed from the decision-making process; and how police advice can be more fully considered prior to decisions being made. That review will take place with the greatest possible speed, and I will report to the House as soon as the facts have been established and I have reached my conclusion.

I reiterate the Government's commitment to implement Sir Michael Bichard's recommendations to tighten the system for vetting and barring those who wish to work with children and vulnerable adults and to introduce legislation in this Session of Parliament. The Bichard system will also entail the vetting in advance of entry into the children's work force, the continuous updating of police information and the ability for parents to check whether tutors, nannies and other individuals whom they employ are barred. It will ensure that cautions and convictions are treated exactly the same.

The House will remember that legislation to implement the Bichard report was in the Queen's Speech. I can announce today that the Government will be able to introduce that legislation at the end of February. Assuming the full co-operation of the other parties, I am confident that parliamentary time can be found for the Bill in this Session.

It is vital that public confidence in our child protection system is maintained. That is why I made a written statement to the House at 9.30 yesterday morning and why I am grateful to the House for this opportunity to discuss the matter on the Floor of the House. As Secretary of State, I am accountable for all decisions taken in my Department, and I am determined to keep the House and the public informed. I will make a further statement as soon as the full facts have been established.

Mr. David Willetts (Havant) (Con): I am pleased that the Secretary of State has come to the House to give the statement this morning, but it is extremely disappointing that all she can offer us today is another review and legislation that, in the Government's own words, was "urgent" 18 months ago. Why did she fail to begin by setting out the basic principle that sex offenders should not be able to work in schools? The case of Mr. Reeve has seriously undermined public confidence in her Department's ability to meet that basic principle.

The Secretary of State can restore people's confidence in the system only by answering the following questions, which she failed yet again to answer this morning. First, how many people on the sex offenders register are being allowed to work in schools? I tabled that question on Monday, but I have still not had an answer. That is not an obscure point that requires research in ancient files. We are talking about her Department consciously taking a decision that someone on the sex offenders register should be allowed to work in a school. That is a very sensitive decision indeed. Why can the Government not tell us, even now four days later, in respect of how many people they took that decision?

Secondly, who took the decision that Mr. Reeve should be allowed to work at Hewett school? The Secretary of State hinted during the week that her junior Minister took the decision. He has replied that he is innocent. How can the Department be in such disarray that it does not even know who takes these decisions?

Thirdly, one of the main proposals from the Bichard inquiry after the Soham murders was that there should be a single list of sex offenders. The then Home Secretary, the right hon. Member for Sheffield, Brightside (Mr. Blunkett) said:

"We will therefore urgently consider his recommendation that a register be created to bring together all the relevant information held on individuals in a way that is easily accessible."—[*Official Report*, 22 June 2004; Vol. 422, c. 1186.]

He said that 18 months ago. The Secretary of State now comes to the House to say that she will legislate, but she has not said that she will legislate to introduce that single list. In fact, last night, Sir Michael Bichard said that there were "real dangers" while different lists continue to have different decision-making processes. However, instead of plugging that loophole, which is at the heart of the scandal that we are debating today, the Secretary of State says that she will review how the closest possible alignment can be secured between List 99, the sex offenders register and other data sources. That is what the Bichard report is all about. That is the loophole that she needs to close.

Yesterday, in the statement that the Secretary of State gave, she said that, in future, such decisions would be taken by her personally. What are these decisions that she is going to take? The only decision that she could possibly envisage in that statement is that people who are on the sex offenders register should still be allowed to work in schools. So why does she not just say that people on the sex offenders register should not be allowed to teach in schools? Why can she not make it as simple and straightforward as that?

Today, a year and a half after the publication of the Bichard report, the Secretary of State has announced a review and legislation with no substance or explanation. We hope that her review comes up with useful proposals, but any system ultimately depends on the judgment of the people who run it. No review, no legislation can change that.

The Secretary of State was no doubt relieved that she got at least tepid support from 10 Downing street yesterday, but the question is not whether she has the confidence of the Prime Minister. The question is whether she has the confidence of millions of parents who will be deeply concerned that she has failed to ensure basic standards for people who work with children in schools. Does the Secretary of State recognise that the confidence of millions of parents in her judgment and in the Department that she runs is fast ebbing away? Nothing that she has said today has restored that confidence.

Ruth Kelly: I am delighted to be able to answer some of the points that the hon. Gentleman has made, but let me make the point that he fundamentally misunderstood the nature of List 99, the current legislation and, indeed, Bichard's recommendations.

First, List 99 does not give approval for individuals to be employed in schools. Schools must take that decision not just on the basis of checking List 99; they also have a responsibility to check an individual's criminal records if the individual has been out of work. The criminal records check, which we have introduced, will reveal whether an individual has a caution or a conviction. Other data sources are also relevant to those decisions. List 99 does not give automatic approval. What it does, under the framework of the law, is bar certain individuals with specified offences from working with children for ever.

I have made it absolutely clear to the House and the wider public that there should be a much closer alignment of all those individuals on the sex offenders register and on List 99. That is not how the current law operates, and it is not how the current law has operated for decades, with Ministers under successive Administrations deciding whether to include an individual on List 99.

I know that people are concerned about how it is possible for an individual on the sex offenders register not to be barred automatically for life from working in schools. That is a complex legal issue. The legislation as it stands and has existed for decades does not allow the Government or Ministers automatically to bar someone who has accepted a caution for an offence, even if they would have been automatically barred if they had been convicted for that offence. If they accept a caution, the law means that we must consider whether to include the person on the list and, indeed, to let that person make representations. In rare cases, despite the individual accepting a caution, the evidence may not be sufficient to show that they present a risk to children. I do not think that that should be the position, which is why I am tightening the legislation to ensure that cautions and convictions are treated identically and why I am seeking to secure the closest possible alignment between the sex offenders register and the new vetting and barring schemes.

The hon. Gentleman referred to Sir Michael Bichard's recommendations about bringing the lists together, but those recommendations were about bringing the existing lists—List 99, the protection of children list and the protection of vulnerable adults list, which is overseen by the Department of Health—into a list that determines whether an individual should be barred from working with children or with vulnerable adults. Sir Michael was not discussing the sex offenders register. Indeed, there are seven potentially relevant data sources. I think that we as a Government and I as Secretary of State have a responsibility to see whether we can further align those lists, given the importance of complete public confidence in our system. That goes beyond the Bichard recommendations.

I shall also consider whether it is possible to incorporate police advice more fully. At present when a decision is made, according to the law evidence should be taken from all relevant parties. The police are automatically consulted if they have considered the individual's history, as are scientific experts, medical experts and forensic experts where relevant, and psychological reports are taken. I am considering whether it is possible to give the police an even bigger role in determining the final outcome so that a full risk assessment from the police is incorporated into the decision-making process. I am also considering whether it is possible to remove Ministers entirely from these

[Ruth Kelly]

sensitive child protection cases—something about which many groups that are interested in these sensitive issues are concerned.

The hon. Gentleman asked about the number of cases and where the individuals in question are working. Initial inquiries in my Department have produced provisional figures suggesting that since 1997 there has been a small number of cases in which individuals on the sex offenders register have not also been included in List 99. The reverse also applies: there are individuals on List 99 who are not on the sex offenders register. However, I think that it would be wrong to give those provisional facts to the House without establishing with absolute certainty the number of cases, where those individuals are working and how we will proceed. I shall come to the House and give a full explanation of the facts and of the whereabouts of those individuals if they are still employed working with children as soon as possible.

Mr. Edward Davey (Kingston and Surbiton) (LD): I thank the Secretary of State for that statement. I also thank you, Mr. Speaker, for protecting the right of this House to hear such an important statement.

The Secretary of State is right to say that protection of children matters are complex, but was it not the present Government who produced the mess that she now has to review? When did she become aware that the system was so muddled? In how many decisions has she been personally involved? Does she know that number? Did she at any time prior to this week ask for the matter to be looked into? Did any of her Ministers raise the matter with her?

The right hon. Lady has not answered the questions put by the hon. Member for Havant (Mr. Willetts). Will she explain why more than one list is needed? Even if she is right to say that all people on the sex offenders register should not be automatically put on List 99, surely there should be published guidelines and criteria for making such sensitive and difficult decisions.

Is not there a history of shambolic government in this respect? First, we were promised that the Criminal Records Bureau would provide a one-stop shop, but that failed to deliver when teachers were not checked in time for the start of term. The then Secretary of State bypassed the CRB to deal with the crisis, but never restored to the guidelines for schools the advice to ensure that enhanced checks are carried out on people who apply to work in schools. Then we had the Bichard recommendations, which have still not been fully implemented, as the Secretary of State acknowledges, but a key computer program behind those recommendations is three years behind schedule. We now know that Ministers and officials failed to read across from the Bichard recommendations to the interrelationship between the sex offenders register and List 99. Why has no one in the Department for Education and Skills raised that question during or since the Bichard inquiry?

For which of the mistakes does the Secretary of State take responsibility? Hon. Members on both sides of the House understand that the rules and guidelines have to be proportionate and that they must protect the rights of individuals—for example, when the offence is not only unproven but unrelated to any risk attached to the work that the individual seeks to do—but surely this episode suggests that the present system and lists are not fit for purpose. The right hon. Lady's review must be broad enough and tough enough to sort that out.

Ruth Kelly: The review will be broad enough and tough enough to sort it out. If further action is needed, I will not hesitate to take it. Child protection is the Government's first priority. It is also important to ensure that there is full public confidence in the system. The recent case raises issues relating to whether that confidence exists. That is why I have set out the steps that I am taking, with immediate effect.

I agree that the existence of so many independent data sources and lists is not satisfactory. I have identified seven relevant sources: some are held by my Department, some by other Government Departments and some by other agencies. Sir Michael Bichard considered some of those lists and made recommendations that we have accepted, and we are determined to legislate at the earliest opportunity to make a reality of his proposals. I believe that last night Sir Michael was saying how impressed he was by departmental officials' work in preparing the Bill and dealing with the complex issues that he set out. We have secured legislative time in this Session and the Bill will be introduced in February. I think that that is what people expect in view of the seriousness of the issues.

The hon. Gentleman asks in which cases I have been involved. I can tell him that that is not what parents are worried about; they are worried about the issues. I take full responsibility for every decision that has been made in my Department and, as I have said, if any further action is needed, I will not hesitate to take it.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): I ask my right hon. Friend to continue to deal with the matter in a calm and measured way. There is nothing worse than making decisions on such issues in panic and hysteria driven by the media, ably assisted by the both main Opposition parties.

The issue is serious, but we must be careful about starting witch hunts and creating a system that bars not only those who have received a caution or conviction, but those who have been the subject of an allegation. As a constituency MP, I have seen too many lives ruined by false allegations. The balance must be kept right. I hope that my right hon. Friend will ignore the hysteria and carry on the measured manner in which she has started.

Ruth Kelly: I thank my hon. Friend for his comments. It is extremely important to ensure that we get the facts right. We must base our decisions on the best possible information on the individual cases and base our improved policy on the facts. The protection of children is our paramount consideration. I took the decision to commission a review so that we could look at the facts in an objective, impartial fashion. I shall return to the House as soon as possible to update hon. Members on my conclusions.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Why did Ministers give the benefit of the doubt to actual or potential offenders rather than to children? Which Ministers made the decisions to which the Secretary of

State has referred, and in which decisions was she specifically involved? She has just said that parents are not asking that question. I am asking that question, and I want to know the answer now. Finally, will she immediately drop her disgraceful suggestion that Ministers should no longer be responsible, but that responsibility should be shuffled off on to officials, who cannot defend themselves?

Ruth Kelly: I do not think that, with respect, the right hon. Gentleman has quite understood the point that I made. As Secretary of State, I take full responsibility for all the decisions that have been made in my Department, and I am here to answer questions on that basis. The fact of the matter is that the system for deciding those cases has been the same for decades, with Ministers taking sensitive decisions—*[Interruption.]*—including, as the right hon. Gentleman says from a sedentary position, decisions for which he would once have been responsible. List 99 has been tightened, and the sex offenders register has been introduced. The criteria have been broadened, and we now intend to legislate to bring together the lists that we control. I shall see whether it is possible to align more closely new and existing lists with the sex offenders register and other data sources.

Judy Mallaber (Amber Valley) (Lab): I appreciate the great amount that the Government have done on child protection and sexual offences, as I have been working with the internet adviser to children's charities on the specific question of downloading child pornographic images, which, I understand, was the issue in this case. Before I learned that a statement would be made in the House today, I tabled a question asking the Secretary of State to ensure that people who are on the child protection register because they have been convicted of the crime of downloading images or have accepted a caution and have therefore admitted that they are guilty of downloading images, are automatically excluded from working as teachers. I hope that the review will exclude that category. I understand that this individual was caught in Operation Ore, which netted thousands of UK citizens who downloaded images that are only on the internet because children have been abused by tracking their credit card use. I hope that in the review on which the Secretary of State is embarking that category will definitely be excluded from working as teachers.

Ruth Kelly: I thank my hon. Friend for her sustained interest in these issues, which are, indeed, very serious. Her point about treating cautions and convictions in the same way so that an individual who accepts a caution, thereby admitting guilt, is treated in the same way as someone with a conviction is one on which we intend to legislate under the new system. A conviction for a specified offence leads to an automatic barring from working with children, and in future a caution, too, will lead to automatic barring.

Mr. Rob Wilson (Reading, East) (Con): The Secretary of State has just said that child protection is her first priority. If that is true, why does she appear reluctant to condemn the employment of sex offenders as teachers? Does she agree that it is extremely disturbing that anyone on the sex offenders registers could gain employment as a teacher?

Ruth Kelly: I have just explained to the House why there is a difference between List 99 and the sex offenders register, although I do not think that that is acceptable. I would like to bring the two lists together as closely as possible. List 99, however, does not give approval for an individual to be employed by a school. The head teacher or employer then has the responsibility to check with the Criminal Records Bureau to see whether there are any cautions and convictions. That is an additional safeguard, which was introduced in legislation under this Administration, and it has the purpose of protecting children.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Can I urge the Secretary of State to continue to remain calm, and not be pressurised into releasing any figures until she knows exactly what is involved? I urge her not to listen to the right hon. Member for Bromley and Chislehurst (Mr. Forth), and in her review to look at the question whether it is appropriate for Ministers to continue to be involved in those decisions, particularly when they are the result of police investigations or court or police action, and should not be left to those agencies?

Ruth Kelly: My hon. Friend is right to draw attention to that issue. I would like to consider whether it is possible for Ministers to be removed from decision making on those sensitive cases in future, as that would help to restore public confidence in the system. I shall therefore return to the House as soon as possible to see whether we can make that improvement.

Mr. Paul Burstow (Sutton and Cheam) (LD): The Secretary of State said that a Bill will be introduced in February, but it will take some time for it to complete all its stages in both Houses and to implement it thereafter. Has she given any consideration to the proposals made by the NSPCC that we need interim arrangements, such as ensuring that all individuals on the sex offenders register are on both the protection of vulnerable adults list and List 99, at least until there is a review of barring restrictions? Will the Government consider that, as it will give a great deal of assurance to many people?

Ruth Kelly: The hon. Gentleman makes a good point. Even though we are progressing the legislation as speedily as possible and will introduce it in February—I hope that it will be passed with the full co-operation of all parties this Session—we cannot implement it before 2007 because it demands a new IT system, with full implementation in 2008. That is why I set out both in my written ministerial statement yesterday and in my statement today the interim steps that I would like to consider. That review includes the question of whether Ministers should be involved, or whether they could be removed from the decision-making process. It will also consider the way in which police advice can be incorporated more fully into the decision and, indeed, whether it is possible to bring all the lists together more closely in the interim period.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): This unfortunate case has highlighted the fact that we have a piecemeal legislative framework to deal with an issue that is complex and difficult to administer. I welcome the Minister's comments, but may I remind her

[Mr. Adrian Bailey]

that this is a serious and complex issue that should not be dealt with using the knee-jerk reactions advocated by some Opposition Members? In the review, will she not only ensure that we have simpler legislation that is fit for purpose, but back that up with recruitment processes that will enable schools to recruit people without being strangled in a web of bureaucratic interventions and research?

Ruth Kelly: My hon. Friend is right to draw attention to the seriousness of the issues and their implications for child protection, particularly public confidence in the system. It is my responsibility to put the full facts in the public domain as soon as possible and ensure their accuracy, as well as to establish the whereabouts of the individuals involved and ascertain whether they are considered to pose a risk to children. In the review, I shall look at whether it is possible to tighten the process further and align the registers more closely. I would point out to my hon. Friend and other hon. Members that all employers have a responsibility not just to check List 99 if they are a school but to make a CRB check if the individual concerned has not just moved from a previous employer, whose references they have a responsibility to take up. The CRB check will reveal whether there is a relevant caution or conviction that needs to be taken into account by the head teacher, and I very much hope that individuals would not be employed if such a conviction or caution were revealed.

Mr. Nigel Dodds (Belfast, North) (DUP): Some of these matters are devolved in Northern Ireland, as the Secretary of State knows, although the relevant Minister is responsible to the House. Has she consulted with her counterpart in the Northern Ireland Office and, if not, will she do so urgently so that my constituents and others in Northern Ireland can be assured that these matters have been taken seriously and addressed in that part of the country, too?

Ruth Kelly: I certainly will, and in the review I shall consult not just Ministers, but the relevant officials in the devolved Administrations.

Margaret Moran (Luton, South) (Lab): Does my right hon. Friend agree that it is hypocritical of the Opposition, who had 18 years to deal with these matters, and it is this Government who introduced the most comprehensive range of child protection measures ever seen? Is she aware that the Protection of Children Bill proposed to amalgamate List 99 and a new register established by the Bill? Will she give an assurance that that will now happen? As there have been delays in the amalgamation of computer databases, will she give assurances that if there are any further delays due to the technology, interim arrangements will be made to safeguard our children?

Ruth Kelly: I can give my hon. Friend those assurances. It is important that we take all the steps that are necessary to tighten the system as appropriate, to bring the lists as closely into line as it is possible for them to be brought into line within the current legal framework, and for all decisions to be looked at from the point of view of the risk to children and whether we can protect children better by making decisions on a more precautionary basis. I shall certainly consider all those facts. My hon. Friend is right to point out that not only has List 99 been tightened and the criteria for automatic inclusion on that list been broadened under this Government, but the sex offenders register—I acknowledged in my statement that the work was done under the previous Administration before that Bill was introduced—has provided an additional safeguard for employers to check before they employ an individual.

Mr. Brian Binley (Northampton, South) (Con): As a new Member, having been shocked at the Minister's ability to avoid responsibility, I seek a straight answer. When did she realise that the current arrangements were anomalous, and when did she decide to tighten the law?

Ruth Kelly: It was this Government who asked Sir Michael Bichard to carry out his review of our child protection procedures, and we committed in the Queen's Speech to legislate on the new vetting and barring scheme during this Session. We have secured a slot, which means that if there is cross-party support for the proposals, we will able to get the Bill into law this Session. The question for the hon. Gentleman and his colleagues is whether they will give us that necessary cross-party support.

Tom Levitt (High Peak) (Lab): It is a matter of profound regret that today clearly marks the end of political consensus on the matter. May I urge my right hon. Friend to reject the synthetic tabloid anger that she has heard from the Opposition Benches and continue in her categorical and robust response to the situation? The last thing we want is a drip, drip, drip of information and, even worse, speculation, which may be destabilising not only in this place, but in our schools and classrooms.

Ruth Kelly: I thank my hon. Friend for his comments. He is right that we should put the facts into the public domain at the earliest opportunity, but that that ought to be done in a considered and ordered fashion—first, to make sure that we have the precise numbers, and also to ensure that at the same time as those numbers are put into the public domain, we know precisely where those individuals are employed and the action that we intend to take.

Greg Clark (Tunbridge Wells) (Con): The Secretary of State had to be dragged to the Chamber to make a statement, yet she is incapable of answering even the most basic questions. Are there any cases in which she personally has been involved—yes or no?

Ruth Kelly: I take responsibility for every single case that has been determined under my stewardship as Secretary of State for Education and Skills.

Huw Irranca-Davies (Ogmore) (Lab): This is one of the occasions when it is difficult to separate the role of politician from that of parent, grandparent, godparent or uncle. I urge on my right hon. Friend the need to take the matter forward with urgency, but also with due consideration. Can she give us some idea of the scale of

the review that she has ordered and how long it might take? There is an issue of urgency, but will she please not respond to the pitchfork and blazing firebrand mentality, which would be the worst possible way to deal with the situation?

Ruth Kelly: I thank my hon. Friend for his comments. He is right that these are urgent matters, but we need to give all the issues our due consideration. When I say I intend to update the House as soon as it is possible for me to update the House, I mean in the next week or two. I do not mean in the next month or two. As soon as it is possible to ascertain the facts, I will come and update the House on those facts.

Point of Order

12.45 pm

Mr. Nigel Dodds (Belfast, North) (DUP): On a point of order, Mr. Speaker. Earlier today, during questions to the Solicitor-General, the Solicitor-General said that the Prime Minister had indeed been consulted over the decision to drop the charges in relation to the Stormont spy ring, yet yesterday in the House the Prime Minister told us that

"as far as I am aware, I certainly was not consulted on whether this prosecution should be dropped"—[*Official Report*, 11 January 2006; Vol. 441, c. 283.],

and on 14 December the Prime Minister said:

"Obviously, we were not consulted about the matter"—[*Official Report*, 14 December 2005; Vol. 440, c. 1296.]

Can you ensure that the matter is cleared up, and that the Prime Minister properly accounts for it to Members and clarifies the extent of his involvement?

Mr. Speaker: I thank the hon. Gentleman for raising the matter, but I do not want to do his job as well as my own. What he should do is put down parliamentary questions to clear the matter up.

Crossrail Bill [Instruction No. 2]

Mr. Speaker: We now come to the main business. Motions 1, 2 and 3 will be debated together.

12.46 pm

The Secretary of State for Transport (Mr. Alistair Darling): I beg to move,

That it be a further Instruction to the Select Committee to which the Crossrail Bill is committed—

(1) that it have power to consider—

(a) the extension of permitted development under the Town and Country Planning (General Permitted Development) Order 1995 in relation to development which is the subject of environmental assessment in connection with the Bill;

(b) additional power to carry out works for the purpose of reinstating facilities whose operation or use is discontinued because of the exercise of powers conferred by the Bill;

(c) provision relating to the abstraction of water;

(d) alterations to the provision which is now made in the Bill regarding planning permission for development authorised by the Bill which consists of a work other than a scheduled work;

(e) alterations to the provision which is now made in the Bill regarding the application of provisions of the Bill to things authorised by an order under section 1 of the Transport and Works Act 1992;

(f) alterations to the provision which is now made in the Bill regarding any of the following—

(i) a crossover at Farringdon;

(ii) sidings at Westbourne Park;

(iii) diversion of the Moorgate Station Sewer;

(iv) a jetty and conveyor at West India Docks South;

(v) use of the River Lea for barge loading and holding areas;

(vi) realignment of the Docklands Light Railway at Custom House;

(vii) facilities for handling excavated materials at Manor Wharf;

(viii) a shaft at Eleanor Street;

(ix) diversion of the Hackney to Abbey Mills Sewer and the Wick Lane Sewer;

(x) a bridge over Hollow Hill Lane, Langley;

(g) realignment of the proposed running tunnel beneath Shorts Gardens, Camden;

(h) alterations to a ticket hall at the proposed Whitechapel Station;

(i) alterations to the provision which is now made in the Bill regarding approval in relation to highway accesses;

(j) alterations to the provision which is now made in the Bill regarding the acquisition of land at Basin Approach, Lowell Street and land at Billingsgate Market;

(k) alterations to the provision which is now made in the Bill regarding the creation and acquisition of easements or other rights over land;

(l) alterations to the table in paragraph 1 of Schedule 8 to the Bill (disapplication and modification of heritage controls), so far as relating to the City of Westminster, the City of London and the London Borough of Tower Hamlets;

(m) the inclusion of additional land within the limits of land to be acquired or used;

and, if it thinks fit, to make amendments to the Bill with respect to any of the matters mentioned above, and for connected purposes;

(2) that any Petition against Amendments to the Bill which the Select Committee to which the Crossrail Bill is committed is empowered to make shall be referred to that Select Committee if—

(a) it is presented by being deposited in the Private Bill Office not later than the end of the period of four weeks beginning with the day on which the first newspaper notice of the Amendments was published or, if that period includes any time during which the House is adjourned for more than four days, not later than five weeks beginning with that day, and

(b) it is one in which the Petitioners pray to be heard by themselves, their Counsel or Agents.

That these Orders be Standing Orders of the House.

Before I deal with the merits of the motions, let me put them in context, which may help hon. Members who were not present on 19 July last year or who have put the whole business behind them. The House will recall that on that day last year, it agreed, after a vote, to give the Crossrail Bill a Second Reading. The Bill will enable Crossrail to be constructed and puts in place the necessary powers to acquire land and also allow the Crossrail services to run.

The Second Reading agreed the principle of the Bill, which is to construct Crossrail—a railway that will run between the termini at Shenfield and Abbey Wood in the east and Maidenhead in the west. The main new intermediate stations will be at Paddington, Bond Street, Tottenham Court Road, Farringdon, Liverpool Street, Whitechapel, the Isle of Dogs and Custom House.

I remind the House that this is a hybrid Bill. These are Bills used for projects usually of national importance, where the Government take the lead in terms of strategic development. But crucially, because it affects specific private interests, it is dealt with differently in both Houses of Parliament. Such Bills are rare. The last one, I believe, was about 10 years ago. The procedures in relation to them are complex. Although I shall endeavour to give the House my best understanding of what the Select Committee can and cannot do, clearly the Select Committee will be advised by the Clerks of the House, and much lies in their hands.

It might be helpful if I set out what I understand the procedure will be. We are talking about building a new railway line through London, through a densely populated area. Many private interests are affected and many people may be in favour of the Bill in principle but may have understandable concerns about their own interests, which need to be dealt with.

The Bill has aspects of both a public and a private Bill. It is brought forward by the Government and, like any other public Bill, it contains provisions that affect everyone or affect particular classes of people. However, the Bill also contains provisions that have an impact on particular individuals, notably in relation to the powers to acquire particular land. That is why the House requires such a Bill to comply with elements of the procedures for private Bills, as well as complying with the usual procedures for public Bills. The main difference is an extra Select Committee stage in each House. Hon. Members know that the Select Committee has been set up under the chairmanship of my hon. Friend the Member for Mansfield (Mr. Meale), and it will consider the petitions from those whose individual rights will be affected.

In addition to agreeing to give the Bill a Second Reading, the House also agreed to give instructions to the Select Committee, which we are discussing today. Hon. Members who were here in July know that the instructions, rather than the merits of Crossrail, took up most of the debate. The House agreed two sets of instructions in the vote in July: the first set allows the Select Committee to report to the House on the environmental impact of the railway; the second instructs the Select Committee to treat the principle of the Bill as including the termini of the railway transport system for which the Bill provides and the provision of intermediate stations at the locations that I have set out.

Mr. Eric Pickles (Brentwood and Ongar) (Con) *rose—*

Mr. Darling: I know about the hon. Gentleman's specific concern, and he can rest assured that I will give way to him later and deal with his points—although this debate is limited to two hours, I shall endeavour to let in all concerned hon. Members. The hon. Gentleman and I have had a discussion behind the Speaker's Chair, so I know what he is going to say and will address his specific concern.

As I said on 19 July, *Official Report*, column 1125, the principle of the Bill is established on Second Reading, but the Select Committee must be given instructions to enable it to deal with the matter in a manageable way. As I have said, we have accepted instructions on environmental matters and that the principle of the Bill establishes the termini and principal stations.

We are considering three motions today. The first permits the Committee to consider a number of late petitions that were outside the deadline, and I can deal with that matter quickly. One petitioner was apparently involved in an accident and taken to casualty, which prevented him from lodging his petition, and five others sent their petitions to the Department for Transport rather than to the House of Commons. I think that most hon. Members would agree that it is fair to let those petitions go forward.

The second motion allows the Committee to consider petitions in relation to Reading and Ebbsfleet, which took up a lot of time in July, and I shall return to that matter in a moment.

The third motion allows the Committee to consider petitions on the additional provisions that the Government intend to introduce—the additional provisions change the detail of the project and have been identified in discussions with interested parties since the Bill's introduction early last year. I have placed in the Vote Office copies of the instructions on the extensions to Reading and Ebbsfleet, the instructions on additional provisions and the motion on petitions lodged after the deadline, as well as an explanatory memorandum on each motion.

I shall now deal with the two main instructions before the House today, which concern the extensions to Reading and Ebbsfleet and the additional provisions. On the extensions to Reading and Ebbsfleet, the Government want to see Crossrail built and therefore came to the House of Commons with a specific proposition, which involves an economic case that stacks up, which will be operationally effective and which can be delivered. As I said to the House in July, if we were not to nail down the proposition, this Crossrail Bill would meet exactly the same fate as the previous Crossrail Bill, which collapsed under its own weight in the early 1990s.

First, on the western terminus, we decided that Crossrail will end at Maidenhead. On Second Reading, the right hon. Member for Maidenhead (Mrs. May) argued with some force that Crossrail should not stop in Maidenhead, and, possibly for different reasons, my hon. Friend the Member for Reading, West (Martin Salter) argued that it should continue to Reading. Much was made of the question whether the Select Committee would be competent to examine the matter, and my best advice at the time was that it would. On my instruction, however, the Under-Secretary of State for Transport, my hon. Friend the Member for Halton (Derek Twigg), said at the close of the debate that if that is not the case, we would introduce an amendment after further discussion with the Clerks to make sure that it is possible to discuss such things.

If the House agrees the motion today, the Committee will be able to hear petitions in relation to an extension to Reading and make recommendations to this House. If the Government were to accept such representations, the matter would be taken forward by a Transport and Works Act 1992 order, which, as those who are familiar with such matters know, is a well-established way of building projects such as railway lines.

Because the matter concerns the end of the line—the same point applies to Ebbsfleet—we are not discussing a lot of property acquisition and interference with individuals' rights. The key issues are signalling and the capacity of Reading station.

Martin Salter (Reading, West) (Lab) *rose—*

Mr. Darling: Perhaps my hon. Friend wants to say how pleased he is that the Government have made that decision—I expect that he is composing an intervention to say just that. If we pass the motion, it will allow the Select Committee to hear petitions in relation to the extension. The procedure will be different from the Crossrail Bill. I repeat that the Government are not persuaded that we should extend Crossrail at this stage for reasons that I do not think it necessary to set out again, although I will happily do so. The motion allows the debate that the right hon. Member for Maidenhead and my hon. Friend the Member for Reading, West are anxious to hold.

Mrs. Theresa May (Maidenhead) (Con): Assuming that the House passes the motion, I welcome the fact that the Select Committee will be given an instruction to examine the extension from Maidenhead to Reading. One issue is the cost of the necessary works, some of which relate to existing capacity problems at Reading station. Changes to that capacity have been on Network Rail's list of works to do for some time, but sadly there is little prospect of their being undertaken immediately. I want to clarify that the Select Committee will not get hung up on that aspect of the extension and will be able to examine the benefits to Crossrail of an extension from Maidenhead to Reading, rather than rejecting the

[Mrs. Theresa May]

extension simply because Network Rail is not doing the work that it should to increase capacity at Reading station.

Mr. Darling: That is the precise area in which I cannot be hard and fast. I cannot tell members of the Select Committee exactly what they should or should not consider, subject to the general parameters that we are setting out. I hope that the Select Committee will address itself to the merits or otherwise of extending Crossrail to Reading at some stage. I would like to think that some of the capacity problems at Reading station will have been resolved when Crossrail is constructed. What the right hon. Lady said is right, and it is a point that my hon. Friend the Member for Reading, West will undoubtedly make in his intervention. There are problems at Reading, and I have had many discussions with Network Rail about trying to sort them out. If Crossrail were extended, new considerations would arise, but it would be wrong to say that the Select Committee could not consider them. The Select Committee might say, "Until those things have been sorted out, it would be daft to extend the line." All and sundry have advised me that today's motion will allow the discussion that the right hon. Member for Maidenhead and my hon. Friend the Member for Reading, West want, which is as good an assurance as I can give.

Martin Salter: The Secretary of State will be relieved to know that I support the motion and welcome its tabling, but some key points need to be teased out. If the 1992 Act were used to authorise the extension of Crossrail to Reading, who would be the applicant? Does the Secretary of State envisage that Crossrail would be the applicant if the 1992 Act were triggered, or would it be the petitioners themselves?

Mr. Darling: That matter would have to be decided. Under the 1992 Act, the applicant would be the operators of the railway, which could be Cross London Rail Links or Network Rail. Whatever Government are around at that time would have to be involved, because I do not suppose that the operation would be cost-free. All I am promising the House is that if the motion is passed, the Select Committee will have an opportunity to hear the petitions. We are nowhere near saying, "This is the next project, and this is what we might do." Crossrail would be by far the biggest single engineering project anywhere in Europe, and I am anxious to get something manageable. I have told the House many times, and especially in July, that we must ensure that the project is manageable. I hope, in that context, that I will satisfy hon. Members that we can discuss the possibility of an extension to Reading and apply the same consideration to Ebbsfleet.

We decided not to go to Ebbsfleet largely for operational reasons because of the complexity of the lines in north Kent. However, representations are being made about that.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): The people of Hackney are glad that the Government are making progress on the Crossrail project. There is no objection in principle to the Select Committee taking petitions about the extension from Maidenhead to Reading. However, the people of Hackney and the east end would be concerned if the project became so unmanageable that it ran into the sand. Will the Secretary of State assure the people of Hackney that the Government will give it good speed, that we will guard against its becoming unmanageable, that the finance will be available for the railway, for which my constituents have waited so long, and that, when we have built Crossrail, we can move on to Crossrail 2—the Chelsea to Hackney line?

Mr. Darling: If my hon. Friend and I live to see Crossrail 1, we shall be happy. We can then turn our attention to Crossrail 2. Of course the Government are committed to the project. That is why we introduced an extensive Bill to make it possible. However, my hon. Friend's main point is important. Unless the project is kept to a manageable size—even then, it is very large—the same fate awaits it as befell the previous Crossrail project.

I cannot tell our colleagues on the Select Committee what to do—and would not try to do so— but I state no more than the obvious when I say that the more complex the project becomes and the more that is added to it, the greater the risk that it will not get going. There is almost unanimity in the House that the project should go ahead, although hon. Members have their individual concerns. The Government are committed to doing everything that we can to make it happen. However, we must try to keep it to a manageable size so that we can finance and deliver it.

Mr. Mark Field (Cities of London and Westminster) (Con): Does the Secretary of State accept that it is also the Government's role, in trying to push the project forward, to take some control of its manageability? I accept that we have a hybrid Bill and it is ultimately for a Select Committee to determine the matter, but as the hon. Member for Hackney, North and Stoke Newington (Ms Abbott) rightly pointed out, in London we want some progress on the basics of Crossrail. It must now be up to the Government to make their voice heard to ensure that the funding comes together, even if it is for a limited part of the Crossrail plan. We should not allow the Ebbsfleet to Reading aspect to delay progress. That must be the Government's role; it cannot be only the Select Committee's role. All hon. Members look to the Secretary of State for some guidance to ensure genuine progress.

Mr. Darling: Absolutely. That is why we introduced a Bill that established the principle of what the railway would comprise. It will run from Maidenhead through Shenfield to Abbey Wood. As the hon. Gentleman knows, in the preceding two or three years, prospective other parts of the line were removed from the proposals simply to get something that would stack up and could be delivered. We are inviting the House to give instructions to the Committee to ensure, as far as possible, that that happens.

As the hon. Gentleman knows, hon. Members are entitled to put their views and make suggestions. A hybrid Bill means that the Select Committee will have the difficult task of hearing petitions from many people,

some of whom may be against the whole Bill and others who have specific concerns about, for example, stations or waste disposal when the work is being done. When we get the Select Committee's report, the Government will have to take a view about how much we can accommodate. For example, if the Select Committee suggested that there should be a station every 100 yd, the Government would say no because the project would collapse.

We made a specific proposition, which the House endorsed, albeit after a vote, and I assure the hon. Gentleman that I want it to get through as expeditiously as possible while taking account of people's legitimate concerns. However, we are bound to cause some difficulty in establishing the principle.

Mr. Pickles *rose—*

Dr. Doug Naysmith (Bristol, North-West) (Lab/Co-op) *rose—*

Mr. Darling: I know that the hon. Member for Brentwood and Ongar (Mr. Pickles) is champing at the bit. He will have his moment shortly but I had better deal with my hon. Friend the Member for Bristol, North-West (Dr. Naysmith) first.

Dr. Naysmith: My right hon. Friend will recall that, when the matter was discussed in July, the effects of Crossrail on the west country, Bristol and the line from Wales were raised. Clearly, the problems remain major short-term and long-term worries for the future development of the line. What effect does he believe that today's proposals will have on those worries and fears? Will they help to assuage them or make them worse? The right hon. Member for Maidenhead (Mrs. May) mentioned the huge congestion at Reading and if the proposals make it worse, that will not be helpful.

Mr. Darling: As I said to my hon. Friend in July, when Crossrail is completed, it will help west country services. From memory, approximately £1 billion of expenditure is designed to improve the approaches to Paddington station. One of the problems with them is the presence of various goods yards. Although there are not many goods trains every day, they are long and heavy and each manoeuvre can take six or seven minutes' capacity out of the line. It does not take many such instances, especially in the rush hour, to start holding up traffic. My hon. Friend, as a regular user of the line to Bristol and the south-west, knows that several pinch points need to be sorted out.

Since we had the debate in July, the new franchise for the Great Western line has been launched and I believe that that will lead to some improvements. Some disruption is inevitable when building a railway, but once Crossrail is completed, it will help because it means additional capacity and taking out some of the blockages that cause some of the current delays.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): I echo the comments of my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott) and the hon. Member for Cities of London and Westminster (Mr. Field) about the need for London, especially east London, to benefit from the project. If we get Crossrail, Hackney will experience an improvement in the lines from Enfield and Chingford and in the frequency of services. My hon. Friend the Member for Hackney, North and Stoke Newington and I represent the only inner London borough with no tubes and we are therefore grateful for any prospect of train improvement. However, will my right hon. Friend assure us that the complexity of Crossrail, which he has clearly outlined, will not have a detrimental impact on the Olympic developments, which are also a welcome contribution to Hackney?

Mr. Darling: I do not believe that they will. For the avoidance of doubt, I have long said that Crossrail would not be ready in time for the Olympics. It is independent of them but steps will be taken to ensure that it will not interfere with the first priority of delivering the Olympics and the transport infrastructure to support them, on which much work is already under way. The work can be phased in such a way as to ensure that. I am grateful to my hon. Friend for her welcome because there is no doubt that, when Crossrail is built, it will substantially benefit the east end of London, especially constituencies such as hers and that of my hon. Friend the Member for Hackney, North and Stoke Newington, where the need to improve employment and transport links is obvious. Both my hon. Friends have made representations about that.

Peter Luff (Mid-Worcestershire) (Con) *rose—*

Mr. Darling: I should really like to consider Brentwood and Ongar now rather than giving way to the hon. Gentleman.

Peter Luff: It is a simple point.

Mr. Darling: I am always nervous of those, but I shall let the hon. Gentleman make it.

Peter Luff: I am most grateful to the Secretary of State for his courtesy. What additional capacity will be created on services to Paddington as a result of Crossrail?

Mr. Darling: The point that I made to my hon. Friend the Member for Bristol, North-West was that part of the works will improve the access in and out of the various goods yards to the west of Paddington. That means that the line is less likely to be blocked by trains coming in and out of them. If the hon. Gentleman would like chapter and verse on the matter, I am more than happy to let him have it. However, in the context of the instructions to the Committee, it would not be such a good idea.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): The people I represent will be alarmed by the generosity with which the project is being treated, in contrast to Merseytram 1, which my right hon. Friend refused. In those circumstances, he cannot rely on my vote for the motions.

Mr. Darling: It is kind of my right hon. Friend to tell me that, but it does not come as a surprise to me. I am not going to go into the merits of the Merseytram

[Mr. Darling]

proposal now, for obvious reasons, not least that the company is now litigating against me and the Government. However, I note what he says.

To make a general point, I think that all of us, especially those who represent constituencies outside London, would do well to remember that the UK economy depends to a large extent on the well being of the London economy. That is a fact of life, and all our policies have to reflect that. That is not to say, however, that we should not make investments in different parts of the country, and we are doing so, but they have to be the right ones.

I am now going, whether the House likes it or not, to Brentwood and Ongar. The instruction does not allow for consideration by the Committee of the truncation of the route. When the hon. Member for Brentwood and Ongar raised this issue with me in July, he had tabled his own amendment—although it was not selected by the Speaker—which would have allowed the eastern terminal to be sited at Liverpool Street. I made the point that to have a railway line that ran only from Paddington to Liverpool Street simply would not stack up, and that it had to be longer than that. That proposal was just not acceptable.

I can help the hon. Gentleman to some extent, but probably not to the extent that he would like. My best advice is that the motion will allow the Select Committee to hear petitions, but not to decide that the route should be truncated further to the east of Shenfield. It could, however, hear petitions in relation to where exactly the terminus should be. For example, as I understand it, if there were a proposition that the station should not be where it is now but a short distance away from there, it would be within the competence of the Committee to decide on that.

It will be up to the Select Committee, acting on its own views and on the advice of the Officers of the House, to decide exactly what it does. However, it could not, for example, say, "Actually, the line should not end at Shenfield. It should terminate further to the east." I understand that issues have been raised relating to the siting of the Shenfield terminus, and petitions on that could be heard. Having said that, if the Select Committee chooses to hear petitions on that general principle—on advice, it believes that it can do so—I cannot prevent that. But I cannot assure the hon. Gentleman that the instruction that I am inviting the House to endorse today would have the effect of allowing people to argue that the terminus should be located not at Shenfield but further in.

The hon. Gentleman raised this matter with me in July, and I have had the chance to look and see what I said to him at the time, although my recollection is that it was in the context of his amendment, to which I referred.

Mr. Pickles *rose—*

Mr. Darling: I shall give way to the hon. Gentleman. I know that he will not be happy.

Mr. Pickles: I am grateful to the right hon. Gentleman, particularly for trailing this intervention. He will know that my concern has always been that, because Shenfield is mentioned in the long title of the Bill, it will not be possible to petition the Committee or to allow it to make a recommendation to truncate the route. On Second Reading in July, the right hon. Gentleman differentiated between the principle of the Bill and the proposed route, and suggested that it would be possible for the Committee to examine where the termini should be and to make recommendations on that. For further clarity, I shall remind the House that he said of the Select Committee that

"it should treat the principle as having been established by Second Reading. Our instruction goes further, in that it suggests the route. I repeat, however, that if someone came along and said that the stations or the termini should be different, the Select Committee may well want to consider that. It would be up to the Committee."—[*Official Report*, 19 July 2005; Vol. 436, c. 1126.]

That is at considerable variance from what the right hon. Gentleman has suggested today, which is that it is a matter of principle, set in stone, that the terminus not be anywhere other than at Shenfield.

What is the purpose of allowing a Committee to hear petitions if it is not allowed to consider them and to make recommendations? I have known the right hon. Gentleman for a long time, and I have always accepted his word without reservation, but I must ask him to reflect most carefully on the clear undertaking that he gave me in the Chamber in July, and to consider whether further instructions need to be given to the Select Committee.

Mr. Darling: I am grateful to the hon. Gentleman for that intervention and for the way in which he expressed his view. I certainly remember that debate, and I hope that I went out of my way to accommodate as many hon. Members as I possibly could. I understand, as a constituency Member, precisely the point that the hon. Gentleman is making; it is his duty to ensure that, as far as he can, he enables his constituents to make their voices heard.

On Second Reading, I said:

"we have tabled an instruction to the Select Committee to regard the principle of the Bill as including a proposition, namely, the provision of a railway running from Maidenhead in the west to Shenfield and Abbey Wood in the east, with a prescribed number of named stations on its route."—[*Official Report*, 19 July 2005; Vol. 436, c. 1125.]

That was the principle that was established on Second Reading, and the instructions to the Committee are in line with that. A few moments ago, I said that the House could give instructions to the Select Committee. As I understand it, if there were petitions relating to Shenfield, the Committee would be able to hear them. However, to return to the points raised by my hon. Friends the Members for Hackney, North and Stoke Newington and for Hackney, South and Shoreditch, the reason that we have prescribed a terminus is to try to put a concrete proposition before the Committee. Otherwise, I fear that we would be all over the place.

I think that the hon. Member for Brentwood and Ongar takes the view that he wants Crossrail to terminate not at Shenfield but at some point nearer to the city. Or perhaps he is concerned about individual issues relating to Shenfield such as the loss of car parking or the alignment of the tracks. The Select Committee could certainly consider those latter points,

but if he is asking whether it could decide that Crossrail should terminate at Liverpool Street, I have to say that it could not. On Second Reading, my exchange with the hon. Gentleman stretched into column 1127, but I am not going to read the whole thing into the record. However, it was in that context that I made the point that my proposition was that the railway ought to go to Shenfield.

Mr. Pickles: I have to say to the right hon. Gentleman that it was not in the context of Liverpool Street. His understanding of the situation was my understanding of the situation, with regard to the advice on Shenfield. However, in that debate, he told me that my worries were groundless. He clearly differentiated between the principle of the Bill and the proposed route. He said that that the instruction went further than dealing only with the principle, and that it suggested the route. He referred to the terminus as being part of the route. All I need is for my constituents to petition, as they have done, and for the Committee to hear those petitions, which it will do, so that they get a fair hearing. I then need the Committee to be able to make a recommendation to the House as to whether the terminus should be at Shenfield, Stratford or somewhere else, so that the House can decide on the matter. Having been given an assurance by the right hon. Gentleman in July, I do not now want my constituents to be prevented from having a fair hearing. Nor do I want the Select Committee to be prevented from making such a recommendation because it has been placed in a legal straitjacket by the House.

Mr. Darling: The answer to the hon. Gentleman is that the Select Committee will decide what it will and will not hear. Yes, it will be able to hear petitions, but it will not be able to decide to truncate the railway. I do not think that the hon. Gentleman and I were at cross purposes in July. Having read what I said at the time, I think that I made myself reasonably clear in this context. At column 1127, we were discussing these representations in the context of the hon. Gentleman's amendment, which was designed to terminate the railway at Liverpool Street. I made the point that our proposition stacked up, both operationally and in economic terms.

It will certainly be up to the Select Committee to decide whether it hears the petitions, and I am sure that it will try to be as liberal as it can in that regard. However, unless we give it some instruction on the parameters of the Bill, we will be in some difficulty. I appreciate that the hon. Gentleman will not be satisfied with that, and as I said a few moments ago, that is inevitable. If we do not get something manageable, however, we will get nothing at all.

Mike Gapes (Ilford, South) (Lab/Co-op): My constituents in Ilford, South and many other residents of the London borough of Redbridge and other boroughs between Liverpool Street and Shenfield would be appalled if the line were truncated at Liverpool Street. Many people travel throughout Essex into work in London and use that line. In Ilford, we are looking forward to a new station being built to cope with Crossrail and a new entrance and redesign as part of Ilford's regeneration. My constituents are therefore supportive of my right hon. Friend's statement that the line will not be truncated.

Mr. Darling: It would make a nonsense of the Crossrail proposition if it were to stop at Liverpool Street. The economics just would not stack up. My hon. Friend therefore makes a fair point.

The third element, which has not attracted so much attention so far, but to which I should draw the House's attention, is the additional instructions that will allow the Select Committee to consider matters subsequent to the Bill's introduction, on which we know that it will have to be amended, such as provisions in relation to the removal of waste from different sites, different alignments of crossovers and so on. Basically, if the House agrees the motion, the Government will introduce amendments in line with those instructions, which will allow the Committee to hear petitions if they are received. We intend to introduce those additional provisions in two batches, reflecting the extent of the preparatory work required. The first batch will be introduced to the Committee next Wednesday, at which point a newspaper advert will appear that will trigger a four-week petitioning period on each additional provision, following which petitions lodged will be considered by the Committee in the usual way. The second batch will be brought forward once work is complete and will also have a four-week petitioning period. Currently, we expect the second batch to be introduced in March this year.

Lyn Brown (West Ham) (Lab): May I echo the comments of my hon. Friends the Members for Ilford, South (Mike Gapes), for Hackney, South and Shoreditch (Meg Hillier) and for Hackney, North and Stoke Newington (Ms Abbott) and welcome Crossrail on behalf of my constituents? Will my right hon. Friend confirm, however, that the Government are keen to encourage the use of waterways, particularly the River Lea, to minimise the impact of waste removal and disruption to local road networks and residents, which will clearly be caused by the creation of this railway?

Mr. Darling: Certainly, we will use whatever way we can find to reduce the environmental impact of construction, especially that caused by the removal of a considerable amount of waste. No doubt my hon. Friend will keep an eye on the Select Committee with regard to that. I am not sure whether she is volunteering to serve on the Standing Committee that will follow, but the Whips are no doubt paying attention.

I hesitate to return to Brentwood and Ongar, but I think that I need to do so. I think that I referred to stations east of Shenfield when I should have said west. I am not sure whether this will help the hon. Member for Brentwood and Ongar, but were the Select Committee to come to the view that the terminus should be further east of Shenfield, that could be done, as that would extend it, not truncate it. I am not sure whether that helps him, but I thought that I should mention that for the sake of completeness.

Mr. Lee Scott (Ilford, North) (Con): I also want to support the extension of Crossrail to Ilford. Previously, I was the cabinet member responsible for the regeneration of Ilford town centre. Although Crossrail does not run through my constituency, I do not believe that my hon. Friend the Member for Brentwood and Ongar (Mr. Pickles) was suggesting that it should

[Mr. Lee Scott]

necessarily stop at Liverpool Street or Stratford and not go to Ilford. I am sure that it will benefit my constituents, and it should go to Ilford.

Mr. Darling: Let me remind the hon. Gentleman of what I said a few moments ago. Crossrail is a huge project and hugely expensive, it will be a massive engineering enterprise, and we must have a deliverable proposition. Future generations will look back and regard this as the one and only opportunity for both Houses of Parliament to get it right. It is of huge economic value to the east end of London in particular, to London as a whole, and to the wider country, as I said.

Mr. Mark Field *rose—*

Andrew Rosindell (Romford) (Con) *rose—*

Mr. Darling: I will give way to the two hon. Gentlemen and then come to a conclusion, as this is a two-hour debate.

Mr. Field: The Secretary of State will be glad to know that I am not going to say anything about Ilford. The third instruction, however, involves the relocation and change in methodology of the crossover under the Barbican—now also a listed building—in my constituency allowing for the deployment of a different construction method. There are great concerns in my constituency, as in many other built-up constituencies, about the disruption and noise, and there are some sensible suggestions in the third instruction, although I appreciate that it is a bit of a mish-mash. In particular, the changes will remove the need for a work site in Aldersgate street, which would have been extremely disruptive to Barbican residents as well as causing a great a deal of noise and traffic disruption for many commuters coming into the City of London daily. The change in the method of construction of the cavern in which the crossover is located is also intended to reduce noise, which is greatly to be welcomed.

I thank you, Madam Deputy Speaker, for your indulgence in allowing me to make a longer than normal intervention—as the Secretary of State rightly said, we have a two-hour debate, and very few Members will be able to make speeches.

Mr. Darling: I think that the hon. Gentleman is saying that he has now made his speech, and will not seek to catch your eye later, Madam Deputy Speaker.

Andrew Rosindell: The Secretary of State has pointed out that if Crossrail were to stop at Liverpool Street, it would not be economically viable. A consensus seems to be building in the House, and we are all agreed that it should go to Ilford, but perhaps that is where it should stop. The hon. Member for Ilford, South (Mike Gapes) is enthusiastic for the Crossrail project to go ahead, and I hope that the Secretary of State will consider placing the huge depot not in Romford but in Ilford, South, and that he will have the privilege of that, too.

Mr. Darling: The hon. Gentleman has expressed his views on the placing of the depot at Romford, and the Select Committee will no doubt hear petitions on that, too.

Mike Gapes: Will the Secretary of State give way?

Mr. Darling: I will do so once more, and that is it.

Mike Gapes: I want to inform the Secretary of State that last week the all-party Crossrail group visited the channel tunnel rail link works at St. Pancras and saw the effective protection and sound-proofing of the yard at Bedford. It was a great pity that the hon. Member for Romford (Andrew Rosindell) was not able to see that, as it might change his mind about having a depot in Romford to help all of London and Essex and Crossrail as a whole.

Mr. Darling: My hon. Friend has made his speech, too, so we are making progress. I am quite sure that those matters will be considered, and I am glad that the all-party group went to St. Pancras, which is an excellent example of the Government's commitment to improving Britain's railways. When it opens in just under a couple of years, it will make a big difference to people's ability to travel to the continent.

Let us not lose sight of the fact that this project is essential not just for the future development of London but, as I said, for the wider UK economy. There will be many difficult decisions to take, and I envy neither the Select Committee nor my hon. Friend the Member for Mansfield—who is sitting in his place reflecting on what awaits him—their tasks. The Government will have to table amendments such as those that have just been mentioned, because we want to do everything possible to get the project going and to see that Crossrail is built. On that basis, I hope that the House will give its support to the three instructions.

1.29 pm

Chris Grayling (Epsom and Ewell) (Con): I am not sure whether I need to keep my remarks short because it is a short debate, or longer because most Members have already made their speeches in interventions on the Secretary of State. As he said, however, the debate is about instructions to the Select Committee. I slightly differ from his interpretation, however, that today's debate is about the instructions that will be given to the Committee—of course, they are a revision to the instructions that will be given to the Select Committee, because there was an extensive debate last summer about those instructions. There probably remains some confusion, despite the Secretary of State's attempts to clarify the position today.

We have three motions to consider today, the first of which, as he says, represents a series of technical matters that have emerged since Second Reading. Some will undoubtedly argue that they should have been anticipated in the original drafting. I should be interested to hear from the Minister what will happen if the Bill proceeds to its later stages. If further technical issues emerge, how will they be handled? We realise, though, that in the case of such complex projects some things can slip through the net, and the motion is not

controversial. As the Secretary of State explained, the third motion deals with a minor matter, and there should be no problem with it in the right circumstances.

The Secretary of State rightly said that the crux of the debate lies in the second motion. It highlights the somewhat chaotic approach that I believe the Government have taken to the project—and that is the view only of those who subscribe to the cock-up rather than the conspiracy theory. We all understand, of course, that taking a hybrid Bill through the House is a more complex process than dealing with a conventional Bill. Most Secretaries of State probably deal with only one hybrid Bill during their tenure, and this represents a learning curve for this Secretary of State as well as for Members throughout the House.

I think that the kindest possible interpretation of the second motion is that the Government are all over the place. I shall give some of the reasons for the confusion in a moment, but we ought to bear in mind the original importance of the measure to the Government's plans. Their blueprint for "Transport: a ten year plan" stated:

"For our modelling of the implementation of Plan measures we assumed that by 2010 the following projects had been implemented (in addition to those in the baseline)".

It referred to the inaptly named Thameslink 2000, and to

"An eastwest rail link, such as CrossRail".

It stated:

"An eastwest rail link, such as CrossRail, will be the crucial element in providing crowding relief to eastwest Underground lines (Central, Jubilee, District, Circle, Metropolitan). Our modelling suggests that, without it, most eastwest lines on the Underground would be more crowded than today, despite other improvements."

As passengers who use those lines know full well, they are pretty crowded today.

The issues that we are debating are at the heart of one of the Government's flagship transport projects, by their own admission. and any changes of this kind should deserve close and careful examination. We are, or should be, debating an important development in a project that is central to the Government's strategy to deliver its 10-year plan for transport—but, as we know, that is not what today's debate is about.

We are debating changes that will not benefit the British travelling public by the year 2010, as we were originally promised. In a humorous aside to the hon. Member for Hackney, North and Stoke Newington (Ms Abbott), the Secretary of State said that he and she would be lucky to see Crossrail 1 open in their lifetimes, and given the current rate of progress he is probably not far off the mark. The 2010 promise has long since been quietly abandoned, along with many of the other promises made by the Secretary of State's Department over the past eight years.

The motion is also a complete U-turn on the Government's position a few months ago. It represents either chaos in the Department's planning or a slightly disingenuous attempt to keep people in Maidenhead and the Ebbsfleet area happy. Those locations are in the Labour party's focus, as they contain a number of key marginal seats.

Martin Salter: What about Reading?

Chris Grayling: No doubt the hon. Gentleman will be fighting hard to keep his seat in the run-up to the next election, and will want to be able to tell his constituents about the hard work he has put into trying to ensure that their rail service is improved.

Ministers will, I am sure, remember debating vigorously last summer the issue of where the route would end with my predecessor and Members representing parts of the south-east. Before Second Reading, Ministers issued an instruction to the Committee that clearly limited the scope of its work. The Secretary of State will recall the exchange between my right hon. Friend the Member for Maidenhead (Mrs. May) and the Under-Secretary of State for Transport, the hon. Member for Halton (Derek Twigg). My right hon. Friend said:

"The argument that he has just evinced suggests that he considers the termination of Crossrail in the west at Maidenhead a point of principle. Am I correct in my understanding of the Government's position?"

The Under-Secretary of State replied:

"That is the case, but a Select Committee can consider other related matters. The instruction invites the Committee to inform the House of, but not to comment on or analyse, the nature of representations on the environmental impact of the project that constitute opposition to the principle of the Bill and that, for that reason, fall outside the Committee's remit."—[*Official Report*, 19 July 2005; Vol. 436, c. 1115.]

No one will deny that the Government's decision to change their mind since last summer will be welcomed in Maidenhead, in the Reading area and in north Kent, where it will be possible to give consideration to the Ebbsfleet extension. I know that there is much interest in those areas. I also know that my hon. Friend the Member for Brentwood and Ongar (Mr. Pickles) will have been extremely disappointed by the Secretary of State's comments today. He will have been disappointed to learn that his representations have not led to additional flexibility for the Committee to consider the matters that he has raised over the past few months. He should, however, take comfort from the fact that the motions are not quite what they seem. They open up the possibility of discussion of the alternatives, which the Government appeared to preclude last summer, but I see no evidence that those alternatives are under serious consideration. The Secretary of State himself has said that there is no guarantee that the Government will be able to do anything at the end of all the discussions.

The truth is that the public face of the project does not include detailed costings or portrayals of different options for the extra elements of the project. The projected costings outlined by the Secretary of State last year and in the official Crossrail economic benefits document do not take into account the cost of adding those extra elements. The Secretary of State said today that they were nowhere near becoming a reality; he is merely giving permission for them to be discussed in Committee. I do not think that there should be any expectation in the Reading and Maidenhead areas or in north Kent that if the Committee tells the House that it thinks they are a good idea, the matter will proceed any further.

The Secretary of State is a shrewd man, and the Treasury is always active in taking an interest in these issues. Have Ministers made initial cost estimates for the areas that the Committee is being given freedom to

[Chris Grayling]

consider? Has the Secretary of State looked at the costs of the Ebbsfleet extension and the extension from Maidenhead to Reading? If there is no groundwork, there is a danger that he is merely raising false expectations.

Mr. Darling: I made it clear in July, and in my speech today, that the Government believe that the Crossrail terminus in the west should be at Maidenhead. The Government were not convinced that Crossrail should go beyond that. All that I undertook to do in July—which is why I am back here today—was accept that many of my hon. Friends wanted the merits of an extension to be discussed. I made it clear today that the procedure would be different.

The Government have not carried out a detailed costing, because they believe that Crossrail should be fixed at the points that I described earlier. Can I take it from what the hon. Gentleman has said that he believes that Crossrail should now go further than the termini prescribed by the Government?

Chris Grayling: What is completely illogical is that the Government have selected some of the recommendations that have been made, and have put two possible extensions in writing, but the Committee has not been given the flexibility that would enable it to examine the issues raised by my hon. Friend the Member for Brentwood and Ongar. Either this is to be merely a process of discussion, enabling Members, petitioners and the Committee to discuss their views as much as they wish, or we are limiting our focus to two possible alterations to the scheme. The Secretary of State does not appear to have done any work on the issue, which I find slightly surprising. Why should he not allow my hon. Friend's opinions to be put to the Committee?

Mr. Darling: Does the hon. Gentleman really think it would be wise to truncate Crossrail at Liverpool Street? I am beginning to wonder whether he does not regard Crossrail as a political plaything rather than something that London actually needs.

Chris Grayling: I shall come on to political playthings in a moment. I believe that it is the Secretary of State, rather than me, who regards Crossrail as a political plaything.

If the Committee is being allowed to consider two possible alternative routes, I share my hon. Friend's disappointment that it cannot discuss fully the views of others.

On political playthings, what we are engaged in today is simply talk: this is a process that will lead not to action, but to more talk. I say directly to the Secretary of State that this Bill, Crossrail and these motions are set to become just another chapter in the growing volume of Government broken promises on transport. I do not believe that the Government have any intention whatever of seeing this scheme through to fruition. They are leading the people of London and its businesses, and those Members who have thrown their weight behind the scheme, up the garden path.

We must remember where we started from. In the 10-year plan document, the Government not only promised that the people of London would be travelling under the capital in brand new Crossrail trains by 2010; they also said that they had the cash to pay for the scheme. The document states that,

"assuming the broad approach set out above, the following could be delivered with this level of investment".

The bullet point list in that document includes

"An eastwest rail link, such as CrossRail".

Of course, that statement is now history and has clearly long since been abandoned. That is why I am so doubtful about the Government's motivation in respect of today's motions and this scheme.

We now know that the Government's estimate of the scheme's cost is heading rapidly past £15 billion, and that their finances are looking increasingly shaky and under pressure. A comprehensive spending review is just a couple of years away, and all independent expectations are that the Chancellor's spending options are much more limited than in the past few years. Do we honestly believe that from 2008 onward—the year in which the promoters say that they hope construction of the scheme can begin—the Chancellor will start issuing financial guarantees or writing cheques to get Crossrail off the ground? Will the Secretary of State give a clear, categorical public assurance today that the current Government intend to fund the lion's share of the construction of Crossrail, as they once said they would? Can he still make the same commitment that he made in the original 10-year plan document—that the Government would provide the funding to make Crossrail happen? *[Interruption.]* There is silence from the Government.

Mr. Pickles: My hon. Friend will recall that at column 1136 in the *Hansard* account of our 19 July debate, the Secretary of State said that he would postpone consultation on how Crossrail is to be funded until after publication of Sir Michael Lyons' report. Labour Members and I spoke to Sir Michael just before Christmas, and he said that he was rather bemused by what the newspapers had to say about Crossrail. It was pointed out that the funding of such projects has not been referred to Lyons. Does my hon. Friend not think it rather strange that we are waiting for a report that will not in fact deal with Crossrail funding?

Chris Grayling: It is not only strange; even if that report did consider Crossrail funding, it would be somewhat illogical for a report on the future financing of local government suddenly to be extended to include an analysis of the cost of what will be one of Britain's biggest transport projects. My hon. Friend will remember episodes of "Yes, Minister" in which inconvenient decisions were delayed by a useful review. Far be it from me to suggest that that was the Secretary of State's motivation, but I am sure that there are those who will have a similar suspicion.

I do not believe for a moment that the Government will make a commitment to fund Crossrail any time soon. I do not believe that they will make such a commitment at any stage during this Parliament. The people of Reading and of north Kent will be allowed to make all the representations to the Committee that they

want to make about Crossrail's terminus. My hon. Friend the Member for Brentwood and Ongar and his constituents may not be allowed to make the same representations, but in fact, this is all talk. Such discussions will not lead to substantial decisions, so in that sense, I can allay his concerns.

I have no doubt that the Government will encourage members of the Select Committee to consider very carefully new ideas to develop the project. I have no doubt that Ministers will make warm noises in response to those deliberations; they may even put dotted lines on the project team maps to illustrate future options. But I do not believe for one moment that Ministers intend that all this should lead to real action and real new capacity for the travelling public. When the right hon. Member for Knowsley, North and Sefton, East (Mr. Howarth) discusses Merseytram in this House, it becomes clear to me that the Government cannot be trusted to keep their promises on transport. If they cannot afford small projects, it is hard to believe that they can afford big ones.

We Conservatives, along with constituents and business communities throughout London, will continue to support this Bill and these motions, and we will continue to encourage the project team in the hope that the Government will surprise us and actually deliver this time. But I suspect that the termini in Reading and Ebbsfleet—and, indeed, the whole Crossrail project—are destined under this Government to become just another set of bullet points in the long list of the Government's broken promises on transport.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. We have little over an hour left for this debate, so I make a plea to all right hon. and hon. Members please to discipline themselves in respect of their speeches.

1.45 pm

Mr. Nick Raynsford (Greenwich and Woolwich) (Lab): I start by welcoming the progress that has been made, and the fact that the Bill will now go to the Select Committee next week. Hopefully, that will be an important further stage in its realisation. I do not share the cynicism of the hon. Member for Epsom and Ewell (Chris Grayling), and I sincerely hope that the Government will confirm that this project is going to go ahead, because it has a hugely important role to play in London's transport and, indeed, in the UK economy. It is essential to securing effective cross-London public transport links, to responding to 21st-century needs, and to avoiding the risk of gridlock and the consequent economic disadvantages, which impact adversely not just on London but on the wider UK economy and affect the quality of life of people in the south-east. As Members know, it is a very complex project: a major tunnelling operation through some of the most sensitive sites in the whole of London. It has a number of very complex linkages and relationships with other parts of the transport network, and with other major infrastructure investment projects such the 2012 Olympics, which has already been mentioned.

Members of the Select Committee have some months of hard work ahead of them in dealing with the many petitions presented and the issues raised. I wish them well, particularly my hon. Friend the Member for Mansfield (Mr. Meale), and I do so on the basis of my memory of serving on the channel tunnel Committee some 20 years ago. We had not just 350 petitions to deal with, but some 2,000. We dealt with them in approximately six months; I hope that my hon. Friend manages to make quicker progress than that. In that time we also made project recommendations on the channel tunnel, which of course is now in place.

The petitions that my hon. Friend's Committee will consider include one from the London borough of Greenwich, which has not only my support but that of my hon. Friends the Members for Eltham (Clive Efford) and for Erith and Thamesmead (John Austin), who are both in their place today. The main thrust of it is the case for including a station at Woolwich. The case for such a station is very strong; indeed, it was an integral part of the original Crossrail plan. Its exclusion from the latest proposal is the product not of a transport analysis, but of short-term economies that seek to reduce the project's overall cost without proper regard to the long-term transport and regeneration benefits that would flow from such a station.

Unfortunately, there are some parallels with which I am rather familiar. Both the Jubilee line project and the docklands light railway extension to Lewisham impacted on the London borough of Greenwich, and specifically on my constituency. The proposed stations at North Greenwich and Cutty Sark were at some stage in those schemes excluded for cost reasons. No one would now suggest not having a station at North Greenwich—that would be preposterous, given its huge impact on the regeneration of a formerly abandoned and derelict industrial site, which will now provide homes for some 13,000 people and approximately 3 million sq ft of office accommodation. That will be a hugely important development in the regeneration of south-east London. Nor would anyone now suggest not having a station at Cutty Sark, which is probably the most significant tourist attraction in the whole of south-east London. Yet, believe it or not, the original project proposals suggested deleting North Greenwich and Cutty Sark stations for economic purposes. That illustrates the folly of making short-term economies, rather than looking at the long-term, potentially huge economic and regeneration benefits that can flow from such important infrastructure and transport schemes.

The logic applies in just the same way to Woolwich as it does to those two stations, which, I am pleased to say, are now successfully in place and are dealing with large numbers of passengers. In neither case did the inclusion of those stations make the project "unmanageable"—to pick up the word used by the Secretary of State. I hope that my right hon. Friend will recognise that the case for a station at Woolwich is strong in terms of the economic, transport and regeneration benefits, and that it would not make the project in any way unmanageable.

If such a station were not included, there would be some very perverse consequences. First, Woolwich would be the only town centre on the entire Crossrail network not to have a station. That would be very odd indeed, given the importance of Woolwich to the regeneration of the Thames Gateway area and the large number of jobs and new homes that can be created there, which would be supported by a Crossrail station at Woolwich. Evidence for that has been developed by the

[Mr. Nick Raynsford]

consultants EDAW, working for the London borough of Greenwich, and more recently by the Buchanan study, which considered only the economic side and the jobs, not the housing aspect, but which recognised the substantial job creation potential of a station at Woolwich.

Even more perversely, if the station were not included there would be a huge six-mile gap on the network between Custom House and Abbey Wood, which is the only other station serving south-east London. There would be a new service with considerable benefits for London as a whole, and for east London as well as west London, but with very limited benefits for south-east London—an area of great economic and regeneration potential. I hope that the evidence that we will present to my hon. Friend the Member for Mansfield and the members of the Select Committee will convince them of the strong case for including Woolwich station in the project.

As for the motions on the Order Paper, I am happy to support the widening of the Select Committee's remit to consider the arguments for extending the Bill to cover Reading and Ebbsfleet. I shall not comment on the case for Reading; it is not an area with which my constituency has close links. There is, however, an obvious logic in extending the project to Ebbsfleet, to allow direct linkage with the channel tunnel rail link, and it is right that that should be considered. My only comment on that idea is that if an extension to Ebbsfleet finds favour, it would in no way be an alternative to a station at Woolwich, which would serve the western end of the Thames Gateway area.

I hope that the House will give a fair wind to the three motions under consideration, but above all that it will give a fair wind to the Crossrail project, which is so important both to the long-term economic health of London and to the whole UK economy.

1.52 pm

Tom Brake (Carshalton and Wallington) (LD): I welcome this short debate on instructions Nos. 2 and 3 to the Select Committee and the motion on late petitions. I also welcome the Secretary of State's clarification of the petitions; it is perfectly acceptable for him to act as he has done.

Most Members present for the 19 July Second Reading debate, which also covered the committal and the instructions, would agree that it was not a model of clarity. The responsibility of the Select Committee and the Standing Committees are now much clearer, and I thank the Secretary of State for that. The Select Committee can consider the detail but not the principle. My understanding is that although instruction No. 3 extends the scope of the matters that the Select Committee can consider, it does not, as the Secretary of State made clear, extend that scope enough to cover the principle.

The Secretary of State's view on the extension to Reading has not changed. He said on Second Reading much the same as he has said now. On 19 July he said:

> "As I said right at the start, the project had to be made manageable and the sums had to stack up, and that is why we chose not to include Reading."—[*Official Report*, 19 July 2005; Vol. 436, c. 1135.]

Presumably at that time the right hon. Gentleman held the same view about Ebbsfleet.

The Secretary of State has said that he does not want Crossrail to suffer the same fate as its predecessors. I do not have time to run through a full timeline of the action that has been taken on Crossrail since 1989, but the list runs to just over three pages. We are somewhat closer to Crossrail being completed now than we were in 1989, but, as the hon. Member for Epsom and Ewell (Chris Grayling), the Conservative spokesman, said, in practice we have yet to see a spade go into the ground. There has been a lot of preliminary work, it is true, but there is no real action and no real digging.

I am still somewhat perplexed that although the Secretary of State has said that the Select Committee can consider petitions about Reading and Ebbsfleet, he has, as the Conservative spokesman also said, made it very clear that in his view the sums do not stack up. Yes, the Select Committee can consider the petitions, but in practice, whatever the petitioners say, the Government are unlikely to take any action on Reading or Ebbsfleet. One wonders what the purpose of hearing the petitions is. It will be satisfying for the petitioners to know that their petitions will be heard, but it will not be so satisfying when they read the *Hansard* report of today's debate and see that the Secretary of State says that he still does not think that these sums stack up for Reading—or, presumably, for Ebbsfleet.

The debate is simply about the instructions, so we cannot have a detailed debate about the funding aspects. However, I hoped that the Secretary of State would have dropped something in about those, even if it was just a single sentence saying that the £16 billion was in the bank so that the project could proceed. He did not do that, and he will be aware that in the business community there is a lot of disquiet on that subject.

No doubt the right hon. Gentleman will have seen the article in the *Financial Times* on 21 July, immediately after the Second Reading, in which, for instance, Michael Snyder, the policy chairman of the Corporation of London, was quoted as saying:

> "There is a moment in time when the business community is up for it and we meet the resistance that everyone fears. We need action, not just rhetoric."

That was the view of the business community in July. I am not aware of any change in those views, or of that disquiet having disappeared. Perhaps when the Under-Secretary of State for Transport, the hon. Member for Halton (Derek Twigg), replies to the debate he will be able to confirm that discussions with the business community have taken place, it is now confident that the project will progress, and there is no risk that it will withdraw the £2 billion funding that it has offered as part of the process.

The Secretary of State has said that Sir Michael Lyons' review will consider this—or at least that the decision about the funding has been put back until the review reports. According to the Lyons website, that review will be complete by December 2006. I assume that there is the possibility of slippage, so we may not see a report before the end of this year. I hope that when the Minister responds, he will be able to say that the idea of there being no decision until the end of this year, at the earliest, is a time scale acceptable to the business community, and there is no risk that it will withdraw its offer of a temporary one-off 3 per cent. increase in the business rate between now and then.

As the hon. Member for Epsom and Ewell said, the business community will take into account the decisions that the Secretary of State is now taking on other large transport projects, such as those involving trams. The Mersey tram has been mentioned in the debate, and one could also mention other tram projects, such as those in Leeds, Nottingham and Manchester. All the signals that the business community is receiving are negative rather than positive, and that must be having an impact on the business community in London.

Instruction No. 2 lists many new scoping requirements that have emerged, presumably in discussions over the summer and more recently. After Parliament went into recess, a document was published explaining in some detail what that instruction covered. I hope that the Minister will comment on whether, in relation to paragraph (1)(a), relating to amendments avoiding the duplication of planning authorities when it comes to assessing diversions, there have been representations from local authorities on that proposal and whether they are content with it. Will he also comment on the fact that there will be an extension of rights of way over land, which will allow third parties to acquire any form of rights of way? I should be particularly interested to hear what legislation on compensation might be applicable. Finally, the instruction says that a number of additional buildings would previously have required consent for alteration or demolition, and will he say whether there is a readily available list of the buildings that will be affected?

The debate on 19 July and the clarification provided by the Secretary of State on the roles of the Select and Standing Committees notwithstanding, many Members may still question why he has not used the opportunity provided today to confirm that freight services will not be affected by Crossrail and to strengthen the role of the rail regulator to leave nobody in any doubt that Crossrail services will not have priority over others. On 19 July, he said that those were matters of public, not private, interest, and therefore matters to be picked up by the Standing Committee, rather than the Select Committee. Surely, however, in relation to freight, if those services could be squeezed off rail and on to the roads in west London, that would be a matter of the greatest private interest. Our concerns have not gone away in spite of the Secretary of State's reassurances before the summer recess. Perhaps the Minister will use this opportunity to say whether, following discussions with the rail industry, he is now comfortable on freight services and the office of the rail regulator.

The instructions before us at least confirm that some limited progress is being made on Crossrail, and for that reason we will support them. However, they do not answer the £16 billion question, which will be answered, at the very earliest, at the end of this year when the Lyons report is published. Until that question is answered, we shall continue, in the words of Michael Snyder, to have rhetoric and not action.

2.3 pm

Martin Salter (Reading, West) (Lab): I welcome the revised instructions to the Select Committee, but the process is a bit like pulling teeth. We managed, as a result of a delegation I led from Reading borough council last February, to persuade the then Minister of State for Transport to start safeguarding the route to Reading from Maidenhead. I was grateful for that, and it has the support of all local authorities in the area.

The case for Reading versus Maidenhead has to be examined. But, as I have said before, Crossrail's publicity guide talks about an opportunity to connect the United Kingdom. I am a fan of Maidenhead, to a point. But we do not connect the UK from Maidenhead. Reading is the second busiest rail terminal in the country outside London. A huge number of businesses in the Thames valley, from Swindon through to Reading and Bracknell, rely on our public transport infrastructure. Indeed, it is one of the reasons they locate in the area, and one of the reasons why we have negative unemployment.

We need, as part of any eventual—I stress "eventual"—extension to Reading not to miss the opportunity to have a western link to London Heathrow airport. That is one of the things people have petitioned for; indeed, I am one of those petitioners, having organised the largest petition to Parliament on the issue from the western side of London. We need an absolute guarantee that we will end the farce of making business people, commuters, tourists and whoever, if they want to catch a train, as we want to encourage them to do, to London Heathrow—some 25 miles from Reading and just a 25-minute drive, in fact, outside rush hour—go 40 miles to Paddington, passing London Heathrow airport, then changing to the Heathrow Express and coming 20 miles back again. How good for the environment is that? How could we design such a transport system? If Crossrail comes to Reading, the opportunity must not be missed for a western link.

We have put together a comprehensive petition for Reading to be the western terminus. That has involved the *Evening Post*, Reading borough council, me and the business community. I am delighted that it has cross-party support, and the hon. Member for Reading, East (Mr. Wilson) is also a petitioner and fully supportive of that approach.

The people representing Maidenhead themselves reject the argument that Maidenhead is the logical western terminus. We have had petitions from the right hon. Member for Maidenhead (Mrs. May) and the Maidenhead civic society. Many of the steps necessary to make a Reading extension viable also apply to Maidenhead.

Any western extension must meet certain criteria. There must be scope for a western link to Heathrow, and that is not in the plans at the moment. Most importantly, there must be no detrimental effect, as my hon. Friend the Member for Bristol, North-West (Dr. Naysmith) and others from further west have said, to existing high-speed services into London Paddington. That is crucial to the economies of Swindon, Bristol and elsewhere. From Reading, the second busiest rail interchange outside London, there is a high-speed service into London—if one can get a seat—every eight to 10 minutes at peak time. It is a 29-minute service. Who would want that disrupted by a metro stopping service running ahead of it, possibly using some of the same track? The argument is very complicated.

Mr. Rob Wilson (Reading, East) (Con): As the hon. Gentleman rightly says, there is cross-party agreement

[Mr. Rob Wilson]

across Reading about the concept of Crossrail, but will he join me in opposing a metro stopping service that reduces space for commuter trains and reduces freight?

Martin Salter: The last time I joined the hon. Member for Reading, East was when I was suing him, so I am happy to repeat the conversation that he and I had on the train last night. We regularly commute back to Reading and regularly witness the nonsense of the case that Crossrail would not, on the existing four-track system, impede the high-speed service. How many times does that service from the west country have to run on the slow line, the same line that Crossrail would use? In a rather unkind way, I agree with the hon. Gentleman that if Crossrail is to come not just to Reading but to Maidenhead, there will have to be six-tracking, which is why the Secretary of State is absolutely right to be concerned about additional costs. Yes, there must be no negative impact on the existing freight network, and Crossrail could have an impact on that unless there is six-tracking to Reading, and possibly beyond. We also need the re-signalling already in Network Rail's programme, although we do not know when it will occur. And we need—this applies only to Reading, not Maidenhead—the multi-million pound, long-overdue redevelopment of Reading station. Reading's case must be considered, but it is not a simple one and it will have an impact on almost every other terminus in the western corridor.

Dr. Naysmith: I thank my hon. Friend for making so clearly the case that I have pressed on the Secretary of State on a number of occasions. It is almost impossible, and experts have analysed it, to envisage the current rail service to Reading and on to Bristol, the south-west and south Wales carrying on as it does. At the moment, at peak times, there is a 15-minute service from the two Bristol stations into London—unfortunately, it has one of the highest fares in the country, which is a different argument—and it is almost impossible to envisage that carrying on with only four tracks between Bristol and London.

Martin Salter: I very much concur with my hon. Friend. Whatever the question is, the answer is not Maidenhead, for all the reasons that I have outlined. Even Reading will require significant additional investment, and that is why the motion must be approved. The case for Reading must be examined properly and in detail by the Select Committee, and I am sure that my hon. Friend the Member for Mansfield (Mr. Meale) will ensure that that happens.

This motion is good news, as it represents a significant departure from the Government's position outlined in the debate on 19 July. I was not happy with some of the assurances that I received then, which is why I abstained in the vote. I am pleased that there will be proper consideration, but a line must be drawn, and I hope that the Minister will do that when he replies to the debate.

As I said in an intervention, in the past the use of the Transport and Works Act 1992 has resulted in the petitioners being regarded as the applicant. If there is to be an extension beyond Paddington or Ealing Broadway to Reading and Maidenhead, it is vital that the applicant is either Crossrail or Network Rail, as it would be monstrously unfair to lay the burden on the petitioners, the local authorities or local businesses.

I remind the Secretary of State of his reply to me on 19 July, when he said that the project must be kept manageable. That is true, as we must avoid the disaster that took place under the previous Government. I regret that the hon. Member for Epsom and Ewell (Chris Grayling), the Opposition spokesman, tried to make party political points, but I shall make one in return: letting the Crossrail project run into the sand in 1989 was a disaster. Constituencies to the west of London need Crossrail even more than Reading does, and I do not want the case for an extension to Reading or anywhere else to limit the chances of my colleagues representing those areas.

I want to offer three conclusions to the House. First, the case for Reading rather than Maidenhead must be heard, and I am pleased that that is going to happen. Secondly, any application under the Transport and Works Act 1992 must be made by the Government, Network Rail or Crossrail, and not by the petitioners themselves.

My third point is the most important, and has to do with the proper assessment of the likely costs. I have no doubt that, following examination of the relevant factors—such as the western terminus and all the others that I outlined earlier—the Select Committee will conclude that the scheme will have to be phased. A workable and achievable Crossrail phase 1 could deliver for communities around London a properly costed scheme to provide rail access to Reading and other places to the west at a later stage. That would be preferable to a fudge or an imperfect scheme that would be neither fish nor fowl.

By all means let us vote for the motion, and ensure that the case is examined properly, but let us also ensure that Crossrail can deliver the maximum benefit in the shortest possible time. The people who rely on the scheme and on Crossrail have waited long enough.

2.13 pm

Andrew Rosindell (Romford) (Con): The Secretary of State will know that I have spoken on this matter several times, and that the project will have a devastating effect on part of my constituency. There is much concern that answers have not been given about the effect on people's lives and properties, and that the long term is not clear. The Government have a duty to clarify matters and to give firm commitments, so that people know exactly where things are going.

Today's debate has given prominence to discussions about Reading and Maidenhead. My hon. Friend the Member for Brentwood and Ongar (Mr. Pickles) raised concerns about Shenfield, but I hope that the Secretary of State will also look at issues that I have raised in the past in connection with Romford. Given the lack of time, however, I shall be brief, and confine myself to a couple of specific points.

First, the Secretary of State will know that many of the powers proposed in the motion are deeply worrying to me and my constituents. Paragraph (m) provides for

"the inclusion of additional land within the limits of land to be acquired or used".

That poses more questions than answers. That is a great pity, as we are far enough along with the Bill to have more answers than questions. I hope that the Minister winding up the debate will say more about the provision, which clearly implies that new land will be needed for the revised plans.

When will my constituents in Romford know the Government's final plans for the Crossrail depot in the centre of the town? Many people there fear that they will undergo more suffering as a result of the Government's decision to build what they are sure will be a monstrosity in a densely residential and highly populated area. I am especially worried by the further plans for the Romford depot and surrounding areas that are contained in the supplementary environmental statement.

Secondly, the Secretary of State made a written statement on 13 December. I hope that the Minister will say whether the £100 million that the right hon. Gentleman has made available for Crossrail's further development is less than what Cross London Rail Links asked for. Alternatively, does Crossrail have a blank cheque for as much development as it wants?

Those and other concerns must be addressed. The Secretary of State must realise that the lives of many people, in my constituency and across the east end of London, are being torn apart by the proposals. No one doubts that Crossrail will bring some benefits, but he must accept that the mechanisms have to be right. Moreover, he has to understand the impact that the proposals are having on people in my area, even as we sit in the House and debate them.

2.17 pm

John Austin (Erith and Thamesmead) (Lab): I think that all hon. Members agree about Crossrail's social, economic and environmental importance. I support two of the petitioners, and wish to make it clear that I do not want anything to delay the scheme's progress.

There has been cross-party consensus about the importance of the Thames Gateway. It is not merely the passion of my right hon. Friend the Deputy Prime Minister: when Lord Heseltine and the right hon. Member for Skipton and Ripon (Mr. Curry) were the responsible Ministers, they too recognised the importance of the area's regeneration to the country's economy. The progress being made with the Crossrail scheme gives us an opportunity to ensure that that regeneration comes about. I hope that the minor differences about the scheme that exist do not detract from that vision.

The Thames Gateway is crucial to this country's economy, and will make a vital contribution to providing the 200,000 additional homes that the south-east needs. London alone needs 45,000 new homes a year and lack of supply is driving up prices. The impact on affordability results in chronic problems of recruitment and retention for businesses and the public sector, and Crossrail is crucial to addressing those issues. Of the four growth areas designated in the sustainable communities plan, the Thames Gateway, with 3,000 hectares of brownfield sites, is well placed to provide the 120,000 homes and 300,000 new jobs envisaged in the plan.

The bulk of the development will take place on the original Crossrail route between central London and Ebbsfleet, including the Isle of Dogs zone, the east London area—including the Royals and Stratford—the Woolwich, Belvedere and Erith zone and the Kent Thamesside zone. Those four zones are to provide 70,000 new homes and 252,000 new jobs. Up to half that total could be attracted or generated by the Crossrail link.

In the present plans, the line stops at Abbey Wood. The debate has seemed at times to be like a London black cab—"Not south of the river, guv." I am pleased that my right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford) has pointed out that the current plan contains only one station south of the river—Abbey Wood in my constituency. A terminal and an interchange with the north Kent line at Abbey Wood will be of crucial importance and benefit to my constituents in Abbey Wood and Thamesmead. There will be some short-term problems, including congestion, especially if the Thames Gateway bridge is built. But without the extension to Ebbsfleet, the Belvedere, Erith and Kent Thamesside zones will not benefit from the scheme.

Similarly, Woolwich will not get the full benefits unless a station is provided at Woolwich. My right hon. Friend today, and my hon. Friend the Member for Eltham (Clive Efford) in a debate on 20 October 2005, made the case for a station at Woolwich, which is a transport hub, especially for the south of Greenwich, an area that my hon. Friend represents. Not to have a station there, with Crossrail going through, or under, the town, makes no sense. Nor does it make any sense in terms of the vision for the development of the Royal Arsenal site.

My right hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth) made some comments about money coming to London, but I remind him that a lot of money has been spent on the west coast main line, which he is probably on at this very moment, winging his way back to Knowsley. Despite the affluence of the south-east, parts of London, including the south-east and east, have some of the most chronically deprived areas in the country. The Woolwich Arsenal site, which used to be in my constituency but is now in that of my right hon. Friend the Member for Greenwich and Woolwich, once employed 80,000 people and, over a 50-year period, lost the equivalent of a coal mine and a coal-mining village a year—the largest job loss anywhere in the country. That is why Crossrail is crucial to the regeneration of the area.

Of the 416 hectares of prime employment land in Bexley, 92 per cent. lies in the north of the borough. In Belvedere alone, there are 229 hectares, with 30 per cent. available for development, and there are a further 50 hectares in Erith—along the line of the original proposed Crossrail route to Ebbsfleet. In the past 10 years or so, half of the new homes in Bexley have been in the five northerly wards on the original route. The largest housing site in Bexley is the old Erith quarry, a couple of minutes' walk from Erith station. Land is available in Erith for the potential development of 3,000 new homes, more than 90 per cent. of which are within walking distance of Erith or Slade Green stations.

That part of south-east London and north-west Kent has a real problem with reliance on car-borne traffic. A Crossrail link from Abbey Wood to Ebbsfleet, serving

[John Austin]

Belvedere, Erith, Slade Green and Dartford, would be a crucial element in achieving the goals of the Thames Gateway. It has been said that there would be a rapid interchange at Abbey Wood, with only a five-minute delay, but any delay at any change—as any transport analysis shows—is a significant disadvantage when competing with strong car use.

It has also been suggested that Ebbsfleet, a major job creation centre, will have a direct link to central London through the Channel tunnel rail link, but that will fail to connect the key residential and employment sites in the southern section of the Thames Gateway and will fail to give my constituents access to the employment opportunities there. I am aware that, as my right hon. Friend the Secretary of State said, the decision to terminate at Abbey Wood was taken on technical grounds—I understand them to involve track sharing—but no explanation or justification has been given of why that cannot be overcome in the first phase of development as opposed to the later phases. I hope that my hon. Friend the Member for Mansfield (Mr. Meale) will take those issues into consideration in the Committee.

Nothing that any of the petitioners have put forward should delay the Bill's progress. I am convinced that the Government are determined to see it through and to realise the vision that we have for the south-east.

2.24 pm

Mr. Eric Pickles (Brentwood and Ongar) (Con): I want to be absolutely clear that when the Bill was published and I took legal advice from the Clerks and others concerned with parliamentary procedure, the explanation that the Secretary of State gave today about the importance of the principle was something that I understood to be an established fact. I understand the difficulty of amending the long title of a Bill. There appear in the long title the words

"through central London to Shenfield".

I was concerned that my constituents would not get an opportunity to petition, but I was told that that was wrong.

I was completely amazed by what the Secretary of State said on Second Reading: that, no, the Select Committee would have the opportunity to consider whether Shenfield should be a terminus. The Secretary of State went further by differentiating between the principle and the route. In column 1125 in the *Official Report* of 19 July he said:

"Our instruction goes further, in that it suggests the route. I repeat, however, that if someone came along and said that the stations or the termini should be different, the Select Committee may well want to consider that."—[*Official Report*, 19 July 2005; Vol. 436, c. 1125.]

We have to remember that, with the exception of the late petitioners, the only reason the instruction is here today is that the Secretary of State was wrong in his understanding of the law. This new instruction is there to make good his promises, except for one regarding Shenfield.

The Secretary of State said, "I thought you were referring to Liverpool Street station. I said what I did because I thought you wanted a terminus there." Well, so what? Would it matter whether I had suggested Liverpool Street, Stratford or Timbuktu? What I asked the Secretary of State was whether my constituents could petition the Select Committee about having the terminus at Shenfield, and whether the Select Committee could make a recommendation. The answer to both those questions was yes. Frankly, it is reneging on both those promises now to say that those matters should not be considered.

Let me be absolutely clear. All I want is the opportunity for my constituents to make a case for the terminus not to come to Shenfield. All I ask is that that is considered—not just politely listened to, but considered by the Select Committee. All I want is for the Select Committee to make a recommendation to the Government. It may be that the Committee decides not to make a recommendation about Shenfield. I am a democrat; I can accept that. What I cannot accept is that when a promise has been made at the Dispatch Box by a Secretary of State for Transport, a few months later he can renege on it and say that we were at cross-purposes.

Members have an opportunity to read *Hansard*. They can see the ordinary interpretation of the words used and the context in which the question was asked. I firmly believe that this is a matter of principle. I have always taken the Secretary of State at his word. I have never questioned his word or his honour in the many times I have been opposite him at the Dispatch Box. My constituents have been very badly let down. They have been asked to take part in a strange parliamentary pantomime, in which they can petition, and be politely listened to, but no matter how strong their case, no recommendation can be made. That bring politics into disrepute; it brings this place into disrepute; and it falls very badly on the shoulders of the Secretary of State.

2.28 pm

Clive Efford (Eltham) (Lab): I am grateful for this opportunity to make a contribution to the debate. My right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford) and my hon. Friend the Member for Erith and Thamesmead (John Austin) have already outlined the issues relating to south London, and I am particularly pleased to see that under the motions on the Order Paper we are going to consider the Abbey Wood to Ebbsfleet extension.

My constituency sits at the confluence of the south circular, the A102 approach road to the Blackwall tunnel, the A2 and the A20. Without those important improvements in our public transport network along the south-east of the Thames, as my hon. Friend the Member for Erith and Thamesmead said, the development of that area of the Thames Gateway and the new housing and jobs that it will generate will be affected and many more people will end up in traffic jams somewhere in my constituency as they travel to and from London. Our road network is already congested, especially at peak times, so improvements in the public transport network are essential and I am pleased that they are being considered.

Crossrail will give us 40 per cent. of the additional transport capacity that we need in central London and, like others, I do not want that part of the development to fall as a result of the additional schemes that people are requesting. I draw the attention of Select Committee

members to the fact that, historically, south-east London has suffered enormously from lack of investment in its public transport infrastructure. When people talk about the London underground, they often think that it covers the whole of London. Indeed, the criticism can be levelled at the Mayor of London that he sometimes talks as though the whole of London is served by the underground, but south-east London is not. An arc around the Thames all the way to Lambeth—almost a quarter of the whole of London—is not served by the London underground. That is why it is essential that we make the most of schemes such as Crossrail. My right hon. Friend the Member for Greenwich and Woolwich pointed out that a six-mile stretch from Custom House to Abbey Wood, the cost of which will be in the hundreds of millions, will have no station, bypassing one of the most strategic transport hubs in south-east London. That makes no sense. On a cost-benefit basis alone, it must make sense to consider that development.

My hon. Friend the Member for Erith and Thamesmead pointed out some of the historical facts about Woolwich; for example, the loss of jobs that we have suffered over the last 50 years. On figures for 2000, 25 of the top 20 per cent. most deprived wards in the country were in the London borough of Greenwich and, according to the 2004 figures, it is the 23rd most deprived local authority area. The development of Woolwich is essential not only for regeneration but as a strategic hub for our part of south-east London. It makes no sense to build a six-mile railway with no station, especially when it bypasses such a major town centre as Woolwich. I urge the Select Committee to take that on board.

2.32 pm

Mr. Rob Wilson (Reading, East) (Con): My brief comments will be about Crossrail and Reading station, which is in my constituency. As I have said many times before, nobody doubts that the construction of an east-west rail link in London will have powerful economic advantages and benefits for London, so in that regard I strongly support Crossrail and certainly do not want to stand in the way of its progress.

However, Crossrail's significance for us to the west of London much depends on what we get from it. If Crossrail were to contribute to unplugging the bottlenecks on the national rail network through much-needed funding for Reading station, I should support it. If it were to bring more fast and semi-fast commuter services to London, I should support and welcome it. If it were to provide a link to Heathrow, as the hon. Member for Reading, West (Martin Salter) said, I should welcome it. That is the type of Crossrail that I should like to see terminating in Reading, East.

However, that does not seem to be the proposal that we shall actually get. It looks as though it will be a metro service that stops at every little station between Reading and London, which means that there will be fewer fast and semi-fast commuter services than at present. Such a metro service will force freight on to the roads. It will not have a link to Europe's most important airport. The scheme will be expensive but will add nothing positive to the transport infrastructure in the west of London; it will reduce capacity in the infrastructure rather than positively benefit it.

Crossrail could be fantastic for Reading, but we do not want it at any cost. I hope that the Secretary of State hears that loud and clear.

2.34 pm

Stephen Hammond (Wimbledon) (Con): The motions attempt to clear up the confusion surrounding the instruction as initially set out by the Government and, indeed, the confusion of the debate on Second Reading, for it is clear that the instruction to the Select Committee that was set out during that debate had a twofold effect. First, the Select Committee had to interpret the principle of the Bill, so it could not accept petitions that did not deal with that principle. Secondly, the Select Committee could consider only those matters prescribed by the instruction. It could not consider any matter of its choice, despite the confusion of the debate on Second Reading and the Government's belief that the Select Committee could do so.

The motions will have two practical results. First, they will clear up the confusion, clarify the Select Committee's remit and extend the instruction. In practical terms, as we have heard during much of the debate this afternoon, the Select Committee will now be able to examine the proposals to extend Crossrail to both the east and the west, which the instruction as set out on Second Reading would not have allowed it to do. Secondly, as a result of another of the motions, the Select Committee will be able to consider a number of possibly essential engineering changes—frankly, all of which might have been anticipated and incorporated into the original Bill.

The motions have a number of important and as yet unresolved implications, however, and I hope that the Minister will be able to clarify them in his remarks in a few minutes. First, what is the cost of the works as designated by the motions? Even though, as the Secretary of State said earlier, the Government do not necessarily wish those works to be undertaken, I am sure that they have a view on the costs. I should be surprised if they did not have a view on them before introducing the motions today.

Secondly, if the items in the motions are to become part of the Crossrail project after the Select Committee has considered them, is it right that they cannot be initially added to the Bill? Will they require separate orders under the Transport and Works Act 1992? The Government have been considering Crossrail for long enough now, and this is an untidy and cumbersome method of adding to the Bill some very important considerations for Crossrail.

We are dealing with motions that relate to items that either the Government need to clear up or have been identified post the debate of 19 July. What happens if other engineering works and other items emerge? Will the Minister clarify exactly how the Government propose to deal with them? Will another stream of motions be put before the House?

Importantly, the motions do not clarify a number of other unresolved issues: Crossrail's impact on other services, such as freight; the interaction with other networks; the governance of the network; the regulatory regime associated with Crossrail; and the power of the Office of Rail Regulation. Most importantly, the motions give no flavour to Crossrail's

[Stephen Hammond]

funding. The House will give effect to motions to pursue the biggest civil engineering project in Europe without any regard to its financing. Exactly by whom and how will that be financed? When do the Government propose to tell us the details of how it will be financed?

The Secretary of State said earlier—I am sure that the Minister will say so, as well—that the Government have asked Sir Michael Lyons to look at the funding of the project. That has attracted comment. However, that may well be their position, but it is far from clear whether a review that looks at the funding of large-scale national infrastructure projects should be conducted without considering local government funding. So we are left with the suspicion that the referral to Lyons is nothing more than putting the project out into the long grass, as my hon. Friend the Member for Epsom and Ewell (Chris Grayling) said earlier.

In conclusion, I shall ask my colleagues to support the motions—I want to reaffirm the Conservative party's commitment to the principle of Crossrail—but there should be no more delays and procrastination from the Government. When will we hear the full details of Crossrail's funding? I trust that we will do so in time for the debate on Third Reading.

2.39 pm

The Parliamentary Under-Secretary of State for Transport (Derek Twigg): I welcome the hon. Member for Epsom and Ewell (Chris Grayling) to his new post and the hon. Member for Wimbledon (Stephen Hammond) to his first Front-Bench position.

I am grateful to hon. Members for a valuable debate on the instructions to the Select Committee dealing with the Crossrail Bill. I am pleased that there is such widespread support for the Bill. The Committee process will be an important part of ensuring that we deliver Crossrail, to which our commitment is clear and firm. A great deal of work has been done to ensure that it is delivered as soon as possible.

Unfortunately, I do not have time to respond to all the points that have been made in the debate, but I shall do my best to respond briefly to some of them. Of course, the issues raised by hon. Members will be the subject of further and detailed consideration by the Select Committee, and matters to do with the details of the project will be the subject of thorough interrogation. The additional measures that the Government propose to introduce will also be subject to that rigorous process. If the House passes the instructions, the Committee will be able to consider other matters that are causing great concern but that would otherwise have been outside its remit.

Many hon. Members spoke in this excellent debate. My right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford) stated his strong support for the Bill, highlighting the economic benefits of Crossrail to London and to the country as a whole. He strongly favours a station at Woolwich—he has made that case before—and the Select Committee will hear petitions on the subject.

The hon. Member for Carshalton and Wallington (Tom Brake) raised a variety of issues. I can only respond briefly to a couple of them today. All the material relating to the additional provisions will be published next week and local authorities will be able to petition the Select Committee, which will then consider the details. He raised the important subject of Crossrail's effect on rail freight. I chair the Crossrail high-level forum, which brings together interested parties such as local government and rail industry representatives. We have set up a sub-group on rail, and all the rail interests attend its meetings. We have also set up a working group on the timetable and on access options, which involves rail freight interests, and we are working together to get the best possible solution. It is not the case that there will be a reduction in freight.

My hon. Friend the Member for Reading, West (Martin Salter) made a strong argument on behalf of his constituency, emphasising Reading's importance as a rail terminal. He made a strong case for Reading and I note that he welcomed the Government's instruction in that respect.

The hon. Member for Romford (Andrew Rosindell) spoke about the impact of Crossrail as strongly he did on Second Reading. Discussions are ongoing with the local authority and other bodies about some of the issues that he raised here today.

My hon. Friend the Member for Erith and Thamesmead (John Austin) said that we have an opportunity to ensure that the dream of Crossrail is realised. He spoke about its importance to the Thames Gateway, referring to its economic benefits and the need for jobs and development and for the removal of any constraints on that. He also spoke about the project's wider significance to London and the country as a whole.

My hon. Friend the Member for Eltham (Clive Efford) made important points on the need to improve public transport. He also highlighted Crossrail's importance to his constituency and London in terms of regeneration and job creation. He spoke about the job losses that have occurred in his part of London over the past couple of decades and recognised the opportunity that now exists. He, too, made the case for Woolwich.

The hon. Member for Brentwood and Ongar (Mr. Pickles) raised a number of issues. I can only refer him to what my right hon. Friend the Secretary of State told him during his opening remarks. The Select Committee will sit for the first time next week under the chairmanship of my hon. Friend the Member for Mansfield (Mr. Meale). It will discuss matters of detail, and it will have an opportunity to examine many of the issues raised by hon. Members, petitioners and others. Instructions before the House provide important clarification for the Committee, and will further facilitate its proceedings. The Committee will be a crucial next step in the Bill's progress towards the realisation of Crossrail, and I commend the motions to the House.

Question put:—

The House divided: Ayes 390, Noes 0.

Division No. 123] **[2.45 pm**

AYES

Abbott, Ms Diane	Alexander, Danny
Afriyie, Adam	Alexander, rh Mr. Douglas
Ainger, Nick	Allen, Mr. Graham
Ainsworth, rh Mr. Bob	Amess, Mr. David

Anderson, Mr. David
Anderson, Janet
Arbuthnot, rh Mr. James
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Baldry, Tony
Balls, Ed
Banks, Gordon
Barker, Gregory
Barlow, Ms Celia
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh Mr. Alan
Bell, Sir Stuart
Benton, Mr. Joe
Benyon, Mr. Richard
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blears, rh Hazel
Bone, Mr. Peter
Borrow, Mr. David S.
Boswell, Mr. Tim
Bottomley, Peter
Bradshaw, Mr. Ben
Brady, Mr. Graham
Brake, Tom
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Bryant, Chris
Burden, Richard
Burgon, Colin
Burstow, Mr. Paul
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, rh Sir Menzies
Caton, Mr. Martin
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Greg
Clarke, rh Mr. Tom
Coffey, Ann
Cohen, Harry
Connarty, Michael
Conway, Derek
Cook, Frank
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davies, David T.C. *(Monmouth)*
Davies, Mr. Quentin
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Djanogly, Mr. Jonathan
Dobbin, Jim
Dobson, rh Frank
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Duddridge, James
Duncan, Mr. Alan
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ellwood, Mr. Tobias
Engel, Natascha
Ennis, Jeff
Evans, Mr. Nigel
Evennett, Mr. David
Farrelly, Paul
Featherstone, Lynne
Field, rh Mr. Frank
Field, Mr. Mark
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Forth, rh Mr. Eric
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francois, Mr. Mark
Gapes, Mike
Gardiner, Barry
Garnier, Mr. Edward
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibb, Mr. Nick
Gibson, Dr. Ian
Gillan, Mrs. Cheryl
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hague, rh Mr. William
Hall, Mr. Mike
Hall, Patrick
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Hanson, Mr. David
Harman, rh Ms Harriet
Harper, Mr. Mark
Harris, Mr. Tom
Harvey, Nick
Havard, Mr. Dai
Hayes, Mr. John
Heald, Mr. Oliver
Healey, John
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hendry, Charles
Hepburn, Mr. Stephen
Heppell, Mr. John
Hewitt, rh Ms Patricia
Hill, rh Keith
Hillier, Meg
Hoban, Mr. Mark
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hopn, rh Mr. Geoffrey
Hope, Phil
Horam, Mr. John
Horwood, Martin
Howarth, David
Howarth, Mr. Gerald
Howells, Dr. Kim
Hughes, rh Beverley
Huhne, Chris
Humble, Mrs. Joan
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Iranca-Davies, Huw
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. David
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Keetch, Mr. Paul
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kirkbride, Miss Julie
Knight, Jim
Lait, Mrs. Jacqui
Lamb, Norman
Lammy, Mr. David
Lazarowicz, Mark
Leigh, Mr. Edward
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Luff, Peter
MacDougall, Mr. John
Mackay, rh Mr. Andrew
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Main, Anne
Malik, Mr. Shahid
Malins, Mr. Humfrey
Mallaber, Judy
Mann, John
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIntosh, Miss Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McLoughlin, rh Mr. Patrick
McNulty, Mr. Tony
Miliband, Edward
Miller, Andrew
Miller, Mrs. Maria
Moffatt, Laura
Mole, Chris
Moore, Mr. Michael
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mulholland, Greg
Mullin, Mr. Chris
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Oaten, Mr. Mark
Olner, Mr. Bill
Opik, Lembit
Osborne, Sandra
Ottaway, Richard
Palmer, Dr. Nick
Paterson, Mr. Owen
Pearson, Ian
Pelling, Mr. Andrew
Penning, Mike
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prisk, Mr. Mark
Pritchard, Mark
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Randall, Mr. John
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, John
Robertson, Mr. Laurence
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris
Rooney, Mr. Terry
Rowen, Paul
Roy, Mr. Frank
Ruane, Chris

Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Scott, Mr. Lee
Seabeck, Alison
Selous, Andrew
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, Sir Robert
Snelgrove, Anne
Southworth, Helen
Spellar, rh Mr. John
Spicer, Sir Michael
Stanley, rh Sir John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Streeter, Mr. Gary
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Twigg, Derek
Tyrie, Mr. Andrew
Ussher, Kitty
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Vaz, Keith
Villiers, Mrs. Theresa
Vis, Dr. Rudi
Walker, Mr. Charles
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Watkinson, Angela
Whitehead, Dr. Alan
Wicks, Malcolm
Wiggin, Bill
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Stephen
Willis, Mr. Phil
Wilson, Mr. Rob
Winnick, Mr. David
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Jeremy
Wright, Dr. Tony
Wyatt, Derek
Young, rh Sir George

Tellers for the Ayes:
Gillian Merron and
Mr. Ian Cawsey

NOES

Tellers for the Noes:
Mr. Peter Kilfoyle and
Mr. George Howarth

Question accordingly agreed to.

Ordered,

That it be a further Instruction to the Select Committee to which the Crossrail Bill is committed—

(1) that it have power to consider—

(a) the extension of permitted development under the Town and Country Planning (General Permitted Development) Order 1995 in relation to development which is the subject of environmental assessment in connection with the Bill;

(b) additional power to carry out works for the purpose of reinstating facilities whose operation or use is discontinued because of the exercise of powers conferred by the Bill;

(c) provision relating to the abstraction of water;

(d) alterations to the provision which is now made in the Bill regarding planning permission for development authorised by the Bill which consists of a work other than a scheduled work;

(e) alterations to the provision which is now made in the Bill regarding the application of provisions of the Bill to things authorised by an order under section 1 of the Transport and Works Act 1992;

(f) alterations to the provision which is now made in the Bill regarding any of the following—

(i) a crossover at Farringdon;

(ii) sidings at Westbourne Park;

(iii) diversion of the Moorgate Station Sewer;

(iv) a jetty and conveyor at West India Docks South;

(v) use of the River Lea for barge loading and holding areas;

(vi) realignment of the Docklands Light Railway at Custom House;

(vii) facilities for handling excavated materials at Manor Wharf;

(viii) a shaft at Eleanor Street;

(ix) diversion of the Hackney to Abbey Mills Sewer and the Wick Lane Sewer;

(x) a bridge over Hollow Hill Lane, Langley;

(g) realignment of the proposed running tunnel beneath Shorts Gardens, Camden;

(h) alterations to a ticket hall at the proposed Whitechapel Station;

(i) alterations to the provision which is now made in the Bill regarding approval in relation to highway accesses;

(j) alterations to the provision which is now made in the Bill regarding the acquisition of land at Basin Approach, Lowell Street and land at Billingsgate Market;

(k) alterations to the provision which is now made in the Bill regarding the creation and acquisition of easements or other rights over land;

(l) alterations to the table in paragraph 1 of Schedule 8 to the Bill (disapplication and modification of heritage controls), so far as relating to the City of Westminster, the City of London and the London Borough of Tower Hamlets;

(m) the inclusion of additional land within the limits of land to be acquired or used;

and, if it thinks fit, to make amendments to the Bill with respect to any of the matters mentioned above, and for connected purposes;

(2) that any Petition against Amendments to the Bill which the Select Committee to which the Crossrail Bill is committed is empowered to make shall be referred to that Select Committee if—

(a) it is presented by being deposited in the Private Bill Office not later than the end of the period of four weeks beginning with the day on which the first newspaper notice of the Amendments was published or, if that period includes any time during which the House is adjourned for more than four days, not later than five weeks beginning with that day, and

(b) it is one in which the Petitioners pray to be heard by themselves, their Counsel or Agents.

That these Orders be Standing Orders of the House.

CROSSRAIL BILL [INSTRUCTION] (NO. 3)

Motion made, and Question put forthwith, pursuant to Order [19 December 2005],

That it be a further Instruction to the Select Committee to which the Crossrail Bill is committed that, where a Petition against the Bill which stands referred to the Select Committee raises an issue regarding extension of the railway transport system for which the Bill provides—

(a) from Maidenhead to Reading, or

(b) from Abbey Wood to Ebbsfleet,

it may, if it thinks it appropriate to do so, hear the Petitioner and the Member in charge of the Bill on that issue for the purpose of reporting to the House whether there appears to be a case for such extension being the subject of an application for an order under the Transport and Works Act 1992.

That where the Select Committee to which the Crossrail Bill is committed decides under this instruction to hear the Petitioner and the Member in charge of the Bill on an issue, the Petitioner shall be entitled to be heard by himself, his Counsel or Agents and the Member in charge of the Bill shall be entitled to be heard by his Counsel or Agents.

That these Orders be Standing Orders of the House.—*[Mr. Roy.]*

Question agreed to.

CROSSRAIL BILL [LATE PETITIONS]

Motion made, and Question put forthwith, pursuant to Order [19 December 2005],

That paragraph (a) of the Order of 19th July 2005 about the Petitions which are to stand referred to the Select Committee (which requires a Petition to have been deposited in the Private Bill Office at any time not later than 16th September 2005) be suspended in the case of the Petitions of the following—

Mr Ayub Ahmed Goga,

Mr A. Hamid,

Mr U. Natta,

Mr Yakub Natta,

Mr Ishak Patel,

Mr Mehmud Patel, and

Mr John Payne.

That those Petitions stand referred to the Select Committee.

That those Petitions be treated as ones in relation to which the Order of 19th July about the entering of appearances on Petitions has effect.

That these Orders be Standing Orders of the House.—*[Mr. Roy.]*

Question agreed to.

Security of Supply

[Relevant documents: The Twelfth Report of last Session from the Trade and Industry Committee on Fuel Prices (HC279) and the Government's response thereto, and the First Report of this Session from the Trade and Industry Committee on Security of Gas Supply (HC632–I).]

Mr. Deputy Speaker (Sir Alan Haselhurst): A notice about the relevant documents should have appeared in the Order Paper. Copies of all three documents are available in the Vote Office.

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Roy.]*

3.1 pm

The Secretary of State for Trade and Industry (Alan Johnson): The debate supplements the first report to Parliament on United Kingdom security of gas and electricity supplies that was laid in July 2005. In the 2003 Energy White Paper, we set the objectives of secure, sustainable, affordable energy for all in a competitive, transparent energy market.

Overall, Britain is in a strong position. We have a broad range of energy supply and a balanced mix of electricity generation. Around 19 per cent. of our electricity comes from nuclear, 33 per cent. from coal, 40 per cent. from gas and 4 per cent. from renewables. Although the proportion from renewables is small, it has almost doubled in the past four years, and is today sufficient to supply more than 2 million households. On gas infrastructure, the market is planning to deliver some £10 billion of investment in gas import and storage projects between 2005 and 2010.

The UK has enjoyed some of the lowest energy prices in Europe for more than a decade. Even after the recent price increases, our domestic gas remains the cheapest in Europe. According to Ofgem, domestic energy bills are £140 less than they were in 1990.

Our liberalised markets mean that the cost of industrial gas is also competitive. In the past 14 years, the cost of energy to British industry has been around £8 billion less than the cost to German industry. However, there are problems and challenges ahead that we have to acknowledge and resolve.

First, we need to reduce greenhouse gas emissions. Despite recent increases, we are still on track to achieving our target under the Kyoto protocol. However, there is much more to do if we are to meet our aim of a 60 per cent. reduction by 2050.

Secondly, our energy reserves are in decline. North sea production has declined more quickly than predicted. Britain has already moved from being a net exporter to a net importer of gas, and soon we will become a net importer of energy overall, in common with most other developed nations.

Mr. Bernard Jenkin (North Essex) (Con): We keep hearing the mantra that gas production in the North sea has declined more quickly than predicted but I have yet to meet anyone in the industry who agrees with that analysis. Centrica, which owns the Morecambe bay field and is meant to be the culprit, has clearly said that production has reached a plateau and is declining according to expectations. There has been at least a

[Mr. Bernard Jenkin]

communications failure between the Government and the industry, or perhaps the Government have not been told the truth, but it is not good enough to keep telling us that gas supplies have declined more quickly than anticipated because that is not true.

Alan Johnson: Strangely enough, that is a question that I have asked myself, because I have been trotting out that line since last summer, and I decided that, in view of this important debate, I ought to look a bit more closely into the matter. I am not sure about Centrica, because it is not involved in the North sea, but I found that every credible analysis published said that North sea gas would decline, and that we would move from being a net exporter to a net importer between 2005 and 2007. Wood Mackenzie, in its August 2001 multi-client report entitled "Running Short of Gas: The Outlook for UK and Irish Gas Markets"—which, I am told, is very authoritative—said:

"It is probable that the UK will become a net importer of gas in either 2005 or 2006."

Others put it at between 2006 and 2007. On Tuesday, I was with a number of energy suppliers, who themselves admitted that this was the case. I do not know of anyone who did not have a misconception of how quickly North sea gas would be reduced. However, the hon. Gentleman has asked a valid question, and I asked it myself because I wanted to explore it at that level of analysis.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Secretary of State mentioned renewable energy. I believe that the renewable energy target set for us by the European Union is 2 per cent. by 2012. Does he think that we will meet that target?

Alan Johnson: Our target is 10 per cent. by 2010. We have an aspiration to move to 15 per cent. by 2015, and to 20 per cent. by 2020. All of that is on the route to a 60 per cent. reduction in carbon emissions by 2050. The Secretary of State for Environment, Food and Rural Affairs is leading on this, and will publish the climate change review programme shortly. That will show what we need to do to get back on track. We are undoubtedly not as far forward as we need to be, although we have made some very good progress. That report will be published in the very near future.

Mr. Mike Weir (Angus) (SNP): May I take the Secretary of State back to the question of the gas supply? Is he aware of the research by Professor Alex Kemp of Aberdeen university that discloses that there are up to 20 finds to the west of Shetland that have not yet been developed? Most of them are fairly marginal, but the changes in the tax regime introduced by the Chancellor have meant that they will become even more marginal. Is that sensible when we are apparently relying on gas from faraway countries in central Asia? Will the Secretary of State consider introducing incentives to assist the development of these marginal fields?

Alan Johnson: We have issued more licences in the past year than ever before—a record number. In regard to the tax regime, all Governments have to strike the right balance between the amount of tax relief that they give to companies exploiting this natural resource and the interests of the country in which it is found. The Chancellor said in his pre-Budget report that the tax regime should change, but he also gave a guarantee that there would be no further changes during this Parliament.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): The unfortunate thing about that reassurance from the Chancellor is that it contradicts his reason for imposing the increase. He claims that that reason is the high price of oil, yet he says that if the oil price were to go down or to collapse, he would not take the tax away. Clearly, therefore, the tax is linked not to the high price of oil but to his need to get money at short notice.

Alan Johnson: If the oil price were to collapse, we would then face a very different set of problems from those that we are facing now.

Mr. Jenkin: Gas production in the UK is effectively taxed at a rate of 75 per cent., which is one of the highest tax rates in the world. The increase in tax on North sea oil is simply not in the long-term national interest.

Alan Johnson: The Chancellor pointed out in his pre-Budget report the corresponding taxes on exploration in the United States and other parts of the world, and his proposals are consistent with those. However, we shall return to that issue at the time of the Budget.

The first of the challenges and problems that we face relates to renewables, and the second is the fact that our energy reserves are in decline, as I mentioned earlier. The third is that prices have been rising. We all have to face the fact that the days of cheap energy have gone, probably for ever. World prices for fossil fuels have increased by a half over the past three years, and oil prices have reached record highs. This in turn has had a direct impact on gas prices. Those global effects have been compounded by the decline in North sea production and market nervousness about a tight gas supply situation in a winter predicted to be colder than usual.

Fourthly, our nuclear reactors, which currently supply a fifth of our energy, will all be decommissioned by 2035, and most of them will be out of service by 2025. Decisions need to be taken on whether we need a new generation of nuclear power stations, or whether we are content to see nuclear disappear from our energy mix.

Mr. Tobias Ellwood (Bournemouth, East) (Con): Does the right hon. Gentleman agree that had the EU sorted out a proper gas market two or three years ago, we would not be affected by such high gas prices now? As France and Germany own much of the infrastructure, they can subsidise their gas prices and pass those prices on to the UK domestic market.

Alan Johnson: The hon. Gentleman is absolutely right. I will deal with that during my speech.

Mr. David Drew (Stroud) (Lab/Co-op): On nuclear, even at this late stage, will my right hon. Friend

reconsider the decision to sell Westinghouse, given that if this country is to have a nuclear future, we must have the means to bring forward the technology and expertise? Westinghouse was one way of providing that, and surely it is a travesty that we are pushing ahead with the sale at this time.

Alan Johnson: I thought long and hard about this issue, as did my hon. Friend the Minister for Energy. In effect, keeping Westinghouse in British ownership would inhibit our ability with regard to future nuclear new build. If the UK were to go down that route—that is a big "if"—it would be difficult for companies to find an objective view from a publicly-owned Westinghouse. In addition, in relation to developments in China, where Westinghouse is involved in building four nuclear power stations, there is a large degree of risk involved, and the British taxpayer should not be involved in meeting that risk. For that and other reasons, although it is an important issue that we considered long and hard, I think that the sale of Westinghouse is the right road to go down.

Joan Ruddock (Lewisham, Deptford) (Lab): I know how scrupulous my right hon. Friend is in other presentations, and I am sure that his remark that nuclear contributes one fifth of our energy was a slip of the tongue. I think that he might have meant to refer to our electricity generating capacity. In terms of primary energy, of course, nuclear contributes around 7 per cent.

Alan Johnson: I am grateful to my hon. Friend for correcting that, on the record, in *Hansard*.

Mr. Dennis Skinner (Bolsover) (Lab): The Secretary of State paints a long-term picture of diminishing oil and gas, problems with nuclear and so on. Will he address the imminent and important question of the 33 per cent. of our energy that we get from coal, much of it imported? A number of mines are left in Britain, one of which is Haworth, which employs 288 men and will be closed within weeks, not years, if money is not allocated to it to save those jobs. I ask him to get on with it and get the decision made. I see that the Minister for Energy is whispering to him, and I hope that he has said that he will pay the money shortly. Is that correct?

Alan Johnson: Not entirely correct. My hon. Friend the Minister for Energy was saying to me that we are aware of the issue, we are due to respond soon to the company's request, and we will do so. As for making progress on the five issues, I will do so if I can stop taking interventions and get on to some of the good news.

Paddy Tipping (Sherwood) (Lab): My hon. Friend the Member for Bolsover (Mr. Skinner) has made a strong point about Haworth colliery, whose work force is listening closely to the debate. The Minister for Energy said in an Adjournment debate in Westminster Hall yesterday:

"We are considering the proposal on Haworth colliery and I will respond to the company in the very near future."—[*Official Report, Westminster Hall*, 11 January 2006; Vol. 441, c. 97WH.]

The clock is ticking, and we need a decision before the end of January. If we are to have an indigenous coal industry, we need a positive decision.

Alan Johnson: Those two interventions have achieved their purpose. We recognise the need to move swiftly, and we are even more determined to move swiftly than we were before we started the debate.

The fifth problem or challenge that we face is rapid change in the geopolitical climate. Rapid economic growth in countries such as India and China is placing huge demand on world markets. China is already the world's second largest consumer of energy. The international dimension of those problems was highlighted over the new year, during the dispute between Russia and Ukraine over gas supplies. That dispute has reminded us all of the need for diverse energy supplies, which applies both to what energy we source and to where it comes from. A vital challenge for the G8 this year will be to ensure that when supplies are scarce, the scarcity does not lead to conflict as it might have in the past but is resolved through diplomatic channels.

Joan Walley (Stoke-on-Trent, North) (Lab): Does my right hon. Friend accept that there is a difference between scarcity of supply and gas price speculation? Intensive gas users are finding that the market itself is causing price increases. Gas can be sold as many as 27 times before it is used.

Alan Johnson: I shall come to that shortly, but it is the spot market that is causing a problem. I know from recent discussions with energy producers that in this country we are far more inclined to buy from the spot market than to contract on the futures market. Perhaps that sends a message to companies.

John Hemming (Birmingham, Yardley) (LD): Does the Secretary of State agree that one of the difficulties with the market is that the vast majority of demand, and variability in demand, relates to fixed prices? As the spot market covers only a small part of the overall market, changes tend to be exacerbated.

Alan Johnson: We should see the position in proportion. The problems are really affecting intensive energy users. The situation is caused by the market, and the market will find a way of resolving the issues. However, for the purposes of this winter and, I would suggest, next winter, we must concentrate on how to facilitate our transition from being a net exporter of energy to being a net importer.

It is against the backdrop of those five challenges and problems that we will conduct our review of energy policy.

Mr. Eric Martlew (Carlisle) (Lab): I believe that there is a sixth dimension. Only a year ago, my constituency experienced the worst flooding in the United Kingdom. Electricity was cut off in 150,000 properties for three days because of substation flooding. The substation involved has now been proofed, but according to United Utilities there are nine more substations—large ones—in the north-west which are much more likely to be flooded than the one in my constituency. As global

[Mr. Eric Martlew]

warming advances, there is an immediate danger to electricity supplies throughout the country. Many substations were built near rivers because they needed the water for cooling purposes. Will the Minister look into the problem?

Alan Johnson: I am aware of the problems in Carlisle, and of the enormous efforts made by my hon. Friend, as a constituency Member, to help the town recover. I have described five problems that affect the security of energy supply, which is the title of our debate. My hon. Friend has raised the important issue of electricity generation, which will be covered by the review to which I shall refer shortly. It can also legitimately deal with the safety of substations in the context of environmental damage such as that experienced in Carlisle.

Andrew Miller (Ellesmere Port and Neston) (Lab): Will my right hon. Friend give way?

Alan Johnson: I will give way one last time.

Andrew Miller: The point raised by our hon. Friend the Member for Carlisle (Mr. Martlew) is important in the a geopolitical context. Climate change will clearly be a big driver in the energy debate. Is it not important for Britain to maintain its pre-eminence on the nuclear side, so that we can promote our standards of safety and control in that industry elsewhere in the world?

Alan Johnson: My hon. Friend brings me to the next part of my speech, which is about the energy review. As I have emphasised before, this is a review with no pre-determined outcome. It embraces all sources of energy; it is not a review of nuclear energy alone. On 23 January, we will publish the review consultation document, which, I hope, will draw out the breadth of opinion on these complex issues. Ahead of that review, in today's speech I want to focus on the security of our gas supply, which has understandably been the cause of greatest concern in recent weeks.

Gas generates around 40 per cent. of the UK's electricity, and approximately 35 per cent. of final UK gas consumption is used in our homes. Because of the decline in North sea production, we knew that this winter was going to be tighter than in the past. Combined with an early cold spell, that caused the problems that we witnessed in November. Gas storage was drawn down earlier than usual and prices rose to historically high levels, despite the fact that there was actually enough gas to meet demand. The price increase meant that many power generators reduced their gas use by switching to other forms of generation, which substantially reduced demand and helped to balance the market. For some major industrial energy users, these abnormally high prices created significant problems.

Looking back, ahead of the winter we had worked closely with the industry and others to try to ease the effects of high gas prices through the gas prices working group, and through the report on, and seminars on, the forward gas market. Last year, new gas import and storage capacity came on stream, including the new liquefied natural gas terminal at the Isle of Grain, which has received eight shipments since it opened in November. The interconnector doubled its capacity and has been importing at record levels recently. Moreover, new storage capacity came on line at Humbly Grove, in Hampshire.

So, today, storage and import capacity is up, gas supply has met demand each day this winter, and storage levels are healthy. However, I am not satisfied with the under-use of some of our import infrastructure. Although the interconnector has been importing at new highs and has responded to price signals, it still has not delivered gas to the UK at full capacity. The lack of liberalisation of EU energy markets, which was mentioned in an intervention, is at the heart of the problem. Ofgem has asked the European Commission to investigate urgently the interconnector's operation, and I am pleased to say that this work is now well under way.

We know that a tension exists between the liberalised energy markets in Britain and the largely unliberalised energy markets in Europe.

Mr. Ellwood: I am very grateful to the right hon. Gentleman for allowing me to intervene a second time. The Government were recently in charge of the EU presidency for six months. Was that not an ideal opportunity to get to the core of this issue and to sort out a gas market in Europe?

Alan Johnson: The hon. Gentleman's interventions are beautifully timed. I was about to say that, thanks to the work of my hon. Friend the Minister for Energy at the December Energy Council, the European Commission agreed to make full use of its legal powers to tackle the serious malfunctions in EU energy markets. Member states have also agreed a wide range of actions designed to bring about tangible improvements in the functioning of European gas and electricity markets.

Looking ahead, in the next couple of years new pipelines from Norway and the Netherlands will open, which will eventually be capable of providing up to a third of our annual gas needs. Two new LNG terminals are being constructed at Milford Haven, and further terminals are planned at Canvey Island and Teesside. Two further storage facilities are currently under construction at Aldbrough and Holford.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): In the next 18 months to two years, 28 per cent. more gas is likely to be available as it comes down from Norway, and there could be a second dash for gas. If that occurred, at the same time as we are seeing a move to decommissioning nuclear stations and some of the old coal-fired stations, by 2020 we could be as much as 70 per cent. dependent on gas. That would be to the great detriment of the UK. Does my right hon. Friend feel that we need a mechanism to limit the proportion of electricity generated by gas to the current 40 per cent.?

Alan Johnson: No, I do not rush to that kind of conclusion, but I agree that it highlights the need for diversity of supply. The whole point of the review is to look forward to ensure that, as well as the other issues relating to a properly competitive market, dealing with fuel poverty and climate change, we must ensure

security of supply. That means diversity, and not being too dependent on any one source of energy. The point that my hon. Friend has raised is a crucial issue for the review—and it may come to the conclusion that there should be a level above which gas should not go. Who knows? I do not.

Several hon. Members *rose—*

Alan Johnson: I shall take one more intervention, and then I shall make some progress.

Mr. Philip Hollobone (Kettering) (Con): Is it not the case that, because we shall now be importing such a huge amount of gas, Britain's electricity generation industry will, for the first time in our history, be too dependent on primary fuel sourcing from overseas? Never before in our history will we have been so dependent on fuel imports to generate electricity.

Alan Johnson: The hon. Gentleman is absolutely right. That is exactly the issue at the heart of the review—not only what we are sourcing from abroad but where we are sourcing it from. As for gas, Norway and the Netherlands are hardly unstable countries, and they will supply the major part of it. None the less, that is an important element in the review, and I agree with what the hon. Gentleman said.

The investments will increase supply. But, given the background of our increased reliance on imported gas over the next 15 to 20 years, and the important investment decisions that multinational companies will be making on where to invest, in which the price of energy will be a crucial factor, we cannot rely on those developments alone. We need to remain alert to new ways of increasing supply, and be quick to build on new developments in the way in which we supply, import and store gas.

Rapid advances in technology are taking place, with the potential to make a real difference. Britain's legal framework needs to be capable of dealing with those developments. Today, I can announce new measures to increase the potential for gas storage in the UK. First, we will revise the legal regime covering new offshore gas storage and offshore gas unloading. When parliamentary time is available, I will introduce legislation to achieve that.

Over the next decade, companies will be able to use new technology to create salt caverns offshore and store gas in them. There is strong potential for gas storage in a number of geological formations offshore, in areas such as the Irish sea and the southern North sea. That could significantly add to the UK's gas supply capacity. There is already commercial interest in creating those new facilities. We will ensure that the right framework is in place to allow them to be created. The new framework will also facilitate innovative proposals for unloading liquid natural gas tankers at offshore mooring buoys connected by pipeline to the shore.

Secondly, we will also examine the onshore consents regime, with the possibility of further legislation if appropriate. This work will move forward in parallel and in conjunction with the energy review, and the Barker review of land use planning, established by the Chancellor and Deputy Prime Minister.

Adam Afriyie (Windsor) (Con): At the same time as the review, and the Government, are considering the regulation governing the storing of natural gas, will they also review the legislation surrounding the storage of carbon dioxide in those same geological formations?

Alan Johnson: Yes, indeed. International law requires us to do that, so it will be an important part of our review.

Mr. John Grogan (Selby) (Lab): Is there a case for giving Ofgem power to oversee offshore gas as well as onshore gas so that it can oversee the whole market and ensure that it operates efficiently?

Alan Johnson: There may be, and we shall look at that element in the review. It has been raised with us, but we have also heard the case against doing that, so the argument remains finely poised.

Our energy market, like energy markets around the world, is facing long-term challenges. The days of cheap indigenous supplies are over, and, like most other countries, we will have to import more energy and pay more for it. As we move forward with the review, my hon. Friend the Minister for Energy and I will look to involve closely the many people in the House and outside it who have a keen interest in this important issue. Ensuring safe, affordable energy for all in a way that minimises CO_2 emissions must be our first priority, and I welcome the opportunity to debate these important issues on the Floor of the House today.

3.30 pm

Mr. Alan Duncan (Rutland and Melton) (Con): I thank the Secretary of State for giving us this debate. It has been some time a-coming; we have been calling for it for six months or more, but I imagine it will be the first of many on an important topic.

The Minister for Energy (Malcolm Wicks): We were waiting for you.

Mr. Duncan: I am very flattered. I apologise, Mr. Deputy Speaker, to you and the House for not being able to be here for the winding-up speeches. They are in the capable hands of the Minister, who will, I hope, still be in his flattering mood, and of my hon. Friend the Member for Wealden (Charles Hendry).

In July, the Department issued a report on the 2003 Energy White Paper. It said:

> "Our goal is that people and businesses can rely on secure supplies of energy—gas, fuel and electricity—at affordable prices delivered through competitive markets, whilst minimising the impact on the environment."

Well, that sweeping statement might not quite be motherhood and apple pie, but it is quite a tall order in what is an increasingly highly complicated world. Two years on from the White Paper, the ambitions described in that statement look somewhat distant. The best we can say is that progress has been mixed. In some respects, and contrary to the best intentions of new Labour, we have moved not forwards but back. This winter, we shall see real signs of the Government's failure to achieve those aims over the past eight years and their failure so far—we hope it is only "so far"—to equip Britain for the energy security challenges of the 21st century.

[Mr. Duncan]

There is considerable upheaval and uncertainty in the energy sector worldwide, which affects both our immediate supplies and our wish to establish a viable, enduring, long-term energy policy framework. We are witnessing the massive expansion of demand from Asia. Gas and oil prices have risen significantly: insufficient domestic capacity and storage have contributed to a quadrupling of gas prices. Following the explosion in Hemel Hempstead, we have seen restrictions in the supply of jet fuel to our main airports—

Alan Johnson *indicated dissent.*

Mr. Duncan: No, there definitely have been. I was grounded for two hours on the apron the other day. *[Interruption.]* Well, I thought that the Secretary of State was shaking his head.

Malcolm Wicks: It was a big fire.

Mr. Duncan: Of course it was a big fire. It was exactly the kind of security issue that we have to grapple with in any sensible review and in the very debate we are having this afternoon.

Insurgency in Iraq and nuclear fears in Iran contribute to habitual doubts about political stability in the middle east. A spat between Russia and Ukraine has recently caused spikes in the gas price, and fears remain that Russia will again flex its political muscles and disrupt supply.

All that is but part of the global backdrop to the challenges of creating a sustainable energy policy. To that uncertainty, one needs to add all the domestic questions of the financial and economic framework in which investment decisions—necessarily long term—have to be made, some conditions of which are utterly unhelpful to those decisions.

The UK is increasingly vulnerable on energy security. That manifests itself in the higher prices we are paying for energy when compared with our competitors. I shall come to the causes and security issues shortly, but I should like first to examine the scale of the problem. Whereas we cannot, of course, be insulated from the impact of global price shifts, the problem is that we are suffering more than we need to and are paying more than we ought to. Whereas small UK companies paid 12 per cent. less for electricity than those in France in July 2004, by October 2005 they were paying 15 per cent. more.

In respect of gas, the Energy Intensive Users Group has said that

"new contract prices to large industrial consumers are already more than 30 per cent. higher than their equivalents in France, and more than 40 per cent. above those in Germany—a situation that is set to get worse over the coming months."

That is both unnecessary and a serious threat to our economic competitiveness.

In recent months, four European countries have overtaken us and now pay cheaper prices for natural gas. There are also increasing problems for domestic users: the consumer price index shows that end-user fuel bills rose by 14 per cent. in the past year.

Paradoxically, as the Secretary of State was honest enough to admit earlier, Britain is becoming more dependent on gas at a time when elsewhere in the world there is greater optimism about, and progress being made in, alternative and diversified energy sources. The clean coal and carbon capture schemes, among others, offer genuine hope for the conversion of existing technologies. Meanwhile, Denmark and Portugal lead the world in the provision of wind and wave power.

David Taylor (North-West Leicestershire) (Lab/Co-op): The hon. Gentleman mentioned the potential for clean coal technology. There has been a bonfire of the policies in the Opposition, so will he say whether the Conservatives can see emerging from the smoke a substantial role for coal in increasing diversity of supply? If so, would that include the 800 million tonnes in the Asfordby coalfield, which largely lies beneath his constituency?

Mr. Duncan: It is very sad that the Britain's most modern deep mine, which is in my constituency, ended up being closed because of geological faults. We can have an honest discussion of these matters, and I commend the Government for holding the energy review. It is a bit late, but it is happening. The Opposition will track the review, and hold a parallel one of our own. The challenge facing us is a cross-party matter: if there exists usable domestic coal that meets the environmental objectives about which we all agree, coal will indeed have a role in future. However, we must prove that the technology that renders coal clean for use is available and generally applicable. If we can do that, the answer is yes, we can use coal; if not, the answer is more likely to be no.

Mr. Skinner: Will the hon. Gentleman give way?

Mr. Duncan: It is always a deep pleasure to give way to the hon. Gentleman.

Mr. Skinner: If the shadow Minister is so concerned about clean coal technology, why, when the Tories were in power, did he support the closure of the Grimethorpe processing plant? That plant used clean coal technology.

Mr. Duncan: I supported the closure because the technology was not ready and the economic argument was not convincing. However, if the Secretary of State thinks that it is a viable option now, I am sure that he will open it up again especially for the hon. Gentleman.

As I said, the Opposition called for ages on the Government to hold a comprehensive review. We repeated that call for more than six months, and it was echoed by the director general of the Department's own energy group. However, we have the review at last, and we look forward to doing our bit and making as good a contribution as possible.

My objective this afternoon is to present what we consider to be the key issues in energy security that we hope will be addressed by the energy review. I shall be interested to hear from the Minister for Energy when he thinks that the review will be concluded. That will give us an idea of the full timetable, given that the Secretary of State helpfully announced the beginning of the review earlier this afternoon.

The first issue is energy efficiency. Unnecessary energy consumption is a burden on the environment, costs the UK more than needs to be the case, and makes us more vulnerable than other countries. The Opposition's second concern has to do with our dependence on imports. Our supplies of fuel should come from the most diverse possible range of sources, and we should favour liberalised markets over those that might be subject to irrational Government diktats.

The third issue is renewable energy and the diversity of technology. The energy supplies that we need should come from a diverse pool of technologies, so that there is sufficient flexibility to adapt and adjust to changes in individual markets. That is a medium to long-term aim, but we need to get moving on it as soon as possible.

Let us start with energy efficiency. Energy efficiency encompasses everything from the insulation in our lofts to the decentralisation of our energy supply. We need a proper programme for efficiency that reduces our dependence on energy, and in our homes we need to be doing more with less, which reduces demand and thus CO_2 emissions. This is not just a marginal issue: it is essential for alleviating fuel poverty.

We need to become more efficient in the way that we use energy and we need to lose less in the way that we transmit it. On 30 January last year, the Environmental Audit Committee reported that the Government

"is failing to incorporate its own rhetoric on sustainable development into housing policy".

That is especially true with regard to new builds from the Office of the Deputy Prime Minister. Without dramatic reforms, housing could account for 55 per cent. of the UK's carbon emissions by 2050. That is almost double today's amount. We are alarmed to see that, yet again, the ODPM has committed itself to a course of action aimed at increasing the number of new houses built, without considering sufficiently the wider implications for sustainability or energy efficiency.

We therefore hope that the energy review will look further into encouraging and improving energy efficiency, which is especially important given the rise in CO_2 emissions in each of the past two years. Measures to do with better insulation and hybrid cars could be a start, but more radical options are becoming available that offer even greater benefits. For example, as I have mentioned, the current centralised infrastructure of energy production and distribution is an area for further study. An astonishing 65 per cent. of the energy available from the fossil fuels burnt never reaches the homes and businesses that pay the bills. Some is lost in the inefficient generation process, but yet more is lost in transmitting electricity over great distances. Decentralised models, including combined heat and power systems, substantially reduce that loss. If the Government were serious about climate change and energy security, they would look seriously at decentralised models. Instead of following the good examples that have been set, the Government are setting one of the worst examples imaginable by failing to convert their talk about microgeneration into a serious policy to achieve it.

Malcolm Wicks: That's not true.

Mr. Duncan: If it is not true, I look forward to the Minister saying so when he winds up, so that it is on the record.

Malcolm Wicks: It is on the record.

Mr. Duncan: Well, it needs to be put there again.

Woking borough council has shown what it is possible to do in this area. While the Government continue to consume ever more energy, Woking council's decentralised energy system has reduced its energy consumption by 44 per cent. despite—perhaps the Minister can explain this—overcoming massive regulatory hurdles.

The Woking model implements a range of measures to increase efficiency and reduce emissions. Sustainable combined heat and power sources have been built in the borough that are up to 90 per cent. efficient. Those, along with solar and other renewable sources, provide power on a local scale, and so reduce the energy losses in transportation, and hence their overall consumption. To be fair to the Minister, at least the Government have awarded Woking beacon status in recognition of its work.

Local generation and the savings made also raise fundamental questions about the use of the national grid. The efficiency and structure of the national grid must form part of the energy review.

Malcolm Wicks: I am enjoying the hon. Gentleman's cleaner and greener remarks, but I wished to point out that because we are interested in micropower and microgeneration, we have been consulting on the barriers to it and we shall issue a report in the coming months. I would like to award the hon. Gentleman beacon status, but he needs to do a little more homework first.

Mr. Duncan: I am certainly a beacon of something, but I am not sure of what. I look forward to reading that report when it is published in due course. That brings me conveniently to my second point, which is that the Government could have done more to secure our existing energy sources. Given our heavy and increasing reliance on gas, surely alarm bells should have rung more loudly in Government when we became a net importer of gas in 2004.

The UK continental shelf used to act as a strategic reserve for gas. That was a crucial national resource. The immediate supplies are no longer there. I should be fascinated to hear from the Minister what estimates his Department has made of the extra oil and gas there would have been from the North sea had they not been so heavily taxed, especially by a windfall tax. That means that our import capacity and storage facilities are now perilously inadequate. *[Interruption.]* I hear protests from Labour Members, but it is an elementary economic principle that if one thumps something with a tax, one gets less out of it. The representations that we have heard give clear calculations that there would be much more oil and gas coming out of the North sea if they were not so punitively taxed by the Chancellor.

Paradoxically, we are highly dependent on gas, whose market structures are full of imperfections, and yet oil, so often labelled as a commodity controlled by a cartel, is in fact much more freely and flexibly traded in a much more free and transparent market. I caution the hon. Member for Stoke-on-Trent, North (Joan Walley) against railing against speculators as she did, and urge

[Mr. Duncan]

her to study the workings of energy markets the better to understand how prices are set. The thing about the free market is that that is not the case for gas, and that is our key electricity-generating fuel.

The persistence of oil index pricing in the European market imposes costs to the tune of £10 billion a year on British consumers. The recent large increase in the price of gas on the continent has little to do with broad supply and demand issues for gas as a commodity, but rather derives from the more general problems in the European gas market. As my hon. Friend the Member for Bournemouth, East (Mr. Ellwood) said earlier, the Government did nothing about that when they held the presidency of the Union.

Moving on to my third point, we can improve our energy security position—

Paddy Tipping: Will the hon. Gentleman give way before he moves on?

Mr. Duncan: One day, the hon. Gentleman will move on, but I am waiting.

Paddy Tipping: I am waiting too; I have been waiting a long time. The hon. Gentleman has made a great deal of the role of the market in energy supply. Does he agree that the key discussion point for the energy review will be how far the market operates and how far the state has a responsibility for guaranteeing energy supply? The market has served us well historically, but it may now be more important to have more direct Government intervention. Is that the view of his party?

Mr. Duncan: That is quite a serious point, and it is not an unreasonable one. Markets, in my view, serve the interests of energy extremely well, but inevitably there are issues of security, spare capacity and the ability to swap from one commodity to another which markets cannot always automatically do as quickly as consumers desperately need them to. The interrelationship between the state and a free market is crucial for that and also for the investment climate in which people take long-term decisions. That question should be in the review, and we will look at it sensibly and responsibly, as the hon. Gentleman implied.

Several hon. Members *rose—*

Mr. Duncan: I give way to my hon. Friend the Member for Windsor (Adam Afriyie).

Adam Afriyie: My hon. Friend may not be aware that Centrica's headquarters is based in my constituency. At a recent meeting that I had with its chairman and several others, they made it very clear to me that they have been making representations to the Government for many years, saying that the Government should sort out the liberalisation of the gas markets in the European Union. Does my hon. Friend share my alarm that no serious action has been taken by the Government on that front?

Mr. Duncan: I fully agree with my hon. Friend. That, too, will be a serious focal point for the energy review.

John Hemming: *rose—*

Mr. Weir: *rose—*

Mr. Duncan: I hope that hon. Members will forgive me if I do not give way. I do not want to deprive the many Members who want to speak of the opportunity to do so.

We can improve our energy security position by establishing a technologically diverse energy supply sector. Let us take a look at the Government's record on that so far. Far from increasing our diversity, we have been shutting it down. Gas power now accounts for 40 per cent. of the electricity supplied in the UK, approximately double the reliance of 10 years ago. Nuclear power currently provides about a fifth of our electricity needs, but most of our nuclear power stations, as the Secretary of State said and we all know, are set to close, probably over the next 15 years or so. That will leave a capacity of only 7 per cent. of the country's needs.

New investment in nuclear power is obviously an option that we need to examine carefully. It has positive implications for climate change, diversity and the continuity of supply. Without nuclear build, many people believe that we shall struggle to meet our 2010 CO_2 obligations, even though most of our CO_2 challenge lies in sectors other than power generation. However, nuclear power raises serious concerns about national security, the handling of waste and its long-term economics.

Dr. Alan Whitehead (Southampton, Test) (Lab): I am listening carefully to what the hon. Gentleman is saying, especially his comment that a number of people suggest that nuclear power will be essential to meeting our 2010 renewables targets, when were we to press the nuclear button tomorrow not a single kilowatt of nuclear power would be produced for the next 12 years.

Mr. Duncan: If the hon. Gentleman had listened a bit more carefully, he would have heard the rest of what I said. I suggest that he reads *Hansard*.

The Secretary of State has to contend with the serious problem that for those wanting to invest in energy generation, in our current investment climate, the only viable sector that justifies long-term investment is gas. That is a massive problem for the balance that I imagine he wants in investment decisions. The present investment climate, which makes gas more attractive than anything else, compounds and risks compounding further our dependence on gas as our principal source of fuel.

Mr. Drew: Will the hon. Gentleman give way?

Mr. Duncan: Will the hon. Gentleman forgive me for not giving way? He has already intervened and perhaps he can catch Mr. Deputy Speaker's eye later.

The Government have told us that renewable energy sources will satisfy our need for diversity. However, it looks increasingly unlikely that their target of 20 per

cent. of energy from renewables by 2020 will be achieved. Even if it is met, it has been estimated that by then 60 per cent. of electricity generation would come from gas. That would constitute a large increase in our dependence on gas, which, with its volatile price, undermines the energy stability that we all want. In addition, due to the depletion of North sea gas reserves it has been estimated that 80 per cent. of our gas would be imported, so considering the gas element alone, it means that we would be dependent on imports for nearly half our electricity.

Unfortunately, the current raft of measures designed to encourage diversity is failing; for example, the costs imposed on generating companies by the Government's renewables obligation are passed on to consumers, who will end up subsidising renewable energy by as much as £1 billion a year by 2010 and £1.5 billion by 2015. However, although the renewables obligation provides enough subsidy to make onshore wind profitable, it does not do enough for any of the other technologies, and a viable and significant renewables sector depends on a range of renewable generation technologies.

Those technologies face the gap between the grant funding available for early stage development and the price support available through the renewables obligation. Until the gap is bridged, offshore wind, biomass, wave, tidal and solar power will be largely or wholly confined to demonstration projects, unable to complement and compete with onshore wind. It is reasonable to be highly concerned that the Government are creating perverse incentives for onshore wind, which is a controversial and visually intrusive technology, while disincentivising other renewable energy technologies, which are less so. The result is that far from increasing our diversity, we are shutting it down. So I say again, gas power accounts for 40 per cent. of the electricity supplied in the UK—approximately double the reliance of 10 years ago and the diversity we want is not marching forward as it should, and could.

There has been too much delay already regarding energy policy. We need to see emphasis on the efficient use of energy, perhaps in many places following the Woking model, greater security of energy supply and a more technologically diverse approach to energy sources. Perverse incentives that act to make it less likely that renewable energy sources will be developed need to be reformed and made to work. We look forward to constructive proposals to deal with the key issues and a firm commitment from the Government not to hesitate further in working to secure our energy supplies for the future.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I must remind the House that Mr. Speaker has placed an eight-minute limit on Back-Bench speeches that takes effect from now.

3.55 pm

Mr. Nicholas Brown (Newcastle upon Tyne, East and Wallsend) (Lab): The context of today's debate must be global warming—the most important single problem that this country faces. It is an international problem. Our contribution to its solution will not alone solve the whole problem, but as a nation state we have a duty to set a lead. We must punch above our weight, and we must play our full part as a country in international efforts to find a solution. It therefore logically follows that there should be no solution to the question of security of energy supply that exacerbates the problem of global warming. Indeed, the solutions that we find must bear down on that problem.

As the Secretary of State made clear in his introductory remarks, the energy issues that face our country are not immediate, but they are marching remorselessly towards us and the lead times for any solution are, of necessity, long. The key features of the issue are well understood—the declining output of existing nuclear stations and the reduction in output from coal-fired power stations by about half over the next 15 years. Thus, there is a need to replace existing capacity and to meet future and, we would all accept, rising demand.

The implication of all that is increased reliance on the international energy market. Other countries are in that position—I do not accept that it is unreasonable—but we must understand that, if we take the same approach, we will compete with those countries against a background of clear and steadily rising demand. We must face up to the fact that the international energy market is not the free market that we would like it to be. Indeed, even in the European Union, the energy market is not the free market that we would like it to be. I commend the Secretary of State's efforts to liberalise that market, but we are not there yet.

We must also recognise that there is an increasing tendency for national Governments in exporting countries to intervene in industry issues for reasons that are unrelated to the gas or oil market. In other words, they view their possession of a desirable resource as an extension of foreign policy, as well as something to sell to people who want to buy. We must take that into account when we consider our own nation state's security of supply.

A modern, post-industrial economy is inter-reliant and fundamentally reliant on electricity. Issues such as the just-in-time delivery of foodstuffs and other goods, the running of the transport network, modern communications and modern information technology all rely on electricity. I suppose that that is stating the obvious, but that does not make it any the less important.

The Secretary of State was straightforward enough to say that price rises, which cynics might say could be a conservation measure, seem inevitable. Again, we must accept that, if price rises come, they will impact on the elderly, the vulnerable and our industrial competitiveness.

How should we respond? I do not believe that conservation and considering new methods of generation are rival policies. I strongly agree with the Secretary of State's point on the importance of diversity of supply and we should continue the good work being done on home insulation and driving up energy efficiency standards in building regulations, for example. Much has been done, but much remains to be done.

There are good ideas in the industry. I wish to draw the Government's attention to a recent project in which Siemens, located in Heaton in my constituency, and

[Mr. Nicholas Brown]

Alcan, which runs an aluminium smelter on the Northumbrian coast, secured significant energy efficiencies simply by refurbishing the turbines in an existing power plant. I commend that approach to the Government and the House.

The North sea is a mature oil and gas field, but it still has reserves and we should encourage the use of new technologies to maximise the extraction potential and get the maximum benefit from it. Now is not the time to engage in a technical debate on the working of the North sea tax regime, but there is a strong case for the Government and the industry to work in partnership on ensuring that we maximise the gain from the North sea fields.

Significant losses occur in electricity transmission between generators and end users, but developments in conduits have the potential to reduce that loss and to increase efficiency. We should take an interest in those developments, and if new investment is required, so be it. In addition, if our aim is to reduce the losses that occur during transmission between generator and consumer, it is logical to locate power plants closer to consumers of power. There is a north-south divide in this country, with generating capacity located predominantly in the north and demand—certainly increasing demand—tending to be in the south. There would be consequential issues arising from such a policy, but if we are serious about reducing inefficiencies in electricity supply, we have to face up to that divide. I urge the Government to do that.

There are potential contributions from other sources: wind farms and other renewables have been mentioned and I think a case can be made for reconsideration of hydroelectric schemes, but I urge Ministers to give particular consideration to carbon sinks and clean coal technology. Output from conventional coal-fired power stations will decline; if it is possible—economically possible—to invest in clean-coal technology and new methods of carbon capture, we should do so. Having said all that—

Mr. Deputy Speaker: Order. Time is up.

4.3 pm

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I declare my entry in the Register of Members' Interests as a shareholder in Shell.

I welcome the chance to debate security of energy supply. In a sense, the point at which the right hon. Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown) finished is the point at which I begin. Like the hon. Member for Rutland and Melton (Mr. Duncan), I think that the crucial first step in achieving security of supply is to ensure the efficient use of existing supply. The better we use what we have, the less we need to worry about imports and finding new sources of generation.

Much remains to be done. On Tuesday, European Standing Committee C is to debate Europe-wide energy efficiency measures. It is estimated that efficiency could be improved by at least 20 per cent. across the European Union.

Provided that they are applied effectively, it makes sense to work through building regulations for new build and for extensions, but we have to deal with existing buildings as well because our housing stock will not be replaced quickly. Many people who face fuel poverty will not necessarily move into new housing stock, so it is crucial that we tackle the energy efficiency of the existing housing stock. We have relied on low fuel prices and improved incomes to tackle fuel poverty. However, someone's income can vary according to their circumstances, and if we can tackle the energy efficiency of our housing stock we will reduce people's dependency on energy so that they are less likely to find themselves in fuel poverty. We still face a major hurdle in improving consumer confidence so that people accept the new technologies, install them and understand what can be done to maximise the energy efficiency of their home. There is a problem, too, with marketing and presentation, as people do not see that the increased investment in their house can be offset against its improved value and long-term savings in energy bills. We need to find innovative ways of enabling people to measure energy conservation in their home and in their energy bills. A complete household energy package will demonstrate the benefits of conservation over time in reduced bills, thus enabling people to see more clearly the equation between conservation and investment.

Given the current high prices, it is a good time for the Government to press the case for energy conservation, and to use public information to convey both its importance and the opportunities available for conservation. Energy conservation and increased security of supply are important and do not just affect heating and electricity. Transport is a major contributor to carbon emissions, as well as a major consumer of energy. Replacing crude fuel taxes with road user charges would be a more effective way of ensuring more efficient use of fuel while ensuring that people who live in communities where road transport is the only available form of transport are not penalised. Replacing the climate change levy with a carbon tax will focus the economic signals on the importance of saving and conserving energy.

Our debate has touched on the important benefits that can be derived from improvements in the distribution of energy and the way in which we can bring energy generation closer to consumers' homes. Every year, 1 million or so gas boilers are replaced, and it would be beneficial if people had the confidence to replace them with a mini combined heat and power plant to generate electricity in their home and provide heat at the same time. Again, that would reduce demand and the need for large distribution systems, thus leading to a more efficient market.

In many ways, this debate has been triggered by the high prices this winter. The Secretary of State said that there is a problem partly because world energy prices are high. As has been said, the international oil market sets the price of oil around the world. Gas remains a much more regional market, although it is becoming more connected as more liquefied natural gas is processed and gas is shifted from one market to another. We have seen an extreme example of what can happen in an isolated part of the regional market. The UK is in transition from its status as a supplier that meets its own energy needs to one as an importer, and has experienced

problems in coming to terms with new gas imports. The transition to the new market arrangement coincided with forecasts of cold weather, which did not improve confidence in a thinly traded market. What guidance is given to the Met Office on the way in which it makes its predictions? Is more caution creeping into its predictions and, to avoid accusations of omitting predictions of bad weather, has it over-predicted bad weather? Do the Government monitor the Met Office's predictions, which have a major impact on the market.

Clearly, for many years, domestic users and energy users with normal contract supplies have benefited from the market. However, as has been said, the transition investment will be made later and, as can be expected simply by relying on the market to send the signal, there are spikes in the market. Both as a nation and as individual energy users, we must decide whether the benefits of the good years, when we do not need investment, are worth the price of uncertainty and upheaval in the transition years. Other markets have probably paid over the odds in past years, but they have not experienced upheaval in times of transition and new investment. There may not be power cuts and loss of energy, as the Secretary of State and the Minister have often assured us, but self-disconnection because of fuel poverty is a serious problem for people on prepayment meters. Self-disconnection by large industry is a major problem for the economy. A large business may be geared up to disconnecting from supply and not operating during high peak times, but the supply chain is affected and that hidden way of balancing energy supply has a knock-on effect on the economy.

The Secretary of State said that the pipes are coming and the LNG shipment terminals are being built, connecting us to new supplies. However, as he has also said, the pipes have not always been full and the ships have not always turned up. With winter projection models of the stability and balancing of the UK energy market, more awareness is needed of the interaction with markets beyond our borders. The pipe is not an adequate solution unless there is fuel flowing though it. As the Secretary of State said, we must consider the liberalisation of the market and ensure that both ends of the pipe are operating in the same market. That will bring more stability to supplies and more confidence and predictability to prices.

Mr. Weir: Is there not a danger in relying too heavily on gas coming through the interconnector from the European mainland? When we have severe winters in the UK, there are also likely to be severe winters and increased demand in the northern European continent, which will also seek the gas coming through its territory. Is there not a danger of that gas being diverted, rather than coming through the interconnector?

Sir Robert Smith: We need an open market with similar storage regimes at both ends of the interconnector so that forward supply and planning can be built into the risks and the models for trading on that market. That will not work if there are two different markets. The market is further distorted by the fact that the quality of gas in mainland Europe is different from that of UK gas. It would be interesting to hear from the Minister how his Department intends to take account of gas quality standards, and how we will adapt our trading arrangements to deal with gas of a different quality that flows from the European market.

Norwegian supplies will improve the situation in the next two years. Alarm bells have been set off by what happened in Ukraine. The upside of that was that the Russians saw that if they want to reach their markets, they need to continue to make supplies. No matter how rogue the nation, the nation at the other end of the pipeline will not get the money unless it provides the goods. Sellers need money as much as consumers need supplies. I welcome the legal changes that are coming to encourage more storage. That will greatly improve the situation on this side of the market.

The North sea must be recognised for its major contribution to the UK economy, in capital investment, jobs, tax and supply of fuel. The Department of Trade and Industry has done much to encourage the maximisation of its continuing potential. The North sea still has much to offer. The fallow fields initiative and the access to infrastructure have been extremely welcome, but as has already been remarked in the debate, it seems perverse for the Chancellor to increase the tax regime during his pre-Budget report at such a crucial time when we are trying to encourage more investment in gas and more supply, exploration and production.

What is even more perverse about the way the Chancellor has treated the industry this time round with his tax shock is the fact that he introduced it two thirds of the way through the financial year, making the planning environment even more unstable for investors. Also, as I said in my intervention, he will not reduce the tax if oil prices fall. The tax is clearly not designed to send signals to investors that he is interested in encouraging their investment. On top of the previous tax shock, it has sent disturbing signals to the market about investment.

The Chancellor should consider abating petroleum tax on older fields, because they are the hubs that allow us to explore the smaller fields around them. He should also consider how the tax impacts on tariffs, because the Department of Trade and Industry is trying to encourage the maximum use of pipelines and infrastructure, so it is perverse for the Chancellor to increase the cost of using the pipelines through extra tax. A lot of gas remains to be extracted, so it is important that we get the matter right.

The North sea has an important role to play in carbon capture and storage to reduce the environmental impact of carbon fuels. The Miller project off Peterhead is a good example of the North sea's potential as a place to dispose of carbon rather than putting it out into the atmosphere, which causes environmental disruption. Preserving activity in the North sea while we develop the technology is vital, and if we get ahead in that technology there are markets in China and India, which must produce carbon in meeting their energy needs. We must therefore find a solution on carbon capture, which, as we heard in yesterday's Westminster Hall debate, also offers a potential future for coal.

Our nuclear industry has left us with a massive clean-up bill for historic waste of £56 billion and rising. Nuclear energy was originally described as too cheap to meter, but it is leaving us a major legacy. It makes sense to use the existing plant for its maximum life, because

[Sir Robert Smith]

the cost has already been incurred, but we need a permanent solution on waste. The incentives to build new capacity for nuclear power would be better directed towards dealing with the problem, which the hon. Member for Rutland and Melton (Mr. Duncan) mentioned earlier, of the signals to the different renewables sectors, in which we need to encourage diversification.

Daniel Kawczynski: Are the Liberal Democrats totally opposed to any future investment in the next generation of nuclear power stations?

Sir Robert Smith: The Liberal Democrats are not opposed to research, but we are opposed to the development of a new generation of nuclear power stations, which would be a mistake. Research in nuclear fusion offers potential long-term benefits for this country's economy and science base.

Britain is an island with a huge coastline, and wave and tidal power have major contributions to make in the long term. The Scottish Executive have already seen the problem of the imbalance of incentives sent to the renewables sector by encouraging the marine sector with their tripling of the renewables obligation, which will restore the investment balance and encourage marine renewables.

Mr. Duncan: Following on from my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski), under what conditions would the hon. Gentleman favour investing in a new generation of nuclear power stations?

Sir Robert Smith: At the current time, we do not believe that it would make sense to invest in nuclear power stations, because we do not want to waste large sums of consumers' and taxpayers' money when there are better options. We do not want the environmental impacts, security concerns and terrorist risks that nuclear power could offer this country. A new generation of nuclear power stations is not the right solution, because we should not produce more waste when we do not have a proper solution to the current problem.

The skills developed in the hostile environment of the North sea have a lot to offer the marine renewables sector. Biomass is a major renewable that also has a lot to offer: our rural economy is currently going through major change, and given what has happened to farming and forestry, the new markets that biomass could produce would benefit our rural economy, our security of supply and our environment.

Gas is in the headlines but high oil prices also hit sectors of our economy that do not have access to gas. Farming, contracting, fishing and transport as well as domestic and industrial heating away from the gas main suffer from high oil prices. Perhaps the Minister could expand in his winding-up speech on how the European Union dialogue with the Organisation of Petroleum Exporting Countries is progressing on tackling long-term stability through exploring and producing enough oil from OPEC to stabilise world oil prices.

People say that we should not depend on the rest of the world but we cannot escape the fact that we live in an interdependent world. The Secretary of State mentioned the G8 and what we are trying to achieve at the World Trade Organisation. It is crucial that we do not allow protectionism and do not accept the argument that the national interest would be best served by cutting ourselves off from the rest of the world. The only way to protect ourselves from global forces and world markets is to ensure that they operate efficiently and effectively. We cannot run away from them; they will have an impact on us, no matter how much we try to be self sufficient.

The Government need to redouble their efforts on energy liberalisation and ensure that their proposals for storage capacity stabilise the market. In the long-term, we need to use our scarce energy resources with greater efficiency, make full use of our potential to capture carbon and unlock the renewable resources that nature has given us.

4.21 pm

Mr. Eric Illsley (Barnsley, Central) (Lab): I greatly welcome the debate but it is a pity that we have been given only three hours for it, approximately an hour and 40 minutes of which will be taken up by Front Benchers, given the length of time that they have already taken and the winding-up speeches later. It is a shame that we get such a short debate on an issue that is so important.

The debate is timely. Although I listened carefully to the Secretary of State's comments on our current energy supplies and our security, we read newspaper articles that refer to the "crisis" in our electricity and gas power supplies. Although we have probably not yet reached the crisis, given the long lead-in times for any new development—nuclear, gas, coal or anything else—we must start making decisions now and not wait any longer while establishing reviews, investigations and consultations about how to progress.

The Secretary of State pointed out that we face several problems with our existing energy supply. We are a net gas importer; our nuclear plants are ageing; our oil supplies in the North sea are expiring; our coal mines have been neglected, ignored, mothballed or simply closed; renewable sources have not come on stream as fast as they should; and perhaps we rely too much simply on windmills. While all that is happening, demand, which we have to meet, increases relentlessly year after year.

I am surprised that the Government have decided on yet another review, because the previous one took place only in 2003. The White Paper that was produced then states:

> "By 2020 we could be dependent on imported energy for three-quarters of our total primary energy needs . . . we may become potentially more vulnerable to price fluctuations and interruptions to supply caused by regulatory failures, political instability or conflict in other parts of the world".

What more do we need to know? Those words were in a White Paper three years ago. How many times do we have to say it? We need to take some action now.

I went to the Library this morning and dug out a list of the Energy Committee's reports between 1987 and 1992. It is depressing that Energy Committee reports 16 years ago have the same titles as Trade and Industry

Committee reports now. The reports then, as now, were on nuclear power, gas, renewables, clean coal technology and so on. We have known about the problems for a long time and we need to take action to deal with them now.

We have a diverse selection of fuel sources, and every commentator tells us that security of supply will be achieved through that diversity, by ensuring that we have several energy sources. However, each source has its own problems. The problem with nuclear power is its ageing reactors and the cost of dealing with the existing nuclear waste, which is estimated at £56 billion. What are we to do with that waste? We do not even know how to get rid of it yet, and we are probably talking about tripling the amount that we produce if the proposed new stations go ahead. We do not know what to do with the nuclear waste that we already have.

Mr. Michael Jack (Fylde) (Con): Will the hon. Gentleman give way?

Mr. Illsley: Not with only eight minutes to make my speech; I am sorry.

Who will pay for the nuclear power and for the new stations? How will we get the planning permissions through, given the 15 years that it took to get Sizewell going, and given that we cannot alter the planning legislation? This Government tried to do that shortly after 1997. What about the underfunding, or unfunding, of the nuclear liabilities? Back in 1990, when the previous Conservative Government tried to privatise the nuclear energy industry, they simply could not do it. When the Energy Committee at the time asked for the financial reports on that privatisation from Kleinwort Benson, Rothschild and all the rest—believe me, you could have jacked your car up on those reports, Mr. Deputy Speaker—they discovered that the City of London and the private investors were not prepared to invest in it because it was too expensive and too risky. I cannot see anyone wanting to invest in it now, either. So who will pay for these nuclear power stations? Will the Government and the taxpayer foot the bill, then franchise them out under some private finance initiative scheme so that private industry can run them? Are we going to let private industry take all the profit while the taxpayer pays all the costs? I can see that going down very well.

I mentioned coal earlier. We have an anti-coal DTI at the moment. There are elements in the DTI who simply do not want to know about British coal. They want it to wither on the vine and die away. Because of environmental restrictions, the energy supplied by coal will be down to 16 per cent. later this year anyway. My hon. Friend the Member for Bolsover (Mr. Skinner) has already mentioned Haworth and Rossington is in the same situation.

In fairness, some of the mining companies that bought into the coal industry after 1994 have not been the best, but coal still has some advantages, one of which is clean coal technology. I should point out that that technology has been around for 25 years. When the Energy Committee produced its report in 1990, the first evidence that we took was from Texaco, whose representatives came to us and said, "What are you doing? We've already got clean coal technology in America. Come and look at it." It was already there; it has been around for a long time. We do not need to reinvent the wheel. The power station at Grimethorpe copied the technology that was already running a power station in Stockholm back in 1990. Clean coal technology is already here.

The other major advantage of coal is that we can stockpile it, as the Conservative Government realised in 1984. They stockpiled a lot of it for a long time. It does not run out, and we can quickly build the stations to use it. However much the DTI does not like coal, and however much people think that it is a dirty fuel, it will clearly be part of any solution, given the 10 years or so that it will take to get the nuclear power stations built. As my hon. Friend the Member for Southampton, Test (Dr. Whitehead) said, if we press the nuclear button tomorrow, those stations will still be 10 or 12 years away. We have coal here, now, and we can use it.

The problems associated with gas are well documented. Even before the Ukraine situation, there were problems. Companies in my constituency, including Potters Ballotini, Rockware Glass and Carlton Brick, are experiencing problems. I chair the all-party group on the packaging industry, and we have made representations to Ministers. When I raised the question of gas supply at Question Time in December, I was told that there was no problem and that we had plenty of it. So why did the price quadruple in December? Somebody is trading it and manipulating the market to cause those problems.

I shall finish by mentioning co-firing, or co-generation. This uses biomass with coal. At the moment, renewal obligation certificates are available to anybody—Drax power station, for example—using renewables such as oil cake, olive cake and biomass co-generated with coal. They get a 25 per cent. ROC for doing that, which will reduce to 15 per cent. That should be extended beyond April of this year.

4.29 pm

Mr. Michael Jack (Fylde) (Con): The hon. Member for Barnsley, Central (Mr. Illsley), in advocating coal, should not regard nuclear power as a rival. I support the development of clean coal technology and a wide range of alternative energy supply developments. This debate on energy security, however, illustrates one key issue—diversity is the key to security. The Government, in a document signed by the Foreign and Commonwealth Office, the Department of Trade and Industry and the Department for Environment, Food and Rural Affairs, said:

> "Britain's prosperity and wellbeing depend on access to secure and affordable energy supplies, and on mitigating the potentially catastrophic effects of climate change."

I agree with that statement and therefore support diverse energy sources.

Given the way in which Organisation for Economic Co-operation and Development countries have been depleting relatively cheap supplies of hydrocarbon fuels against a background of rapidly escalating world demand for energy, it is clear that we must take action immediately to deal with the energy security issue. In 1990, for example, 65 per cent. of the energy to generate electricity came from coal, which, by 2004, had decreased to 37 per cent., while the corresponding figure

[Mr. Michael Jack]

for gas increased from 0.7 per cent. to 35 per cent. A major change has therefore taken place in the energy market.

As far as electricity generation is concerned, nuclear has chugged on serenely at around 20 per cent. I am an avowed enthusiast for maintaining our share of nuclear-powered electricity generation. My constituency is home to the production of the majority of the fuel for Britain's nuclear power stations, and I know that by 2020, with the existing shutdown programme, the percentage of electricity from nuclear sources will be down to 7 per cent., with all the implications that that has for diversity of supply and greenhouse gas emissions.

John Hemming: Are the raw materials for nuclear energy imported, or are they mined locally?

Mr. Jack: I am sure that we are already buying nuclear energy from France through the interconnector, so the issue is of some importance to the United Kingdom.

I have been impressed by the work done on new designs. I suggest that the hon. Member for Barnsley, Central considers the OECD report, which compares and contrasts the full life costs—capital, running and decommissioning costs—of a range of new models of nuclear reactor. Even in Finland, the price of electricity generated from new nuclear reactors is comparable with that generated from gas and coal, considerably cheaper than wind, solar and micro-hydro power and cheaper than combined heat and power. That is a significant difference from the old days when we built nuclear power stations that were unable to cover their full costs without public subsidy. It is worth remembering that while Magnox power stations account for £13 billion of the £56 billion costs of Britain's nuclear legacy, our advanced gas-cooled reactors and pressurised water reactors are already covering their decommissioning costs in terms of their fuel and sites.

Frank Dobson (Holborn and St. Pancras) (Lab): Will the right hon. Gentleman give way?

Mr. Jack: No, I have given way once, and I wish to conclude my remarks.

The advanced-passive reactor, the AP1000, is already a proven technology in the world. If Britain were to move towards a family of those reactors, capital and other costs would decrease considerably. Some 1,300 man years of design and safety work has already been carried out on that type of design. In terms of fuel efficiency, the newer forms of nuclear reactor are some 10 times more economic than current counterparts—for each gigawatt of power produced, they require 30 tonnes of fuel per year, compared with 300 tonnes of the same fuel required by Magnox power stations. Those new designs are very safe and have a passive safety system, which is not reliant on electric pumps or other automated facilities as is the present case. In terms of proven technology, they have a good safety record.

The hon. Member for Barnsley, Central rightly pointed out that coal could be stored. Uranium can be stored just as easily, and as it comes from friendly sources such as Australia and Canada, it is not subject to some of the political vagaries of the international hydrocarbons market. The fuel space needed for a family of 10 AP1000 reactors could be accommodated in one small house for a year. It is not a large physical challenge to ensure that we have continuity of supply as a result of the review.

Members have spoken of the need for renewable energy. I strongly support it, whether it is land-based and harnessed from wind, harnessed from waves, or indeed obtained through the use of biomass, particularly in the context of bulk heat supplies. I note, however, a cautionary report from the company E.ON on the German experience of wind energy. Its 2005 wind report forecast that to ensure that wind can maintain its place in the energy mix, in 2020 Germany will need 48,000 MW of wind capacity—the equivalent of 2,000 MW of conventional plant. That demonstrates that if there is to be continuity of supply from wind energy, an awful lot will be needed.

The hon. Member for West Aberdeenshire and Kincardine (Sir Robert Smith) neatly sidestepped the critique issued by the former energy Minister Brian Wilson, who observed in the House that while in general the Liberal Democrat party seemed to be in favour of wind, whenever a specific project was suggested they objected to it. I heard nothing from the hon. Gentleman to disabuse me of that idea.

I strongly concur with what has been said today about energy saving. I applaud the Government's provision of money to mobilise citizens to become involved in energy-saving projects, but there must be a concerted effort by local authorities, the Department for Environment, Food and Rural Affairs, energy providers and everyone else to make citizens understand what they can do individually by reducing electricity consumption or improving the efficiency of their houses.

My purpose in speaking has been to emphasise the importance that I attach to nuclear energy. I hope that the Government will soon reach a conclusion on the review. We in the United Kingdom must maintain our nuclear skills, particularly in fuel manufacture, design and build. I firmly believe that nuclear energy is one of the key technologies for the future, and that the United Kingdom can play a positive role by replacing its existing nuclear power stations with a new generation of AP1000 designs.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Michael Lord): Order. Before I call the next speaker, I remind the House that the winding-up speeches will probably begin in a little over an hour. A good many Members are still seeking to catch my eye. There is already an eight-minute limit on Back-Bench speeches, but if Members could take rather less than their allotted time it would be very helpful, not just to the Chair but to others who are waiting to speak.

4.38 pm

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I shall begin where the Secretary of State began. He pointed out that electricity generation in this country is divided among a number of diverse sources, 40 per cent. being provided by gas, 33 per cent.

by coal, 20 per cent. by nuclear power, perhaps 4 per cent. by renewables and a little by oil. That diversity provides some security, which I feel should be the nub of the argument. Nevertheless, enormous pressures are building up which will have an impact on the energy market. The International Energy Agency has said that over the next 30 years the demand for energy will increase by about 1.7 per cent. per annum. That increase will bring about new build of power stations. In Europe alone we will require 130 GW of energy replacement and new energy. Let me give the House an idea of how much that is. Drax power station, which is the largest power station in Europe, is 4 GW, so we will need to build a lot of Draxes to meet an energy demand of 130 GW over the next 30-odd years.

The point has been forcefully made that in moving over to gas, the threat is that we could become over-dependent on it. Gas is currently scarce, and we know that some 400 million cu m of gas is used daily. The Secretary of State said that we can meet likely demand this winter, and we know that gas supply is likely to increase when the Norwegian interconnector is through. In fact, as a result there is likely to be a 28 per cent. increase.

John Hemming: Does the hon. Gentleman accept that, as the production figures show, although it is feasible to import gas into storage, market pressures operate to prevent that from happening?

Mr. Clapham: Market pressures certainly do operate in that way. As my hon. Friend the Member for Stoke-on-Trent, North (Joan Walley) pointed out earlier, speculation in the market causes certain problems. Companies in her constituency have closed down and sold gas on, so there are difficulties associated with the market mechanism that need to be looked at.

When gas capacity increases by 28 per cent., there is likely to be another dash for gas, unless a mechanism is put in place to prevent it. Given the likely simultaneous decommissioning of coal-fired and nuclear power stations, unless we can restrict that dash for gas, 70 per cent. of our electricity generation needs may have to be met by imported gas. In the first instance, such gas will come from Norway, but within five years Norwegian gas is likely to become very scarce, so we will be dependent on gas coming down the pipeline from Russia. Russia has become an energy superpower that will provide energy for the whole of Europe. There are real dangers in that. The phenomenon of terrorism and the problems that may arise because of international disputes put us in a very vulnerable position. I therefore hope that during the review, the Minister will look seriously at the question of how we move forward. One driver will be climate change, which will be the big issue for the Minister to examine when he considers all the factors that impact on the review.

As was pointed out in strong terms by my hon. Friend the Member for Barnsley, Central (Mr. Illsley), coal is seen as a dirty fuel and we have got to get beyond that. The increase in the global energy market over the next 30 years is likely to occur in carbon fuels, and we have to be able to burn those fuels in a way that is compatible with our environmental aspirations. Clean coal technology provides that opportunity, and it is already here. Mitsui Babcock is producing supercritical boilers with a carbon capture facility; some are already being exported to China. We need to incentivise generators to invest in new clean coal technology. The first phase will be supercritical boilers with carbon capture, and the second is likely to be integrated gasification combined cycle units. I understand that four projects have already been given approval, so we are likely to see developments there too.

I believe that clean coal technology can help to provide the solution that the Minister is looking for. It would allow us to burn coal, capture the carbon and use that carbon either for sequestration in the North sea or in other projects—for example, infusing carbon dioxide into coal seams to enhance the gasification process. There is already a project running in Scotland; Strathclyde university is involved, and it may go commercial. There are a number of ways in which we can deal with carbon dioxide. Clean coal technology will help us to provide a sound energy base, but it also provides another opportunity. If we are to deal with the global carbon dioxide problem, we shall have to transfer technology into the countries that now use enormous amounts of coal, such as China, India, Brazil and the up and coming new economies. We need to invest in clean coal technology, and I hope that the Minister will see it as part of his solution.

The UK coal industry was privatised by the Conservatives in 1994. They privatised it into a failed market situation when it was below its critical mass, and they knew that it would wither away. Since then, the industry has been dependent on the Government, and had it not been for the present Government, it would already have passed on. There are now seven producing collieries, six in England and one in Wales, and there is a possibility of a new mine being sunk in Margam. That will be done in partnership with Corus, and it is for metallurgical coals.

The English coalfield needs investment. I hope that my hon. Friend the Minister is prepared to make that investment to ensure that it can continue to make a contribution to energy security.

4.47 pm

Mr. Quentin Davies (Grantham and Stamford) (Con): I shall not say anything this afternoon very different from what I have said on previous occasions on this subject, but I shall say it with greater urgency, because of present circumstances in the world, and with a greater hope that it will be taken seriously both by the Government and by my Front-Bench colleagues, who, as we heard this afternoon, are to conduct their own parallel energy review.

There have been two dramatic developments in the world over the past few months that we cannot ignore. One is that although the evidence of climate change has been apparent to us anecdotally for some years, because of such things as the changes in the seasons in this country, there is now empirical evidence, based on the latest measurements, that the amount of cold water sinking in the North Atlantic, which is the mechanism for the gulf stream, is falling. That is terrifying, because if the gulf stream failed, or was reversed, in a few generations' time this country would have a climate comparable with that of Labrador today.

[Mr. Quentin Davies]

That is a major threat, and we have to take it seriously. We know that we are not likely to reach the 60 per cent. reduction in carbon emissions by 2020 to which we have committed ourselves—at least, not without some major new action.

The second new development is the substantial rise in the price of natural gas, which has doubled over the past couple of years, coupled with the fact that we have become a net importer of natural gas. Anyone who knows anything about the energy business knows that all gas and oil fields follow a bell curve pattern: once exploitation begins, production increases quite rapidly, then there is a plateau for quite a long time, but when the field begins to run into diminishing returns, production falls sharply away. I am afraid to say that the news can only get worse on natural gas against a background of rising international prices and energy demand. Being dependent on the Netherlands and Norway is, as has been said, relatively reassuring, but once we come to find a substantial proportion of our natural gas deriving from Algeria or Russia and other such countries, we will need to be very worried.

Frank Dobson: Will the hon. Gentleman give way?

Mr. Davies: I cannot as I am trying not to go into extra time.

Against that background, I do not think that energy saving is enough. Of course, we all want to go in for energy saving, but we have to recognise that demand for energy will be increasing at the very time when some of our power stations, particularly the nuclear ones, have to be decommissioned. We must replace those sources of energy with new ones. We must also provide for new energy in future. Simply to talk about energy saving, as the Liberal party does, is a complete abdication. It is a cop-out, not a responsible policy line.

Nor do I believe that renewables can be the answer. After all, all we have had so far from renewables has been wind. There has been no progress on ambitious ideas about mobilising tidal energy. Wind is very expensive. Subsidies disguise the additional economic cost, and wind is available on average for only 30 per cent. of the time. It is not a baseload source of energy, and although it is fine if it provides 4 per cent. or even 10 per cent. of energy—a few percentage points would be very desirable—it eventually becomes impractical, because we would need so much back-up capacity that the fixed costs of the back-up for when there is no wind, which is on average roughly 70 per cent. of the time, become excessive. That is not a solution.

The only solution is that supported by colleagues and me. I very much endorse what my right hon. Friend the Member for Fylde (Mr. Jack) said, and what he has also said on many occasions. We need to go, ambitiously and bravely, for a major programme of building new nuclear generators. In other words, we need to do, 20 years later than they did, what the French have so successfully done. I should like us to commit ourselves in the next few years to building, say, 10 new EPR stations, or perhaps dual reactor stations. Ten of those with 3 GW to 4 GW each would produce in 25 or 30 years time about half our current energy needs.

If we are to move down that road, Parliament will have to take some decisions. We shall have to make a decision on a licensing regime. The nuclear inspectorate of the Health and Safety Executive has gone to sleep over the past few years so far as licensing new models is concerned, even though new stations have been built in France, Finland and elsewhere. The inspectorate has done no work on that, and there will be enormous delay in getting it into gear. We should go for an EU regulation and licensing regime, which would enable us to leverage on the experience of the French and the Finns.

We have to do something about the planning regime. We cannot possibly have the absolute fiasco of the Sizewell B inquiry, which I think lasted six years. From my experience in Northern Ireland, I can see what happens when we put a lot of lawyers in a room and pay them large amounts of money daily, as in the Saville inquiry. It all goes on for years and years and years.

If we are going to do what I suggest, it will have to be done by private Bill procedure. Of course, private Bills can be prayed against, and Parliament can hear the evidence. We would never have built a railway system in the 19th century if it had not been for private Bills. I think we have to get back to that. I remember in my first Parliament supporting the private Bill on Felixstowe dock and harbour. We would never have had the Felixstowe dock without adopting that procedure, and what a success that has been.

Then there is the climate change levy. We should not give a bonus to existing stations, which are making a reasonable amount of money and are rapidly depreciating. But for new nuclear build, we should exonerate energy produced by those stations from the levy. There is no real logic about applying the climate change levy to nuclear energy, which produces no carbon at all and does not affect the environment. We should remove that anomaly.

Finally, we need to do something about limiting regulatory risk. The state—be it in London, Brussels or Vienna—is in a broad sense responsible for regulation, and if we are to get private sector capital investment in building new nuclear power stations, investors must be sure of the rules of the game on, for example, fuel treatment, recycling and decommissioning. They must be sure that the rules will not suddenly be arbitrarily changed. If the rules are changed, it is reasonable to require the state that changes them to meet the associated economic costs.

Investors in the energy industry and others are looking at an average oil price of $50 a barrel, and that offers a viable reason for revisiting the nuclear programme. As I said, two of our EU partners, Finland and France, have made that analysis already. France is gaining immense benefits—some of the figures were quoted earlier in the debate—from the very brave decisions that it took in the 1970s. That is the way forward for us too, and I hope that the Government, and my colleagues on the Opposition Front Bench, have the courage to say as much over the coming months. We need to make a decision without delay.

4.55 pm

Colin Burgon (Elmet) (Lab): The recent dispute between Russia and Ukraine has given the debate a sense of urgency, and the question of energy has entered the public consciousness in a way that I have not known before.

I was surprised by the reaction of some right-wing think tanks and Government spokesmen in the US—the terms may be interchangeable—in criticising Russia's role in the dispute. The advice when communism collapsed was that Russia needed a big dose of marketisation, so there is a whiff of hypocrisy in the air. The US has never been afraid to use its muscle in the energy sector, the oil embargoes that it has imposed on Cuba being only one example.

I understand that the price that Ukraine paid to Russia for gas was about one fifth of the level in western Europe. It could be argued that that was detrimental to the wider environment, and I am sure that the Russians would argue that it was also detrimental to their economy. However, we should not be surprised by what happened in that dispute, as greater marketisation will inevitably lead to more conflicts of that nature. I was glad to hear my right hon. Friend the Secretary of State say that diplomatic channels represented the best way to deal with such problems in the future.

The conflict between Russia and Ukraine caused certain people in this country to express their ideas about how to ensure security of supply in the future, but we must put the matter in context. As has been pointed out, we get roughly 70 per cent. of our gas from Norway; we do not get it from Russia.

At the head of the queue of people giving us the answers to our energy problems are those in the tremendously powerful nuclear power lobby. I do not want to go into too much detail, but I have several questions for them to answer. First, how will we manage the increased amount of nuclear waste? What about the costs of a new nuclear programme? I have read that six new stations would cost some £26 billion. Interestingly, some Opposition Members have said that the state should play a key role in underwriting the building of new nuclear power stations. I think that that proposal is very dangerous.

Another question has to do with wider security matters. If the UK goes nuclear, other countries will follow, and the existence of a broader nuclear skills base clearly increases the possibility that countries will acquire nuclear weapons. North Korea and Iran are obvious examples of that. American intelligence sources are occasionally worth listening to, and I understand that they have learned that al-Qaeda was thinking about attacking nuclear power stations—another factor that must be taken into consideration.

Even if a green light is given to new nuclear construction, decades will pass before such stations will be able to supply power. In contrast, measures can be introduced now to promote energy efficiency and renewable generation. I hope that the Government will not give way on the objective of getting 10 per cent. of electricity from renewable sources by 2010, rising to 20 per cent. by 2020.

Promoting energy efficiency is a wise, sensible and practical policy, but we must not forget to look at the efficiency of electricity generation. It has already been pointed out that electricity generators lose all but some 38 per cent. of the energy of their fuel through inefficient technology. On the consumption side, only 18 per cent. of houses in Britain are fully insulated. A detached house built in Britain, even under today's modern standards, consumes nearly 20 per cent. more energy than the equivalent home built in Denmark. Perhaps we should appoint an energy conservation tsar—we would have to clear it with the Russians first—who could massively raise public consciousness on the issue.

If security of supply means looking at what we can promote domestically, I add my voice to the strong case that has already been made for our deep-mined coal industry. Some 33 per cent. of our electricity is generated by coal, and 60 per cent. of that coal is imported. It is reckoned that in Britain we have 200 years of coal reserves, but only 40 years of gas reserves. We have used only 15 to 20 per cent. of our coal reserves in the past 100 years. As has been pointed out, carbon sequestration and underground gasification offer the prospect of clean coal technology, and it is much further advanced than people would have us believe.

There is a need for investment in the coal industry and we need to take a long-term view. I welcome the £35 million in grant aid from the Government to demonstrate the possibilities of carbon abatement technology, and I understand that it will come on stream in April this year for some four years. However, more operating and investment aid for coal should be considered. At present, the Government provide 30 per cent. of the cost of development work and the coal producer has to find the other 70 per cent. The current investment aid fund has been used up, but banks will not lend against the short-term contracts that are placed by the generators with the coal suppliers. In the United States, coal suppliers have 25-year contracts. Why cannot we have them in this country?

Coal mining is a long-term, capital-intensive business, requiring some form of Government intervention—that might not be popular with some—in the current structure of the market to ensure continued supplies of UK deep-mined coal. Loans, or loan guarantees, secured on future coal sales are a possible answer, and I hope that the Minister will address that point when he winds up.

I accept that we need an energy mix and should not rely on one particular fuel. However, I desperately want the UK deep-mined coal industry to be part of that mix. Action is needed urgently, because we now have only eight collieries and we lack the critical mass that the industry needs to retain the experience and skill and preserve it for the future. It may be an unpopular suggestion, but I believe that there is no future for the coal industry unless it is brought back into public ownership.

I question the 2003 energy review which concluded that the Government would not intervene in the market except in extreme circumstances. Markets are not infallible, and indeed they often tend towards short-term thinking. There is a role for Government and I hope that this review will confirm that.

5.3 pm

Peter Luff (Mid-Worcestershire) (Con): I suppose that every Select Committee Chairman thinks that the subject his Committee covers is the most important facing the country, but there is a strong case for saying that the subject of today's debate is one of the very most important. Therefore, I hope that the Minister will accept that I am not being partisan when I say that I am very disappointed by the length of time available for this

[Peter Luff]

debate. Three hours is not enough, as the ridiculously short limit on Back Benchers' speeches and the competition to speak demonstrate. It falls short of the assurances that we were given about a full day's debate on this subject.

There was a very good debate on the issue yesterday in the acting Westminster Hall, introduced by the hon. Member for Paisley and Renfrewshire, North (Jim Sheridan). I am sorry that I was not able to attend, but I have read the report of it. I was struck by the considerable consensus in that debate, which we have seen again today, about the basic issues confronting us, especially the need for diversity of provision and—an issue I wish to emphasise—the protection of skills in the different energy sectors.

I have two initial thoughts. It is said to be a Chinese curse to wish that someone live in interesting times, but this is one of the most fascinating intellectual, technical, economic, environmental and geopolitical issues of our time. I am sure—from speaking to them privately—that Ministers relish the challenge they face. The trouble is that media coverage and public debate tend to be in inverse proportion to the seriousness of issues because the very complexity that we face in this issue tends to put people off. Sometimes, if we are honest, we are distracted from the most pressing issues by the interest in other less important issues.

I am glad that the hon. Member for Elmet (Colin Burgon) mentioned the actions of Russia and Gazprom, which have done us in an incalculable favour. Digby Jones was, if we are being honest, being a bit alarmist towards the end of last year, and Ministers were probably right to be cautious in their response, but energy supplies are now extremely precarious and becoming more so. Until this winter is over, and it is not over yet because British winters can easily last until Easter, we cannot breathe easily. Whatever the weather, the Russians have not only done us a political favour by reopening the debate and forcing the issue up the agenda; they are also moving us closer to a proper wider European energy market wherein prices are rather closer to true market conditions.

Perhaps the Russians picked on Ukraine partly for political reasons, but they were selling their gas far too cheaply, and the movement to market prices will enable countries such as Ukraine to take more rational decisions about how they use energy and force them to close their windows in the winter. The growing concerns about energy prices and security of supply are forcing a much more mature debate in this country as well, as we have seen here this afternoon. The Russian action forced the issue right into the headlines. I am told that my Committee's grilling of the Minister for Energy on 31 October was the Christmas highlight of the Parliament Channel, with frequent repeat showings throughout the recess. The hon. Gentleman shakes his head, as I do, because sadly there is no appearance fee on the Parliament Channel.

The February 2003 White Paper struck many of us as rather disappointing, and it is welcome that a review is under way and being conducted with some urgency. As for its conclusion, I am not sure what early summer means, but I hope that the Minister can stick to that deadline. It took quite a long time from rumour, leak, briefing and a declaration of intention to actual announcement of the review, but I am glad that we have got it.

These are issues that, as previous speakers have said, have concerned the Trade and Industry Committee for many years now. In the last Parliament, there were two major reports, in early 2002 on the security of energy supply and early last year on fuel prices, under the excellent chairmanship of Lord O'Neill of Clackmannan. As this is the first time that I have spoken as Chairman of the Committee, I would like to pay a special tribute to Lord O'Neill. He was a fine Chairman and he is sorely missed; I am glad that he is still benefiting us with his expertise in another place.

It will come as no surprise to the Minister if I tell him that we meet next week to consider how we will conduct our parallel inquiry into the Government's review. Already in this Parliament we have looked at gas in a report published last month, to which the Government responded today. I had hoped to speak rather earlier in the debate and draw the attention of the House to the fact that the Government have responded to the report—not something that was put on the record in the Deputy Speaker's opening statement—and that the response is available in the Vote Office.

It is a very good response. In fact, I go so far as to say that it is one of the most exceptionally helpful, thoughtful and constructive responses I have known in my time as Select Committee Chairman, in this case and as Chairman of the Agriculture Committee. It treats all our recommendations with great seriousness and allays my concern in many areas. It makes encouraging noises about those people, other than the elderly, who suffer from fuel poverty. On industry, it says some helpful things about how it intends to help big users, and I am glad about that.

I have in my constituency a big brick manufacturer, Baggeridge Brick. We must recognise that the demand response of which the Government's response to our report speaks means that the capacity is not there, and brick factories have been closing. Hanson has already closed a quarter of its factories for the next month, and Baggeridge Brick has written to me to say:

> "Unless something is done quickly to stabilise the gas price then the only possible outcome can be further job losses in the UK manufacturing sector and increased import penetration of building materials from Northern Europe."

That, I think, is right.

The question of European liberalisation is one of the other big themes of our report, and it has been a big theme of this debate. We all want it, and I think that I join in the criticism that not enough has been achieved during the presidency, but it is a very difficult thing to achieve. Can the European market be liberalised in the short term without requiring Governments and the private sector to tear up perfectly legal contracts? That is a legal challenge for us. Liberalisation of the European market is high on the Commission's agenda.

When we went to Brussels before Christmas I was very impressed with what I heard from officials there, but one cannot argue with the fact that the UK will struggle to buy gas in Europe unless either it is able to set up long-term contracts similar to the ones that already exist there with gas producers, so undermining development of the real gas market to which we all

aspire, or European countries voluntarily, or as a result of being forced by the European Union, surrender their long-term contracts and trust themselves to the competitive market. These are difficult issues. I had hoped to say more about storage, but it has already been extensively covered, and I welcome both the Government's response to our report and the Secretary of State's helpful opening remarks.

The last energy policy White Paper in 2003 may have been disappointing in some respects, but its goals remain valid: cutting carbon dioxide emissions, maintaining the reliability of energy supplies, promoting competitive markets in the UK and beyond and ensuring that every home is adequately and affordably heated. Perhaps we can now have a rational debate in the context of the Government's energy review, where prejudices for and against any one energy source—including, I must say to the Liberal Democrats, nuclear power—are abandoned for hard fact in the face of compelling reality.

I will not prejudice my Committee's work, but I am sure that we shall conclude, as the House has, that over-dependence on imported gas from countries with less than perfect political stability is a bad thing; that renewables and clean coal technology have a crucial role to play—come back coal, all is forgiven; that energy efficiency needs to be improved to combat climate change, not so much in the industrial sector but in the domestic and transport sectors; and that the emissions trading scheme, which sets the price of carbon, will have a crucial role in deciding whether the private sector can invest in nuclear power. We may even approach consensus on the nuclear question, although carbon neutrality issues are much more complex than they seem: how much energy goes into mining uranium, or into building nuclear power stations or wind turbines?

This is one of the most important debates that the House will hold in this Parliament or the next. It does not end today; it merely begins. But at least in part, thanks to the apparently reckless actions of Gazprom, it may be better informed and more urgent—as it needs to be.

5.11 pm

Joan Ruddock (Lewisham, Deptford) (Lab): Unlike the hon. Member for Mid-Worcestershire (Peter Luff), I warmly welcomed the energy White Paper in 2003. For the first time, the Government acknowledged something that many of us had held true for a long time: we cannot separate energy generation and use from the environmental consequences.

The White Paper offered, in a global context, the way ahead for the UK for a generation. It showed an exciting prospect—facing the challenge of achieving a low-carbon economy—and pointed to important firsts, such as the first straw-fired power station in Cambridgeshire, the first commercially operational wave power station on the isle of Islay and the rapid development of wind turbines. None of the annual reports that were promised and have been issued since then—the last one was in July 2005—has indicated any need for a major change of direction. So what has happened?

Members and Ministers have cited climate change, but the White Paper stated that our first challenge was environmental and that climate change is real. It accepted the recommendation of the Royal Commission on Environmental Pollution for cuts of 60 per cent. in CO_2 by 2050. Today, the Secretary of State cited the more rapid decline in North sea gas and net importation, but that, too, was anticipated in the White Paper. It noted that the second challenge would be the decline in indigenous energy supplies and that we would be a net importer of gas in 2006. My right hon. Friend spoke about the decommissioning of our nuclear reactors. That is a fact. The White Paper said that probably only one nuclear plant would be open by 2025.

The importation of gas was recognised; the White Paper said that we would need additional supplies of both piped and liquefied gas from a range of sources, and noted that diversity of gas supply would be important. All the key issues were flagged up. The goals set to cut emissions, retain reliability of energy supply, promote competition and ensure that every house was adequately heated were all thought to be achievable without new nuclear build.

Nuclear is neither clean nor carbon-free. It produces highly toxic waste, which other Members have mentioned. It offers no solution to the problem of climate change. In a life cycle analysis, from the mining of uranium through to the decommissioning of the plant, nuclear power is in no sense carbon-free and in the worst-case analysis is just as dirty as a gas-fired station.

We need to examine more carefully the nuclear contribution to our energy needs. The debate has really been about electricity generation. Primary energy sources, however, show us that gas is 40 per cent., oil just over 30 per cent., coal 16 per cent., but nuclear is only 7 per cent. Transport uses 35 per cent. of our energy supply. Our domestic use is 30 per cent. Industry uses just 21 per cent. So nuclear power may be a significant source of electricity production, but not many of us heat our homes with electricity or drive cars powered by that source. The very sectors that have accounted for the greatest increase in demand—our home heating and the use of our cars—and created the worst pollution are not being served by the nuclear industry.

I suggest that the costs, the risks, the development time and the production of radioactive waste associated with new nuclear build are all far out of proportion to the potential emissions savings. Furthermore, the argument that new nuclear build is essential to meeting our CO_2 targets is an extremely dangerous one in the international context. The UK accounts for just 2 per cent. of global CO_2 emissions. We all know that the greatest future contribution to and threat from CO_2 emissions comes from China, India and Brazil and such developing economies.

Mr. Quentin Davies: Will the hon. Lady give way?

Joan Ruddock: I am sorry, I cannot.

If we cannot cope with solving our CO_2 emissions without new nuclear build, what does that say for countries such as China? One new dirty coal power station is being built in China every week. Are we to suggest that China goes wholly nuclear to deal with its energy needs and its CO_2 emissions? That is absolute nonsense. How long would uranium last if China did so?

As my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) in particular has said, the answer clearly lies in the clean coal technologies and, as

[Joan Ruddock]

many Labour Members have said, in developing renewables. That is the way that we help the emerging economies and the least-developed countries of the world. If we are serious about our global leadership—I believe that we are—that is what we must do. I thought that that was what we were doing.

The second report on the White Paper was absolutely packed with positive achievements. The framework treaty with Norway will ensure that up to 20 per cent. of UK future gas demand comes from that country. The hon. Member for Grantham and Stamford (Mr. Davies) spoke about unreliable countries and cited Algeria as one of them, but Algeria has provided energy to Europe for 40 years without significant interruption. We have increased the renewables obligation to more than 15 per cent. by 2050. We have doubled the energy efficiency commitments, by making a £2 billion investment. We have exceeded the Warm Front scheme targets. We are developing carbon abatement technologies. We have taken action and have plans for a range of renewables. We have new buildings regulations. We have an energy efficiency fund. We could do all those things better and we could do more of them.

I particularly welcome the energy review, by which we can find out how to do better with the renewables obligations. Opposition Members may be surprised that France generates more electricity from renewables than we do, as do Germany and Spain. There is so much that we could do. We could raise our building standards to the highest that operate elsewhere in Europe. The borough council in my constituency uses only green energy. Why does not every local authority use only green energy? A state-of-the-art, low-energy school has been built in my constituency. Why is every school not built to that standard?

I tell Ministers that we must not lose our nerve. Nuclear energy production is now an old technology and, like all old technologies, it leads to environmental degradation. It is not the answer. We can do more on renewables. We can do much more on energy efficiency, which is responsible, and we can reduce demand without reducing our lifestyles. The energy review needs to be predicated on the basis that this country and the globe need environmentally sustainable development, which needs to be at the heart of the review.

5.19 pm

Richard Ottaway (Croydon, South) (Con): Much as I was looking forward to the prospect of giving lengthy advice to my constituent—the Minister for Energy—in the interests of brevity I will keep my contribution short. I am not alone in finding the Russian Government's decision to cut off gas supplies to Ukraine chilling, and the implications are quite substantial. In truth, being dependent for our energy supplies on a country that is prepared to cut off those supplies will emasculate our foreign policy. In certain circumstances, our foreign policy could be affected by dependency on imported energy from risky nations.

That leads me to a conclusion with which the hon. Member for Lewisham, Deptford (Joan Ruddock) will strongly disagree—that we must greatly increase our dependence on nuclear power. To me, the question is not nuclear versus coal but nuclear versus gas from risky sources. I am a strong believer in nuclear power. The French derive 75 per cent. of their energy from nuclear and 15 per cent. from hydroelectric, so 90 per cent. of their energy comes from their own sources. I agree with my hon. Friend the Member for Grantham and Stamford (Mr. Davies): at least 50 per cent. of our energy should come from nuclear sources.

Mr. Edward Vaizey (Wantage) (Con): One of the points that Labour Members have refused to hear by refusing to accept any interventions is that we have already lost the global leadership debate. They want to stop nuclear power, but India has already committed to getting 25 per cent. of its energy from nuclear sources.

Richard Ottaway: I am grateful to my hon. Friend for making that strong point. Both India and China are to use a mix of nuclear and coal generation. The hon. Member for Lewisham, Deptford wants to see clean coal technology; I do too, but not to the total exclusion of nuclear power.

My next point is on the lack of an investment structure in this country. Several investment projects are on hold because their promoters cannot envisage proper payback for the investment needed. Building a new generating station requires a 30-year payback period. At present we have the volatility of a spot market, which we have seen fall to a very low level in the past couple of years. No senior executive will commit to a 30-year payback unless he can foresee a steady cash flow that will pay for the station. The previous Minister for Energy promised to look into encouraging long-term investment in generating capacity. I hope that the present Minister will take up the issue.

The hon. Member for Barnsley, Central (Mr. Illsley) made a very good point about co-firing. Co-firing is the burning of biomass in a coal-fired power station—10 per cent. biomass to 90 per cent. coal—and the biomass qualifies for the renewables obligation. The practice has been successful, and I believe that the Department of Trade and Industry is sponsoring research into how to achieve a biomass burn of more than 10 per cent. Burning 10 per cent. biomass means 10 per cent. less CO_2 emissions going up the chimney, so it is a good thing. However, in 2002 it was decided that the 25 per cent. cap on the contribution to renewables would be reduced to 10 per cent. in April this year. At the time that did not look like a stupid decision because gas and electricity prices and economics were very different, but the situation has changed. It now seems fairly bizarre to have decided to reduce the amount of biomass that can be burned in co-firing at a time when all the indicators suggest that we should be increasing the amount.

I wish the Minister for Energy well in his review. I believe that the suggestions made by my hon. Friend the Member for Rutland and Melton (Mr. Duncan) have merit. The truth is that we have a risky road ahead of us. The Minister has difficult decisions to make.

5.24 pm

John Robertson (Glasgow, North-West) (Lab): We have been having an interesting debate. We have a pro-nuclear element on the Conservative Benches and an anti-nuclear element on the Labour Benches, so today I

feel somewhat embarrassed to be standing on the Government side of the House, given that I am chair of the all-party group on nuclear energy. It will not take a genius to work out whether I am in favour of nuclear energy.

In this short contribution, I should like to take account of what has been said today and advance an argument about why we are debating this issue and why we should not discount one form of energy in favour of another. I was particularly disappointed by the Secretary of State's contribution—the Minister may wish to respond, either now or in his winding-up speech—as it appears that we have already conceded that we will import gas to meet our future energy needs. That is a great mistake. The country needs to look at its energy needs and try to provide its own energy. If that means that we cut gas imports, so be it. We do not need to put all our eggs in one basket and go down the nuclear route. We do not necessarily need new build, but we should replace our existing power stations. The efficiency of the new power stations will increase the electricity available from nuclear.

Malcolm Wicks: My hon. Friend has misunderstood the position. In the consultation document we say that unless things change there will be a heavy reliance on gas imports, and we ask what the implications are. That is not necessarily what will actually happen.

John Robertson: I thank the Minister for that correction. I am pleased that that is the case, but it is not what I thought I heard earlier.

I have visited Finland and Canada in the past few years, and have seen what is being done with waste in Finland. I accept concerns among hon. Members and, indeed, the general public about waste. Who knows? Perhaps the waste of today is the energy of tomorrow. We need to put that waste in a secure place so that it is safe but can be retrieved if we need it for future energy needs in the years and perhaps centuries to come. We should therefore not adopt a short-sighted approach.

We need the right mix. Clean coal technology is an excellent way forward. My hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) said that it is here today, and I hope that that is the case, as we could make a great deal of money in China and we could sell the technology to other countries. We must pursue that approach. I was pleased to hear earlier this week that China and Britain are working together to try to promote clean coal technology in future, and I hope that that is successful. Unlike some hon. Members who spoke about renewables, I believe that we should put money into them, as we do not know what we will need in future. Usage has increased. How many households nowadays have more than one television? We used to crowd round the television and eat our tea, but today the kids go to their room, which is heated by its own fire, to play with their PlayStation and watch television. I do not know how we stop them doing so. Hon. Members have talked about increasing household energy efficiency. That has been tried in many countries, but it has never provided enough savings to spread the benefits across the whole nation.

Gas reserves in the North sea are going down, but they are still significant, and businesses should use them to provide heating or to supply gas-related products. However, perhaps we should think about cutting gas usage rather than increasing it. As for costs, which were mentioned my hon. Friend the Member for Lewisham, Deptford (Joan Ruddock), I accept that electricity is expensive, which is why people use gas. Oil, too, was popular when it was cheap. If gas prices keep increasing gas will become expensive. It is a finite substance and it will not be available for ever. There may be a run on gas in 10 or 20 years' time, but supplies will not last for ever. The House and hon. Members should think not just about today's generation but about tomorrow's. It is important that we think a few years down the line.

I know that other Members wish to speak, but I want to mention a briefing that I received from the Institution of Electrical Engineers, supported by the Energy Institute, the Institution of Chemical Engineers, the Institution of Civil Engineers and the Institution of Mechanical Engineers. On the disposal of nuclear waste, the briefing stated:

> "New nuclear build to maintain existing capacity would add only in the order of 10 per cent. to existing waste."

Some newspaper reports have said that that is not true, but it is. To discount the reprocessing of nuclear waste is to stretch the truth a bit far.

The report from the Committee on Radioactive Waste Management is due soon. I hope it will propose sound and reasoned ways of disposing of our waste. Other countries have gone down that road. The report from the Canadian body chaired by Elizabeth Dowdswell, who is well known in waste management circles, recommended the same solution as has been adopted in Finland—deep burial. Once the Americans have dealt with the litigation that has arisen, they plan to use a similar method in the Yucca mountains.

That is not necessarily the right way for us to proceed. We must remember that the waste is here now. It is not the new waste produced in future that will be the biggest problem. As I said, we can cater for that. Irradiated waste is already produced by our hospitals. Do we not want people to have X-rays or scans as part of their medical treatment? We need a place to store such waste, as well as nuclear waste. I hope CORWM will identify options for storage.

I have crammed a lot into a short space of time. The UK needs a balanced energy policy. No doubt the Minister shares that belief. We should exclude nothing. I do not want to be part of a party that is blinkered about any kind of energy policy. I will listen to everyone's views. I particularly mention the Liberals and the Scottish National party, who have already declared that they do not want nuclear under any circumstances. That is backward-looking and would not encourage me to look towards such a party for government.

5.32 pm

Mr. Mike Weir (Angus) (SNP): I am surprised at the last comments from the hon. Member for Glasgow, North-West (John Robertson). I remind him that his party is in government with the Liberals in Scotland.

The House will not be surprised to learn that the situation in the North sea is of particular concern to me and my party. I pointed out earlier that the existing gasfields west of Shetland were not being exploited, partly because of the tax regime. I was not encouraged

[Mr. Mike Weir]

by the response from the Secretary of State, which we have heard so often before. We were told that last time the Chancellor changed North sea taxation, he had created a stable tax regime. We are told now that there will be no more changes, but that is two years after he allegedly created a stable tax regime.

Security of energy supply does not mean that we necessarily have hands-on control of every part of our energy supply, but it does mean that we maximise what we have of our own. It makes sense for us to maximise the use of the gas in the North sea. After all, the dispute between Russia and Ukraine can hardly have come as a surprise. The use of energy as an economic weapon is well tried. Some of us are old enough to remember the oil price shocks of the 1970s.

We should be cynical about what is being said about the North sea. Papers released over the Christmas recess show that what was effectively a conspiracy was hatched some 30 years ago to deny the true level of oil and gas in the North sea and prevent Scotland from moving towards independence. At that time, we were told that if Scotland achieved independence, we would lose the entitlement to supplies in much of the central North sea, but the documents show that that was totally untrue, because Scotland would have been entitled to at least 80 per cent. of the oil. The documents also note that under the proposals advanced by the SNP, the life of the oil fields could have been extended to 100 years as opposed to the current situation.

Although the Minister for Energy has said that up to 80 per cent. of the UK's gas supply could come from abroad by 2020, that need not be the case in Scotland, which produces much more gas than we actually use. The Minister has said that the outcome of the energy review has not been decided, but the Prime Minister seems to be going out of his way to suggest that the outcome will be new nuclear power stations, which Scotland neither needs nor wants. At the moment, Scotland has 60 per cent. of Europe's oil reserves, more than 12 per cent. of Europe's gas reserves, nearly 70 per cent. of the UK's coal reserves—8 per cent. of the EU's total coal reserves—a quarter of the EU's potential for wind power, 10 per cent. of the EU's potential for wave power and 25 per cent. of the EU's potential for tidal power. A report commissioned by the Scottish Executive in 2001 found that renewable energy could produce six times Scotland's current electricity capacity. Indeed, offshore wind power alone could meet Scotland's needs two and a half times over, and the Pentland firth has been described as the Saudi Arabia of tidal power.

The Minister will not be surprised that I am going to raise the question of transmission charges with him again. Although we have heard a great deal about decentralised energy supply, which I support, the reality under the present regime is that if we are to invest in renewable power, we must get the transmission charging regime right. Scotland's potential for renewable power is being undermined by the regime imposed by Ofgem, which makes renewable power more expensive to produce in Scotland than, for example, in the south of England, yet there is no demand in the south of England and a great deal of demand in Scotland. To be fair to the Minister, he has announced that he will change the regime for the Scottish islands, but he has not done so for the highlands of Scotland. For the umpteenth time, I ask him to reconsider the matter.

We have heard a lot about the possible liberalisation of the gas market within the European Union. At the outset, the Minister said that gas in the UK is not expensive in European terms, but I refer hon. Members to Ofgem's evidence to the Trade and Industry Committee, which probed the issue. In response to my question on the difference in energy prices in the UK and Europe, Ofgem told me that it had carried out a

> "'gas probe', which identified that effectively UK customers had paid an additional £3.8 billion in the 2003–04 period, and we equally identified that between 50 and 60 per cent. of that was due to the oil indexation which European gas contracts have".

The difference between the very liberalised market in the UK and the much more regulated market in the European Union results in a real cost to consumers of gas.

I was interested to note that at the Hampton Court summit at the end of the UK's presidency of the EU, the Prime Minister suddenly seemed to convert to the idea of an integrated European market, which the Government had resisted for a long time, including a common energy policy, a pan-European electricity grid and shared reserves of stored gas. I am sure that the European Commissioner is grabbing that with both hands. I understand that proposals will be presented by the end of the year. If that means a liberalisation of the market on the continent and a reduction of prices in the UK, it might be welcome, but we wait to see whether that will be the outcome of any such European policy.

Scotland has great potential as an energy producer. Scotland could be energy independent, but the problem is that it is not politically independent. Political independence would mean real potential for energy to power the Scottish economy as well as the potential to export.

5.40 pm

Charles Hendry (Wealden) (Con): We have had an excellent debate, but it is a tragedy that we had far too little time for it. It is sad that we were confined to three hours. The debate provided plenty of heat, power and light and I am sorry that we were deprived of outstanding speeches by my hon. Friends the Members for Wellingborough (Mr. Bone) and for Broxbourne (Mr. Walker) and the hon. Members for Aberdeen, North (Mr. Doran), for Southampton, Test (Dr. Whitehead), for Stoke-on-Trent, North (Joan Walley) and for Copeland (Mr. Reed).

The debate began with a speech by the Secretary of State, which he made in his normal balanced and reasonable manner. If he were not a politician, he would make a great country GP, able to tell people difficult things in a way that made them sound pleasant. He started by saying that this country was in a strong position. That must have been the press release, because when we got to the detail, he started to admit the genuine position: we are failing to meet our targets on renewables, and he is concerned about the extent to which reserves have declined. He admitted that prices have been rising through the roof, accepted that nuclear power provision will be largely out of action in 20 years and made a gloomy assessment of the geopolitical challenges that confront us.

The Opposition welcome the Secretary of State's commitment to introduce legislation to create new offshore gas storage facilities. We support that in principle and I urge the Minister for Energy to say in his winding-up speech that it will be introduced as quickly as possible.

The extent of the Secretary of State's lack of concern about our increasing reliance on imported energy was worrying. My hon. Friend the Member for Rutland and Melton (Mr. Duncan) said in his opening comments that, by 2020, 60 per cent. of electricity generation in this country would come from gas and that 80 per cent. of that could be imported. That means that half our electricity supply would depend on imported gas. I find that worrying.

The need for diversity ran through the debate and my hon. Friend the Member for Mid-Worcestershire (Peter Luff), who chairs the Select Committee, admirably set out the choices for that diversity. Everyone agrees about the need for it, but no one agrees about the exact balance.

Mr. Charles Walker (Broxbourne) (Con): To make use of the last line of my speech, does my hon. Friend agree that we need a diverse energy supply that is based on a robust and resilient domestic capability?

Charles Hendry: If that was the last line, it is a shame that we did not hear the rest. I agree that we need to ensure that we have diversity and that we must also build on our inherent strengths.

The hon. Member for Barnsley, Central (Mr. Illsley) put the case for coal eloquently.

Mr. Andrew Smith (Oxford, East) (Lab): Will the hon. Gentleman give way?

Charles Hendry: Although the right hon. Gentleman has been present throughout our proceedings, I shall not give way because our time is so limited.

The case for coal was also made in an excellent speech by the hon. Member for Barnsley, West and Penistone (Mr. Clapham) and by the hon. Member for Elmet (Colin Burgon). The case for nuclear power was eloquently and passionately put by my right hon. Friend the Member for Fylde (Mr. Jack), my hon. Friends the Members for Grantham and Stamford (Mr. Davies) and for Croydon, South (Richard Ottaway) and the hon. Member for Glasgow, North-West (John Robertson). The case against it was equally eloquently and passionately made by the hon. Member for Lewisham, Deptford (Joan Ruddock). The Liberal Democrats popped in to say that they wanted lots of research into nuclear power but, having done the research, they would do nothing about it.

There is a need for urgent decisions to avoid a crisis. The hon. Member for Barnsley, Central made the case for that clearly. He quoted from the White Paper of three years ago and said that we have known about the problems for a long time, but, three years on, we are still talking. He also expressed his concern at what he saw as an anti-coal DTI. I want to assure him that, as we consider the energy review, we will welcome representations from him and his colleagues about the case for coal, because we are genuinely open-minded on the issue, especially as we are now considering exciting new technologies such as clean coal and co-generation.

Mr. Peter Bone (Wellingborough) (Con): Will my hon. Friend give way?

Charles Hendry: I will in a moment.

My other concern is the extent of the Government's complacency on these matters, and I think that my hon. Friend the Member for Wellingborough might wish to touch on that issue as well.

Mr. Bone: Ofgem has told the Trade and Industry Committee that the forward electricity price in Europe is €50 per megawatt-hour, whereas it is €80 in the UK. Does my hon. Friend think that the European Union is letting us down?

Charles Hendry: There is clearly a tremendous difference between energy prices in this country and elsewhere in Europe, and the Government missed the opportunity to do more to address that issue during our presidency of the European Union last year. Domestic and business customers are hurting now. Domestic prices have risen by 14 per cent. in just one year. Domestic electricity prices are 27 per cent. higher than they were in 2003, which is adding £51 a year to the average domestic electricity bill. Gas prices are 40 per cent. higher than they were three years ago, adding £111 a year to the average domestic gas bill. A survey by the Engineering Employers Federation found that gas was 47 per cent. more expensive, and electricity 34 per cent. more expensive, for energy users than a year ago. Those increases are having serious consequences for businesses, particularly those in the manufacturing industry.

Towards the end of last year, Michael Ankers, the chief executive of the Construction Products Association, wrote to the Secretary of State for Trade and Industry. In pointing out the consequences of these price increases, he said:

"Over the last week alone one company with a turnover of £3.5 million saw their gas cost increase by £400,000."

He concluded:

"The problem facing industry is here and now, and what is really alarming is to learn that the country is 'awash with gas'—as Energy Minister Malcolm Wicks told the Commons last week—at a time when prices have reached the levels they have. One can only conclude from this that gas supply is being deliberately restricted to keep prices high, and this suspicion is reinforced by the news that the inter-connector pipeline between Britain and the continent is only running at 65-75 per cent. capacity despite the enormous price discrepancy with countries in Europe."

Businesses are hurting as we speak.

A further aspect of the Government's complacency is that they have put off the big decisions that need to be made. By 2015, coal-fired power stations currently producing 13 GW of electricity will be obliged to close. The closure of nuclear power stations will remove a further 8 GW of capacity. In 10 years' time—taking into account a projected increase in demand of 40 per cent. of our present capacity—some 32 GW of capacity will have been closed. To avoid shortages in 10 years' time, we need new projects every year that will produce 5 GW of capacity, yet not a single large project was started last

[Charles Hendry]

year. Will the Minister tell us what his predictions are for the years ahead, and how many new large projects are in the pipeline?

The Minister also needs to tell us what the Government are going to do, in concrete terms, to make the EU co-operate more widely. Ofgem has said that there are serious malfunctions in the energy practices of other European countries, and this is costing the United Kingdom £10 billion a year in higher charges. Why are the Government not doing more to address this? And why is energy so much more expensive here than elsewhere in the EU? We remain the largest gas producer in the EU, and we have fully liberalised markets, yet we still pay so much more.

Why is our storage capacity so low? This clearly poses a threat to the continuity of supply. We have gas storage capacity for just 11 days, compared with the EU average of 55 days. How many large new projects does the Minister expect to start in the coming years?

The Government are right to initiate an energy review to examine how we shall meet our long-term energy needs, meet out environmental goals, and reduce our reliance on imported sources of energy. We agree with all that, and we shall work with the Government to get the right long-term answers. The problems are here and now, however. Domestic customers and businesses are hurting—they have been hurting for months, and all that they have heard from the Government are complacent platitudes that we are awash with gas and that there is no structural problem. Until today, the House has been denied the chance to debate such issues.

My final plea to the Minister is that he must involve the country. He should not restrict the review to experts in the DTI, industry and academia. There is huge expertise in the House, as we have heard today, and huge enthusiasm in the country at large to be involved in the debate. We will manage to get energy conservation only if the public buy into it. Above all, we need them to buy into the solutions put forward in the energy review. It is a great tragedy that the debate has been so curtailed, but the Minister has many answers that we look forward to hearing.

5.50 pm

The Minister for Energy (Malcolm Wicks): I agree that we have had an excellent debate with some significant contributions. I welcome the hon. Member for Wealden (Charles Hendry) to his new post on the shadow Front Bench, as I do the hon. Member for Rutland and Melton (Mr. Duncan).

As my right hon. Friend the Secretary of State observed in his opening remarks, energy has dominated newspaper front pages over the past couple of months. Against a backdrop of declining indigenous energy supplies, about which we have heard a lot, increasing global energy prices and wider geopolitical uncertainty, as well as the concern about climate change, energy is rightly on all the agendas that count. If Members will forgive me for not name-checking every contribution—I want to deal with the debate in broader terms—we have seen that reflected in some significant speeches from both sides of the House.

Mr. Quentin Davies: Will the Minister take an early opportunity after the debate to have a word with his right hon. Friend the Leader of the House and convey to him the strong feelings expressed on both sides of the Chamber this afternoon, to which I hope that he will add his own private views, which he might not want to express publicly, about the shortness of time that has been available to Parliament to deal with this strategically important matter? It is a disgrace.

Malcolm Wicks: I am sure that the Leader of the House will note that point. Only yesterday, coal was debated in Westminster Hall, and next week we are discussing civil nuclear energy. As every available Select Committee is asking me to give evidence, I feel adequately scrutinised.

Mr. Andrew Smith: Would not the Opposition have a somewhat stronger case in the debate that we all want if the Front Bench speech that we have just heard had offered one iota of an Opposition policy?

Malcolm Wicks: I was thinking of my London School of Economics tutor's more generous comment on my first essay—"A good start to a difficult subject." I thought that that caught the ambiguity rather well.

We have heard how North sea supplies are declining, but I emphasise—I agree with the Liberal Democrat spokesman on this matter—that we should not exaggerate that point. There is still a great deal of oil and gas in the North sea and other seas around our shores, and it is a vital British industry. Nevertheless, Britain's transition towards becoming a net gas importer is under way. Concerns about tight energy supplies during that transition period, together with other factors such as high fossil fuel prices and high global demand, have collectively led to very high industrial gas prices.

I will not debate the issue of prices now, but I think that it is a genuinely more complicated issue than some have claimed. Heavy users of gas are suffering price-wise, particularly when they buy in the short term, which is a commercial judgment for them. Many businesses and domestic suppliers have enjoyed relatively lower prices than in France, Germany and elsewhere on the continent, however. Those are the facts, but I understand why various colleagues do not want the facts to get in the way of a good argument.

Of course we recognise that the recent price spike has created those tough operating conditions. I have met representatives from many industries, such as the chemicals, metals, glass and ceramics industries, and we understand their current difficulty and pain. We are leaving no stone unturned and are working closely with representatives of those industries to mitigate the situation and reduce its impact wherever possible. Long before this winter—in early spring, before I held my present post, and in the summer—we were meeting key stakeholders to discuss issues relating to supply and demand. We met representatives of the North sea oil and gas industry, and emphasised that we needed to be in the best possible position in regard to repairs, spares, and partnership between companies so that we could achieve maximum output this summer. I have met supply companies, the Confederation of British

Industry, the energy intensive users group and many others to ensure that we are as well prepared as possible during a difficult transition period.

As we have been reminded, however, this is not just about industry and business. Rising prices have an impact on vulnerable domestic householders, especially the elderly, who are physiologically less able than many others to cope with cold conditions. My right hon. Friend the Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown) made some important points about that. I believe that our record in government is good: more than 4 million households have been lifted out of fuel poverty since 1997, and the Warm Front scheme has helped more than 1 million vulnerable households to heat their homes more affordably. That is why the Chancellor increased funding for the scheme in his pre-Budget report. A scheme that has helped more than 1 million households is an important scheme.

In the pre-Budget report, we also heard about the extension of the winter fuel payments scheme during the lifetime of the current Parliament. That, too, is a popular and important scheme, which provides vital cheques just before Christmas. Those over 60 will receive £200, while others will receive £300. Measures such as pension credit—initiated by the Department for Work and Pensions, in which the Secretary of State and I used to serve—also concentrate resources on vulnerable people.

We have heard a good deal about the new infrastructure. The Secretary of State mentioned it today. Increasing supply will be key to reducing both industrial and domestic prices. We have also heard about the new LNG terminal at the Isle of Grain. Liquefied natural gas will become more important in the future. We have heard about the doubling of the interconnector import capacity, and about new storage capacity at Humbly Grove.

There are 10 potential new import projects in the pipeline—an unfortunate and not deliberate pun—which could expand the UK's import capacity by more than 1 billion cu m per year by the end of the decade. That is roughly equivalent to the UK's current total annual demand for gas. The Langeled pipeline from Norway could supply up to 16 per cent., and the new BBL interconnector could supply a further 10 per cent. of UK peak demand. Both those supplies would begin in December 2006. A further upgrading of the interconnector to treble its previous capacity could supply up to 15 per cent. of peak UK demand. Two major LNG import terminals are being constructed in Pembrokeshire, which could in due course provide for more than 20 per cent. of our annual consumption needs.

Supply has increased and will increase. The new infrastructure announced to the House today by my right hon. Friend the Secretary of State will ensure that as we become a net importer of gas, we will have a robust regime in place to facilitate gas import unloading and storage in the UK.

The slower pace of liberalisation in other EU states is clearly limiting those benefits, so the UK is pressing hard for full liberalisation. I take the partisan points that have been made, but I think the record will show that the European Commission is taking tough action to pursue liberalisation. During our presidency there was a meeting of EU Energy Ministers, and there were two significant reports from the Commission. I am proud of what has been done, and those who take a view on it would do well to read the record.

Let me say something about the international dimension. As we make the transition towards becoming a net importer, external international factors—some were highlighted by the right hon. Member for Fylde (Mr. Jack)—become more important. We have heard about the impact of rising energy demand in India and China, and the line connecting hurricanes Katrina and Rita with what has happened in the UK reminds us that international events produce at least a ripple, and sometimes something more serious, on our shores. We need to continue to have a strongly diversified energy system in respect of the different parts of the world from which we import energy, and of the different energy sources that will power Britain long into the 21st century.

Mr. Skinner: We need diversification not only abroad but here in Britain. I shall be next door to Hawarth colliery at the weekend. Will I be able to give them the good news that the money is on the way?

Malcolm Wicks: My hon. Friend knows that we are still considering that issue, but we will respond as soon as possible.

It is for all the reasons that I have outlined that an energy review is now required. We are conducting that review and as the Secretary of State said, we will publish a consultation document on 23 January. We need a significant debate on this issue in the House and among interest groups and academics, but I agree that there must also be a public debate. We face some very serious decisions and our goal has to be clear: guaranteeing energy security, while safeguarding our planet from global warming. That is the strategic goal. It is a challenging and ambitious one and it raises a range of issues—issues that Members have debated in the Chamber today. It is important that—

It being one minute past Six o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Mr. Andrew Robathan (Blaby) (Con): On a point of order, Mr. Deputy Speaker. In a written parliamentary answer to my hon. Friend the Member for Meriden (Mrs. Spelman), the Deputy Prime Minister admits a serious error. He states that he has

"Issued this answer . . . to correct the record and to fully apologise to the House".

Could you guide me on this matter, Mr. Deputy Speaker, which involves a great deal of money and the non-payment of council tax on the part of a Minister who has of course presided over a rise in council tax? Do you believe that a written answer is a sufficient apology to the House, or should the Deputy Prime Minister come here in person to apologise?

Mr. Deputy Speaker (Sir Michael Lord): This is the first that I have heard of the matter that the hon. Gentleman raises. It is now on the record and other people will have to make up their own minds about how important it is, and how it must be dealt with.

DELEGATED LEGISLATION

Ordered,

That the National Health Service (General Dental Services Contracts) Regulations 2005 (S.I., 2005, No. 3361), dated 6th December 2005 and the National Health Service (Personal Dental Services Agreements) Regulations 2005 (S.I., 2005, No. 3373), dated 7th December 2005, be referred to a Standing Committee on Delegated Legislation.—*[Mr. Watson.]*

PETITION

Animal Welfare Bill

6.2 pm

Mr. Mark Todd (South Derbyshire) (Lab): I present a petition from residents of South Derbyshire and others.

The petition states:

The Petitioners welcome the introduction of the new Animal Welfare Bill.

The Petitioners note that the Royal Society for the Prevention of Cruelty to Animals and other animal welfare organisations say that they are "delighted" with the Bill and in particular with the duty of care.

The Petitioners believe that the British people strongly support plans to protect animals.

The Petitioners therefore request that the House of Commons vote to pass the Animal Welfare Bill and to outlaw the vile practice of cruel sports such as cockfighting and dog fighting.

And the Petitioners remain, etc.

To lie upon the Table.

Care of the Dying

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

6.3 pm

Angela Browning (Tiverton and Honiton) (Con): I have brought this debate on the care of the dying to the Floor of the House for two reasons. First, I am concerned about some recent constituency casework. The second, more specific issue is the Government's anticipated White Paper on health and social care outside of hospital.

In discussing this very sensitive issue, a lot of emphasis is placed on where people die and on enabling such people and their families to choose where that end takes place. In response to a parliamentary question that I tabled in December, the Office for National Statistics identified the last four years' records on where people die. It is clear that the vast majority die in hospital; indeed, in 2004, some 57 per cent. died in hospital. Approximately 5 per cent. died in hospices, some 18 per cent. died in their own home, and 16 per cent. died in residential or nursing homes. It is clear from the past four years' statistics that under each of those headings there is a degree of flatlining.

We often hear that, naturally, people would choose to die at home—in familiar surroundings, in their own bed, and ideally with their loved ones around them. I think that that is probably what we would all choose if we could focus long enough on our own demise. As I said, this is a sensitive and uncomfortable subject.

I am concerned about the level of support that would be available to people who choose to die at home. There is a dilemma, which I want to flag up in advance of the forthcoming White Paper, about not only where people die but how they die—the circumstances of their death.

I pay tribute to all the people all over the country, professionals as well as those in the voluntary sector, who care for people whose days are ended by cancer. Anyone whose family has been touched by that disease—and most of our families have been—will know about the skills and care needed, particularly in the final weeks.

The vast majority of people, however, die from other causes, and that is what I want to focus on tonight. The British Heart Foundation says that about 26 per cent. of people die of cancer-related illness, 19 per cent. of coronary heart disease, 14 per cent. of respiratory disease and 11 per cent. of cerebrovascular disease. There are also many people who die simply because they are very elderly and frail, and their bodies, for one reason and another, are shutting down. I shall talk about those people in a minute.

I want to put on record the views of the Parkinson's Disease Society, which says that

"although the Parkinson's Disease Society remains concerned about access to and the quality of end-of-life care for people with Parkinson's, it should be noted that Parkinson's disease is not in itself, a terminal condition".

I can confirm that, because my late mother had Parkinson's disease in the last seven or eight years of her life. The society goes on to say that death for Parkinson's sufferers

"often occurs as a result of secondary complications such as pneumonia, stroke, urinary tract infection, pressure sores and septicaemia."

That would almost certainly apply to a wide range of people who succumb in later life to other degenerative conditions, too. Many such people simply fail, and the body closes down.

The figures provided by Lynn J et al. reveal that in an average year the average general practitioner in England and Wales can expect to deal with five to seven patients who die from organ failure, five patients who die of cancer, between one and two sudden deaths, and six to seven people who die purely of frailty or dementia.

The vast majority of people do not, therefore, "tick the box"—for want of a better expression—for what is often euphemistically called palliative care, but is not always clearly defined until a decision has to be made, in someone's final days and weeks, about whether they qualify for what many of us would understand to be palliative care.

Dying is not a precise science, and I have every sympathy for the professionals, especially doctors, because it is not always easy to predict how long a death will take once it becomes evident that somebody is dying. With some conditions, such as cancer and other diseases, we have, from data and experience, life expectancy tables. When people reach the end for other reasons, however, it can be quite evident that the person is dying, but, depending on the circumstances of the individual, it can take a matter of days, or a week or two, or even four to six weeks. It is difficult for clinicians to give that sort of information, but once a patient or a patient's relatives have been told that the patient is dying, it is extremely important that they have the support that we would expect, regardless of the diagnosis or the condition.

I urge the Government to address that challenge when they bring forward their proposals. There is a need in many cases, as we know from such diseases as cancer, for pain control. There is also a need to consider the patient's mental stability. I do not think we always appreciate the sheer stress that patients undergo when aware, if not that they are dying, at least that significant changes are taking place in their state of health and their body, and that in itself can create great anxiety in the final days and weeks.

There is a need for support for the immediate relatives and carers—if, indeed, they are there. We must not always assume that there are immediate relatives and carers. Many very elderly people—and people, we know, are living much longer—actually have nobody there when they reach that point in their life. How important it is that the statutory services providing care take on an additional responsibility for the well-being of those patients.

There are also the physical needs of the dying. That may sound rather self-apparent, but those needs are intensive. Patients need intensive care and attention. The House has been involved in the administration of food and water, which is a very important issue. I do not intend to reopen it as my views are on the record, but we should seek nothing less than the very best standard of continuing to provide fluid and nutrition, and that will often mean moving from mashed food to sieved food to pureed food to liquid food. I am not necessarily talking about artificial administration of food and liquid, but that administration is time-consuming, requiring proper assessment of the patient. Where it is done well, as I have seen it done, it is commendable. What is worrying is that that does not happen often enough. It is what is needed.

As far as comfort is concerned, someone confined to bed needs to be turned regularly to avoid pressure sores, and that requires two people to turn the patient. Pressure sores are a serious matter: I always think the name belies what they are. I have seen pressure sores in elderly people at the base of the spine when I could actually see the spinal bone through the large, egg-shaped hole; that is a pressure sore. The seriousness of those sores and the need for careful hygienic handling, daily packing of the wound and careful and sensitive treatment require a lot of intensive nursing care. There are obviously also issues of hygiene and incontinence. People who are dying actually need 24-hour care, wherever they are dying.

I have carefully studied the Government's end-of-life programme and read of the adoption of the gold standard framework, which I totally support and which I know has begun to be rolled out to all dying patients, with money to help that happen. I commend the Government for that, but I hope that when the Minister brings forward his White Paper we shall see that being adopted as a universal standard throughout the country. In many debates to do with health care we talk about lotteries. In fact, no lottery is more serious than that for the patient who is dying.

I also want to mention what happens in hospitals, as I was very surprised at the end of last year to receive reports about the fate of several elderly patients. Their relatives were told that those elderly people were dying but, at the same time, that they had be moved out of hospital and into nursing homes. That represents a new type of bed blocking, and I was shocked by the case of a constituent whose mother had cancer. He and the hospital staff had quite a robust discussion about the relative costs of hospital and nursing home beds.

We all know that there is a shortage of nursing home beds. When a person is told that his mother is dying—and when that person cannot nurse her at home—it is wrong to expect him to chase a suitable place in a nursing home. My constituent told me in a letter that he and his sisters were given a three-week ultimatum, and reached the point where they were praying for their mother to die before they had to move her out of hospital.

The lady in question did die in hospital, and there was no complaint at all about the care that she received there, but it is wrong and callous to expect relatives to begin searching for a nursing home at such a sensitive time. Moreover, I must tell the Minister that I have had to deal with more than one such case.

I turn now to the definition of palliative care. That term is used in respect of a minority of patients, and I hope that the matter will be addressed in the forthcoming White Paper. In a written question on 15 December, I asked about the guidance that is given to primary care services in respect of people dying at home. However, the response that I got had to do only with the improved care being given to people with cancer.

The White Paper is likely to say that the Government want to work with the private and charitable sectors in this matter. That is natural, but I draw to the Minister's

[Angela Browning]

attention what various organisations have had to say on this topic. The Marie Curie Fellowship Association told me in a letter that it had urged the Government

"to allocate further resources to roll out the Delivering Choice Programme in the imminent White Paper . . . There must be some result along these lines in order to move beyond empty words and commit to real progress in extending choice in end of life care".

The British Heart Foundation said that it would

"continue to maintain pressure on the Government and urge them to make their decisions on palliative care resources based on patient need not patient diagnosis."

Finally, the NHS Confederation produced in November a very good report on improving end-of-life care. It recommended:

"All people at the end of life need to have choice over the place in which they die. The hospice system may need to be extended so that high-quality specialist end-of-life care is available to more people, with all diagnoses."

That is what I am seeking from the Minister tonight.

6.19 pm

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): I congratulate the hon. Member for Tiverton and Honiton (Angela Browning) on securing this Adjournment debate. I served with her on the Standing Committee considering the Mental Capacity Bill, and I well remember her contributions to our debates. What she said meant a lot to me, as I had to care for my own mother when she was dying from cancer. She was lucky enough to die at home, surrounded by her family.

The goal at the heart of this debate is securing the best possible care for the dying, and that is of interest to many hon. Members. We need to bring the level of care for everybody up to the standards of the best, because—and it is important to recognise it—in some parts of the country care for the dying is excellent. That is in no small part due to the work of NHS staff and their counterparts in the voluntary sector.

I wish to sketch out some of the progress that we have made in the past few years. I am grateful that the hon. Lady sought to widen the debate beyond those who are terminally ill with cancer to all people at the end of their lives. That said, I want to start with the NHS cancer plan, which was published in 2000. It made important commitments to improve the care of those with terminal cancer. It highlighted the need to ensure that people with cancer get the right professional support, as well as treatments. It included a commitment to develop a supportive and palliative care strategy and to invest an additional £50 million in specialist palliative care for adults. This investment was made to help tackle inequalities in access to services that had been such a problem previously.

The plan led to important progress elsewhere. A good example is the £6 million that was invested over three years in training district nurses in the principles and practice of palliative care. That extremely successful programme has enabled nurses to gain more confidence in assessing what patients and families need if they wish to die at home. More than 10,000 nurses and other health care professionals have now participated in that programme.

The third area of progress I wish to draw to the attention of the House is the National Institute for Health and Clinical Excellence guidance on supportive and palliative care services—an important document that sets out services that help patients and carers. I was glad to hear the hon. Lady highlight the needs of carers, because they are often overlooked, even in debates in this House. Although oriented towards cancer, many of the principles of the guidance apply equally to conditions other than cancer.

The fourth area of progress is the NHS programme "Building on the Best", which was published in 2003. It set out a plan of action to enable people, regardless of their disease, to make choices about how they die, and to have access to high quality end-of-life care.

Fifthly, we are about to introduce a White Paper on health and social care. We consulted the public and a number of stakeholders. I wish to record my thanks to organisations such as Marie Curie Cancer Care and the British Heart Foundation for the work that they did to help us get the White Paper right. The ambitions of the public were clear and confirmed our direction of travel, which is to strengthen services to increase help to people who choose to die at home. My right hon. Friend the Secretary of State will present that White Paper to the House in the not too distant future.

I wish to add my analysis to that of the hon. Lady, before I highlight the progress that we can make. As she said, the majority of people state that they would prefer to die at home, given the right circumstances and support—an important caveat. However, only about 20 per cent. manage to achieve that, with 4 per cent. dying in hospices, 20 per cent. dying in care homes, and some 56 per cent. still dying in hospital. That must change.

Palliative care provision is heavily weighted towards cancer patients. Some 95 per cent. of all referrals to specialist palliative care services are for people with cancer, but cancer accounts for "only" 25 per cent. of deaths each year. Addressing that inequality in care is an important challenge.

Angela Browning: From where will the Minister draw his definition of palliative care? The World Health Organisation defines palliative care as

"the total care of patients whose disease is not responsive to curative treatment".

However, a diagnostic, disease-based definition means that one needs to identify the disease first. As the Parkinson Society points out, Parkinson's is a disease, but it is not a terminal illness. The issue is like dancing on the head of a pin and I hope that the Minister will look closely at it.

Mr. Byrne: I am grateful to the hon. Lady for that intervention. If I may, I will reflect on that and drop her a line. It is an important point for reflection, particularly as we finalise the White Paper over the weeks to come.

There are a number of other challenges that I want to mention. Many people at the end of their life will be suffering from a number of different conditions, not just one, and that can often create complications. We must not underestimate the role of carers because their availability, their attitude and the support that they provide are extremely important in determining whether

people are able to die at home. During the listening event that we conducted while we were preparing the White Paper, we paid very close attention to the needs of carers, and we will reflect on what they said to us in the White Paper.

The last point that I would add to the hon. Lady's analysis is that we must not forget the need for good bereavement services. I know myself that they can make all the difference at what is often an extremely difficult time.

Angela Browning: The Minister is very generous in giving way. As I am sure he is aware, sometimes when an elderly relative dies, people make rather euphemistic comments such as, "Oh well, they've had a good innings," when actually the hurt and the bereavement is still very great.

Mr. Byrne: The hon. Lady is absolutely right. The Minister for Local Government, my hon. Friend the Member for Oldham, East and Saddleworth (Mr. Woolas), is soon to present a report from the social exclusion unit about excluded older people. It makes the point that the descent of a number of older people into social exclusion is triggered by the death of a close relative, not just because of the depression that is induced but because of isolation.

What are we going to do about that? The mandatory NHS national service frameworks are extremely important. The older people's NSF sets out very clear standards and service models throughout health and social care; it is vital that those services work together in providing care for those who are dying. The long-term conditions NSF sets out in some detail the quality requirements for NHS treatment of those with neurological conditions.

The reason those frameworks are so good is that they have benefited from the input of a number of organisations involved in providing palliative care: not only Sue Ryder Care, Macmillan Cancer Relief and Marie Curie Cancer Care but the National Council for Palliative Care, to name but a few. The end-of-life care programme is extremely important if we are to realise those ambitions. It is led by the national clinical directors for cancer and for older people and neurological conditions. It is backed by about £12 million of investment, and it is being taken forward by strategic health authorities and primary care trusts. It has a simple objective: to skill up staff for whom end of life is only part of their work load. It provides a number of tools: the gold standards framework, the preferred place of care and the Liverpool care pathway.

The hon. Lady will be interested to know that about 23 per cent. of all GP practices have implemented one or more of those tools; 43 per cent. of hospital trusts have now implemented the Liverpool care pathway in one or more wards; and about 36 per cent. of hospices have implemented one of the tools. We need to make slightly faster progress in care in nursing homes, and there is a programme of work under way to help to achieve that.

There is also more that we can do to strengthen bereavement support. The Government have published advice to support the development of improved local bereavement services. It is called "When a patient dies" and covers the support needed before death both by those who are dying and by their families and carers. As the hon. Lady says, there is often a need for a lot of emotional support for the person who is dying, as well as for their family, in order to make the appropriate preparations.

Together with that, the Department has helped to establish the National Association of Bereavement Services for NHS professionals involved in providing bereavement support services. The Department is working very closely with the association to deliver a series of regional workshops for NHS staff based on the guidance.

We shall also make further proposals to support carers in our White Paper on social care and health. As the hon. Lady knows, we have made substantial investment in providing more support for carers over the past few years. Recently, we confirmed that about £185 million would be made available, usually through local authorities, to support the work of carers. From visiting hospices and from people who work with the NHS, I know that respite care in local organisations is often what makes one of the most difficult points in people's lives a little more bearable.

As the hon. Lady knows, we made a manifesto commitment in May to double funding on palliative care, which will be extremely important in helping more people die at home. She is right to say that as part of our policy work we need to create a clear and widely encompassing definition of palliative care services. That will be important in helping to ensure that the implementation of our manifesto commitment is absolutely right.

The hon. Lady teased out an important point: the commitment is applicable to all people at the end of their lives, whatever their age or condition. As she said, the commitment must be diagnosis-neutral, and implementing it regardless of age or condition is extremely important. I think all Members will agree that it reaffirms the Government's dedication to improving the care available at the end of life.

We shall have much more to say about the implementation of the manifesto commitment in the White Paper that the Secretary of State will produce. I thank not only the people who were involved in the consultation, but also some of the carers organisations, such as Carers UK, as well as organisations such as Marie Curie and the British Heart Foundation, which were involved in some of the policy taskforces. The hon. Lady probably knows that Marie Curie's work with us, and that of other organisations, has been extremely important in helping us to understand how some of their learning, such as that generated by Marie Curie's pilots in Lincolnshire, can be more widely disseminated in the rest of the country. When we add their experience to innovations such as the gold standards framework and the Liverpool care pathway, we shall achieve a good understanding of how services should be developed. The key now is action: how to ensure that those services are available to everybody, not just those who are lucky enough to live in the right areas. That will very much be the objective of the White Paper.

In conclusion, I reiterate my thanks to the hon. Lady for giving us the chance to discuss this issue. Enabling people at the end of life to live and die in the place of

[Mr. Byrne]

their choice—in other words, the chance to experience a good death—should be the great aim not only for the NHS but for all who work in social care. The issue will be clearly set out in the forthcoming White Paper, as part of the Government's agenda. We are committed to ensuring equality of access to high-quality palliative and end-of-life care, regardless of age or condition.

Question put and agreed to.

Adjourned accordingly at twenty-seven minutes to Seven o'clock.

House of Commons

Monday 16 January 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Khat

1. **Paul Flynn** (Newport, West) (Lab): What estimate he has made of the number of people who would be (a) arrested, (b) brought to court and (c) imprisoned if khat was classified as an illegal drug. [41769]

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): No such estimates have been made. The Advisory Council on the Misuse of Drugs has carried out a comprehensive study into the harms associated with the plant khat. The Council's report is currently with the Home Secretary and will be published in due course.

Paul Flynn: Is not the call for a ban on khat based on the naive, mistaken belief that banning drugs eliminates their use, while in fact the reverse is true? Millions of people in Britain use illegal drugs every day. Would not a ban on khat drive a wedge between the police forces and the Somali and Yemeni communities, encourage khat users to use far more addictive and dangerous drugs such as alcohol and tobacco and change legal businesses into criminal ones overnight, and also place a burden—

Mr. Speaker: Order. That question is far too long.

Paul Goggins: My hon. Friend and the Government have a rather different view of the control of drugs. It was due to concern about the health and other impacts of khat use in the communities that he mentioned that the issue was referred to the Advisory Council on the Misuse of Drugs. The council has made its assessment and its report and the Home Secretary is considering it. He will make his decision and an announcement in due course.

Mr. Humfrey Malins (Woking) (Con): In the courts where I sit, there is no link at all between the consumption of khat and crime. The danger of banning such a substance is that the price will shoot up, supplies will drop and more people will turn to crime to fund their habit, so may I urge the Minister to focus more on crack cocaine and heroin and to take no steps, for obvious reasons, on that particular substance?

Paul Goggins: The hon. Gentleman is right to emphasise that the Government's priority is class A drugs—heroin and crack cocaine—which do the most harm, but the Home Secretary is considering the report from the advisory council. He will have heard the hon. Gentleman's comments and will make his decision in due course.

Dr. Brian Iddon (Bolton, South-East) (Lab): The noble lord, Lord Adebowale, the chief executive of Turning Point, said of khat:

"It is a social care issue and it requires a social care response. We need to be looking at the whole range of people's needs from physical and mental health right through to employment and family support services."

Will my hon. Friend take Lord Adebowale's opinion into account before he makes his decision?

Paul Goggins: Not only that, but Lord Adebowale and Turning Point, the organisation that he heads, have done important work in that area. Indeed, Turning Point submitted a report to the Advisory Council on the Misuse of Drugs, which is among the range of evidence being actively considered by the Home Secretary.

Mr. Edward Garnier (Harborough) (Con): As the Minister will know, the use and trade of drugs are behind the majority of criminal activity and social problems in this country. Sixty per cent. of those arrested, convicted and imprisoned reoffend, so what are the Government actually doing to deal with the underlying problems that drug use reveals?

Paul Goggins: A great deal. The drug interventions programme, which is at the heart of what we are doing in relation to drug-misusing offenders, is the key. More than 2,000 drug-misusing offenders a month are going into treatment through the programme. At the same time, crime levels are falling. That has to be a good message, which I hope will be welcomed by the hon. and learned Gentleman. With the intervention and the investments we are making drug-related crime is falling while the numbers coming into treatment are increasing.

Kerry McCarthy (Bristol, East) (Lab): I want to reiterate what the Minister said about the demand for the criminalisation of khat coming from the Somali community, as that is certainly the case in my constituency. I also support calls for more emphasis on serious drugs such as crack cocaine, so are there are any plans to repeat Operation Crackdown this year, which was a great success last year?

Paul Goggins: It will be very much for police forces to decide on how to take forward their new powers in relation to Operation Crackdown, which closed down crack houses and not only took out those who supplied drugs in our communities, but did so most effectively with the active co-operation of local communities. My hon. Friend's comments on khat are noted, and the considerations continue.

Police Force Amalgamation

2. **Mr. David Gauke** (South-West Hertfordshire) (Con): What plans he has to ensure local accountability of policing if forces amalgamate. [41770]

10. **Mr. David Evennett** (Bexleyheath and Crayford) (Con): What assessment he has made of proposed arrangements for local accountability of policing following amalgamations of forces; and if he will make a statement. [41778]

The Secretary of State for the Home Department (Mr. Charles Clarke): The Government have already set out our plans for accountability in our 2004 White Paper, and they are being actively developed with the Association of Chief Police Officers and the Association of Police Authorities. Those plans for direct accountability include appointment throughout the country of local neighbourhood police teams whose names, phone numbers and e-mail addresses will be available to every citizen, which will be completed by the end of 2008; publication of local crime data, for which local police will be held publicly accountable; and regular partnership meetings at basic command unit level, where police will discuss local questions with elected councillors and others, combined with question and answer sessions open to the public, media and community groups.

Mr. Gauke: Does the Home Secretary accept that under the current arrangements we already lack adequate directly elected, local accountability and that the move towards larger forces will merely make this matter worse? For example, in Hertfordshire we currently have a police authority of 16 members, none of whom is directly elected, but nine of whom are at least county councillors. If we move towards an eastern region force, which is one of the options that the Government are considering, we will have a police authority of up to 23 members, of which at most two will be Hertfordshire county councillors. Is the Home Secretary merely making a bad position worse?

Mr. Clarke: I am afraid that I cannot accept that the current situation is satisfactory. There is not sufficient accountability at the moment between local police officers and their immediate local community at beat level; there is not sufficient accountability between basic command unit commanders and local elected councillors and local people; and there is not sufficient publication of data locally.

A lot of good things are happening and moving forward, but the White Paper in 2004 set out a stream of ways in which accountability has to be increased. That is the most important thing for us to fix upon.

Mr. Evennett: Does the Home Secretary appreciate the real concerns and disquiet across the country about police force amalgamations and accountability to local communities? Surely, the issues involved are complex, so why are the Government rushing the changes through? What is the hurry? Why cannot more discussion take place and more time be taken before decisions are made?

Mr. Clarke: There is not the slightest rush in this regard. The hon. Gentleman is completely wrong. We set out our proposals clearly in the White Paper and I set out, in a public speech last July to all police authorities and all chief constables, how we intended to go. We refined those proposals in September last year. Police authorities and police forces were then asked to discuss this matter fully and come up with proposals, and I am glad to say by the 23 December almost all of them did so, despite some of the misleading publicity at that time.

Where there is a voluntary agreement—I emphasise the word "voluntary"—between police authorities and forces, we will proceed immediately. Where there is not such an agreement, a statutory four-month period for full discussion is required. I am sure that the kind of debate that the hon. Gentleman wants will take place in areas where there is such disagreement.

Rob Marris (Wolverhampton, South-West) (Lab): Part of local accountability is to do with local funding. Will my right hon. Friend say what would happen, for example, in the greater west midlands if there is amalgamation, where the precept levels between the different police authorities are markedly different?

Mr. Clarke: As my hon. Friend knows, three of the four forces in the west midlands region favour this amalgamation. There are issues, as he rightly says, about the precept and how it can be brought together effectively. That is precisely one of the issues on which the forces have made proposals and which we will discuss with them. I can assure him that we will come to a sensible conclusion in that regard, but we will not allow that to present a blockage to the sensible proposals supported by three out of four forces in the west midlands.

Mr. Brian Jenkins (Tamworth) (Lab): My right hon. Friend is correct to emphasise the basic command unit, which meets the population face to face in its daily working arrangements. However, when he talks about consultation, does he realise that many people, particularly in the shire counties, would want a guarantee that in any amalgamated force the police officers from our shire counties are not sucked into the west midlands? How can we have real accountability, rather than consultation, under his arrangements?

Mr. Clarke: My hon. Friend is entitled to ask for that guarantee. It is a fair question and my answer to it is the commitment that I gave in my initial answer: the absolute commitment to neighbourhood policing with a local policing team—with named officers and named community support officers working with that neighbourhood—the point being to ensure that they are not obstructed from their day-to-day policing of a particular locality because the force is not large enough to deal with the crises that emerge from time to time.

My hon. Friend is right to raise that matter and I can give him the pure, solid assurance that it will be respected in every approach. I think that every community in the country will want to see us fulfilling our manifesto pledge to neighbourhood community policing across the whole country—in every community, whether shire or not—by 2008.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The Home Secretary will undoubtedly appreciate that

policing is always by consent, and that the quid pro quo for that is good local accountability. Will he explain how the awful vista of one force for the whole of Wales will increase local accountability in the north of the country, when it takes five to six hours to drive from Cardiff to north Wales?

Mr. Clarke: Precisely by the means I described a moment ago in answer to my hon. Friend the Member for Tamworth (Mr. Jenkins). Of course it is important that there is proper accountability in the local village, the local ward and the very local area. In the Government's opinion, that requires police who are dedicated to working in that local area with community support officers. That will apply in north Wales, south Wales, east Wales and west Wales. It also requires that, at the level of the district council and the basic command unit, there is proper dialogue between the police and the other agencies, including elected councillors, about how we ensure that policing—at the end of the day, it is an all-community responsibility and not simply a responsibility for the police—is done in the most effective way. That will happen in north Wales and south Wales, and that is the right way to go.

Ian Lucas (Wrexham) (Lab): In my right hon. Friend's proposals for an all-Wales force is it his intention to have on the police authority a representative of each of the 22 local authorities in Wales?

Mr. Clarke: That is one of the issues that has been raised in the responses from the Welsh forces. It is a very reasonable response, and my hon. Friend's point is also very reasonable. We are looking at the exact detail of how to bring that about, but I can certainly say that we are looking at it with a very positive approach.

Mr. William Cash (Stone) (Con): The Home Secretary may know that there is significant opposition in Staffordshire and my constituency of Stone to the proposals that the police forces in the west midlands be amalgamated. To what extent does he really believe that when we are dealing with regional systems such as would be set up in the west midlands, the philosophy and the attitude that is relevant to dealing with very large urban areas such as the west midlands would be applicable to rural constituencies such as Stone and others in Staffordshire?

Mr. Clarke: I have been very encouraged—it is an important point to emphasise—by the extent to which chief constables, chief officers and police authorities of all types from all parts of the country are utterly committed to the neighbourhood policing idea. Why? Because they know that crime will be best prevented by having police on the beat in the local community working with the local community. Whatever type of force we talk about—whether it is in Stone in Staffordshire or in the centre of Birmingham—that ideology is there and established, and it is a core part of our proposals.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Excellent though the Home Secretary's ideas undoubtedly are, I hope that he will understand that, much as we in Crewe admire the cities of Liverpool and Manchester, there are reservations in our minds as to how much accountability there would be for those of us at the bottom of a very large regional area if decisions were taken elsewhere and in an urban setting. Will he give us a very clear idea of how that point will be dealt with?

Mr. Clarke: Well, Madam Speaker—I do apologise, Mr. Speaker. I was slightly distracted for a second.

I certainly know that my hon. Friend can punch her weight in these arguments, and her key point about reservations is a fair one. It is a fair one to put to me as Home Secretary and to my colleagues to ensure that we provide the assurance that she is looking for. [HON. MEMBERS: "Answer the question."] I am indeed answering the question, and I will continue to do so. The answer is that I can give her the absolute assurance that the responsibility for policing will lie in local communities in the way that I have described and that accountability will not be diluted by larger forces at the strategic level. That is the absolute assurance that I give her and the House.

Mr. Mark Oaten (Winchester) (LD): If the Home Secretary really wants accountability, will he make two commitments today? The first commitment is that no merger can take place unless local elected police authority members have actually voted for it. The second commitment is that every council tax payer will be told exactly how much the mergers will cost and will see what the cost is when they get their bills in April. Unless he makes these two commitments, we will end up with a situation in which local people will have even less of a say but will have to pay even more.

Mr. Clarke: I am familiar with the hon. Gentleman's leadership bids in relation to these matters. I can give him a commitment on the second of his points, but not on the first. The commitment that I can give him is that the full financial facts in relation to any particular proposal will be in front of everybody including council tax payers in any locality. I cannot give him the commitment that police authorities around the country would have a veto on change. That would be utterly ridiculous in circumstances in which the police say that we have to ensure that our policing meets modern 21st century needs. That is what I am determined to deliver.

Huw Irranca-Davies (Ogmore) (Lab): Does my right hon. Friend agree that the essence of local accountability is related to the neighbourhood policing model? Will he thus commend the work of South Wales police, especially the Bridgend division, which is not in a pilot area, but is bringing forward many elements of community policing well in advance of the pilot areas? Will he consider joining me and my hon. Friend the Member for Bridgend (Mrs. Moon) when we spend a night with South Wales police a week next Friday?

Mr. Clarke: I have had many offers this year and all I can say to my hon. Friend, whom I respect greatly, is that I cannot guarantee to accept every single one.

John Bercow (Buckingham) (Con): Irresistible.

Mr. Clarke: It is irresistible to some, certainly.

The commitment of my hon. Friend the Member for Ogmore (Huw Irranca-Davies) to neighbourhood policing is absolutely central. In commending Bridgend police and the approach that they have taken, may I add that it is important to publish figures on local crime? I cite the example of my own constabulary, the Norfolk constabulary. Every week, the *Evening News Norwich* publishes a detailed account of crimes committed—such as burglaries and car thefts, and information about the streets on which they have occurred—precisely so that local people have information about the crime that has been going on in their patch. That provides accountability in a direct way and it should proceed.

David Davis (Haltemprice and Howden) (Con): Of the dozen or so police regions that we are about to have under the Government's proposals, how many have the unanimous support of their constituent police authorities?

Mr. Clarke: Of the regions, I think that none has the unanimous support that the right hon. Gentleman talks about. However, I can say that there is a clear majority of police authority support in several regions, and that is the way that this is being taken forward. I was amazed to see the proposals that were brought together today to bring politics into policing by making elected politicians directly responsible for operational policing. If the right hon. Gentleman had been elected Leader of the Opposition, I know that he would not be putting forward anything so foolish.

David Davis: I will bring the Home Secretary back to Government policy for the moment, shall I? The reason why there is no unanimous support for the regions is pretty clear from what has been said already. The proposal will cost hundreds of millions of pounds. It will dilute accountability throughout the country and disrupt police operations. It is based on an analysis with logic that has been described as flawed by one of Britain's leading professors of statistics, and it is opposed by the Association of Police Authorities. It is opposed because there is a better alternative: the proposal described as federal, which means that there is co-operation between abutting police authorities on matters on which they have a strategic or common interest. Why has the Home Secretary ruled out that very sensible proposal out of hand?

Mr. Clarke: Of course co-operation is a good thing. It happens in policing every day of the week in every part of the country and we want to encourage it—it is the right way to go. However, the fact is that when trying to deal with strategic police priorities, serious and organised crime and counter-terrorism, there must be operation at a strategic level. It is not me who is saying that, but the police themselves through Her Majesty's inspectorate of constabulary and senior police officers. The right hon. Gentleman is quite right to say that there is controversy about the proposal, but the fact is that in region after region, the senior police believe that it is the way forward to meet the needs of the 21st century. It would be better for the official Opposition to get involved in the debate instead of trying to make elected politicians directly responsible for operational police decisions.

Police Force Reorganisation

3. **Kelvin Hopkins** (Luton, North) (Lab): Whether the full costs of the planned police force reorganisations will be borne by central Government; and if he will make a statement. [41771]

The Minister for Policing, Security and Community Safety (Hazel Blears): I am aware that a variety of estimates of the costs of change are being floated. I do not believe that all of those are well-founded. The independent Chartered Institute of Public Finance and Accountability will be working with forces and authorities over the next few weeks to establish the real costs of change and future benefits. We will then consider the position further.

Kelvin Hopkins: I thank my right hon. Friend, but she did not really answer my question, which was where the costs are going to be borne. There might be an argument about how big they are, but they should be borne by central Government, rather than local government. Will she give us assurances on that count?

Hazel Blears: I am sure that my hon. Friend accepts that before the Government make any commitments, it is absolutely imperative to have the full, accurate and rigorous financial examination that we will go through here. We have discussed with the Association of Police Authorities how we can fund the up-front costs—there will be some. We have decided to set aside £50 million of capital expenditure this year and £75 million next year so that we can bridge some of the costs that might well fall on us. There are other options, such as reprioritising already planned investment decisions for several forces. There might well be a question of some prudential borrowing. Among those three areas, I am sure that we can meet the costs and reap the advantages.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): The Minister will know that the Lincolnshire police authority and the Lincolnshire constabulary believe that the one-off and recurring costs of amalgamation have been grossly underestimated by the Government. That being so, will she give an undertaking to the House that before amalgamation proceeds, we can have an independent audit of the likely costs, both recurring and one-off?

Hazel Blears: I am absolutely determined to get accurate and proper financial information. It is not in the interests of the Government, the country or the forces to make decisions without that firm evidence base. That is why we have taken the step of commissioning external assistance through CIPFA—a well recognised, independent and authoritative organisation—to work with the forces and authorities, to go through the books, to examine the businesses cases and to make sure that the decisions that we make are in the interests of long-term effective policing in this country and provide a firm foundation for the years to come.

Chris McCafferty (Calder Valley) (Lab): Bearing in mind the fact that under the reorganisation plans the West Yorkshire police force meets all the criteria to remain a strategic authority, and the fact that the West Yorkshire police authority would take a huge burden upon itself if the proposed amalgamation took place, will my right hon. Friend give careful consideration to three financial measures that would aid the authority in the event of amalgamation? The first would be to fund a counter-terrorism unit. The second would be as a matter of urgency to repay to the West Yorkshire police force the outstanding claim in respect of the work that was done on the 7 July London bombings. The third and final—

Mr. Speaker: Order.

Hazel Blears: I pay tribute to my hon. Friend for making an extremely powerful bid on behalf of her local police force. Those issues are under consideration and I shall endeavour to expedite that consideration. I pay tribute to the West Yorkshire force and the police authority for their constructive approach to the proposals to bring forces together. There are serious issues to address and local communities have concerns, but her local authority has entered into the spirit of the negotiations in an extremely constructive way.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): The Minister tells us that she is making sense of what the costs will be, but we all know that in every Government change, reshuffle or reorganisation, regardless of who is in power, costs have always been underestimated—for example, the costs of changing letterheads, signposts and badges and respraying cars. She knows very well that that will happen, so if she will not have an independent inquiry will she at least give an undertaking that the Home Office will cover all the non-operational costs—the costs of those extra changes—that will be incurred as a direct result of these ludicrous proposals?

Hazel Blears: What I can say to the right hon. Gentleman is that I am absolutely determined to ensure that we get value for money for the investment that we make as the process goes ahead. This morning, the Conservative leader said that

"there's little evidence that the performance of the police has improved in line with this increase in resources."

I reject that entirely. I think that the police have performed extremely well in recent years and we have seen massive reductions in crime. Bringing forces together into bigger, strategic forces to protect neighbourhood policing will be an extremely important next step in ensuring that we continue to get value for money from our investment.

David Taylor (North-West Leicestershire) (Lab/Co-op): May I point out to the Minister that the name of the accountancy body in question is the Chartered Institute of Public Finance and Accountancy? I declare an interest as a member of it. Does she accept that, according to estimates made in the east midlands, the set-up cost, the cost of disruption and the associated costs of the proposals will swamp the tiny savings on which the Government hang their hat? Ministers have talked about having 43 IT systems, 43 human resources systems and so on, but the revenue savings associated with having a single system in each region will probably be in the order of 2 per cent. The increase in costs associated with the disruption of major regionalisation will not be met in the foreseeable future.

Hazel Blears: My hon. Friend may well be a member of CIPFA, and I am sure that he is extremely well qualified in these matters. However, I reject entirely the proposition that he puts forward that there will never be any savings as a result of bringing these forces together. Do we need 43 different human resources departments? Do we need 43 different press offices? Similarly, do we need 43 different payroll organisations? There are considerable economies of scale to be gained from bringing together back-office services, procurement, call centres and the organisation of our police forces. We will be rigorous in making that financial examination. I do not accept that there will not, in the long term, be economies of scale that we can then reinvest in ensuring that our protective services are more effectively provided and that we protect this country against serious and organised crime.

Nick Herbert (Arundel and South Downs) (Con): The Association of Police Authorities has estimated the costs of the amalgamations at between £500 million and £600 million. By contrast, the Minister has said that only £125 million will be available, belatedly, to meet those costs. Will the right hon. Lady tell us whether that is new money or whether it is coming from existing police capital budgets? Will she explain how the gap, to coin a phrase, will be closed? Is it not the case that inevitably the cost and the difference will be met by local tax payers?

Hazel Blears: I think that I have already made it clear to the hon. Gentleman that, with the assistance of CIPFA, we shall be carrying out a rigorous cost-benefit analysis. I do not necessarily accept some of the figures that have been put forward. I do not think that they are an accurate reflection of the costs that will be involved. It is extremely important that we have a rigorous analysis of what the true costs are. I ask the hon. Gentleman to think clearly. One of the costs of doing nothing and one of the costs of being so conservative is that we do not make the necessary changes that Denis O'Connor, Her Majesty's inspector, has recommended. If we do not take these steps, we leave the United Kingdom vulnerable to serious and organised crime and without the ability to deal with that or to provide counter-terrorism measures. I say to the hon. Gentleman that—

Mr. Speaker: Order. I need some co-operation from Ministers. We will move on to Question 4. I hope that we will be able to move beyond that question.

Indefinite Leave to Remain

4. **Keith Vaz** (Leicester, East) (Lab): What investigations he has initiated into the granting of indefinite leave to remain by officials at the Immigration and Nationality Directorate. [41772]

The Minister for Immigration, Citizenship and Nationality (Mr. Tony McNulty): Investigations regarding the conduct of officials responsible for indefinite leave to remain applications are carried out as and when necessary. There are clearly established procedures for initiating such investigations and for staff to raise any concerns that they may have. I emphasise to my hon. Friend that the Home Office takes all allegations of misconduct extremely seriously.

Keith Vaz: Does my hon. Friend share my concern about the allegations made by Anthony Pamnani of the Immigration and Nationality Directorate, who has said that applications for extensions of leave are routinely granted? In his words, they are based on whether the applicant is good looking or ugly. Assuming that that does not represent a change in Government policy and that he condemns such practices, and bearing in mind his commitment to increase the service given by IND, what steps will he take to ensure that there are sufficient staffing levels to make sure that IND is the truly efficient and effective organisation that we would all like it to be?

Mr. McNulty: I thank my hon. Friend for his question. I can tell him without reservation that there is no indication of a change in Government policy. I take the complaints of misconduct made by this individual, who used to work for IND, extremely seriously. To that end, on the day that the article appeared in a daily newspaper I instructed the director general of IND to present to me how the matter would be investigated. That investigation is now under way. It is headed by the non-executive director of IND, with support from within. I have undertaken also to publish as fully as I can the results of such an inquiry. We take these matters very seriously. If part of the equation, to which my hon. Friend alludes, is that more resources need at least to be considered in terms of the public inquiry office at Lunar house, I shall look at that.

Damian Green (Ashford) (Con): Now that the Minister has, as he has just said, insisted on an internal inquiry, he will accept that a great deal of transparency is required to restore public confidence in the system. In that context, was the Home Office given any evidence of similar abuses by immigration officers before the allegations in *The Sun* on 3 January?

Mr. McNulty: In response to the hon. Gentleman's second point, not to my knowledge. Certainly, nothing has been put before me in any regard. Of course, it is an internal inquiry. At this stage, that is right and proper. I said that I will publish details as fully as I can. If any of the investigations reveal irregularities and misconduct that may well lead to disciplinary and/or criminal procedures being invoked, depending on the seriousness of the charges. I shall neither pre-empt the report nor bind the hands of the individual who is preparing it by saying that I will publish the entire thing. It may well be for reasons relating to disciplinary and criminal matters that that is not possible. However, I shall publish it as fully as possible given that caveat.

Community Support Officers

5. **Barbara Follett** (Stevenage) (Lab): What assessment he has made of whether there is a need to increase the numbers of police community support officers in rural areas. [41773]

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): The Government have made a commitment that by 2008 every area in England and Wales will benefit from dedicated and visible neighbourhood policing teams. To support this commitment, we will increase the number of community support officers to 24,000 by 2008, and we are making significant additional resources available through the neighbourhood policing fund. All 43 forces will benefit from this expansion.

Barbara Follett: I welcome the extra funding that has been made available, and urge my hon. Friend to try to ensure that large villages situated several miles apart, such as Knebworth and Codicote in my constituency, receive their own dedicated community support officer with transport. At present, Knebworth and Codicote share a CSO who, in turn, must share transport with several other officers based elsewhere in the county. That reduces the amount of time that he can spend on the beat and makes policing less effective.

Andy Burnham: I am grateful for my hon. Friend's question, which shows that, such is the success of CSOs, communities increasingly want them to be in two places at once. Hertfordshire constabulary has 110 CSOs, but aims to have 359 as part of the expansion to which I referred. It is for the chief constable to decide how those officers are deployed, but I am sure that he will have heard her wish that the communities of Knebworth and Codicote should be better served once that expansion is complete.

Sir Patrick Cormack (South Staffordshire) (Con): Does the Minister accept that CSOs, as welcome as they are, should always be in addition to, and never in place of, police officers? Can he give the House an assurance that, following amalgamation, there will be more police officers in rural areas, not just more support officers.

Andy Burnham: I can tell the hon. Gentleman that it is indeed the case that CSOs are additional to police officers. He will know that the strength of the police force is significantly greater now than it was in 1997. CSOs are playing an extremely valuable role, the very nature of which means that they are out and about in their community and highly visible. They are increasingly valued by communities, but he is right that they should always be additional to the basic policing strength. It is for chief constables to decide how best to deploy the resources at their disposal.

Victims of Crime (Support)

6. **Mr. Ian Austin** (Dudley, North) (Lab): What recent steps he has taken to support victims of crime. [41774]

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): The code of practice for victims of crime is now in place to deliver new rights for victims, and from April victims can enforce their rights through the parliamentary ombudsman. We have increased funding for victims, and Victim Support's funding has increased from under £12 million to £30 million. In our Green Paper, "Rebuilding lives: supporting victims of crime", we set out plans to improve support for victims of crime by refocusing the criminal injuries compensation scheme to provide more financial help for those most seriously injured and immediate, practical help for other victims through victim care units.

Mr. Austin: I thank my hon. Friend for her answer. The whole House will welcome measures that show victims that we are on their side, but can she ensure that judges are properly advised by the Lord Chancellor to ensure that victims receive full compensation to reimburse them for losses caused by criminal activity? How can we do more to help people such as a constituent of mine, who is due to receive only half of the £8,000 loss that he suffered after being deceived into paying for stolen goods? He will have to wait two years for it, because the crook only has to pay it weekly, even though the police have seized his assets.

Fiona Mactaggart: My hon. Friend is right that one important way to make criminals pay for crime is to recompense victims. We have put more effort into compensation orders, but the current collection level is unfortunately only 60 per cent., which is inadequate—it is better than it used to be, but it is still inadequate. My hon. Friends in the Department for Constitutional Affairs and the Solicitor-General are working together to ensure better enforcement of compensation orders and fines, including blitzes, the roll-out of the Courts Act 2003 and other actions, which I predict will improve the situation in general and for my hon. Friend's constituent.

Susan Kramer (Richmond Park) (LD): Is the Minister aware that the families of murder victims can pay as much as £7,000 to obtain copies of the transcript of the trial of the accused? Such families are often so traumatised by the trial that they need to read the transcript in order to come to terms with events and to decide whether to seek an appeal. The Home Office has talked to a few people about making transcripts free to families, but that has not happened so far. Victims' Voice and Justice for Victims in my constituency are getting daily calls about the matter, so will the Minister make those transcripts free?

Fiona Mactaggart: The hon. Lady is right that that is a concern, particularly when victims have been bereaved through homicide. The national victims advisory panel has discussed the matter extensively, and we are currently investigating whether it is possible to use new technology to make written records from tape-recorded records. We are continuing to investigate making the transcripts of trials available to the bereaved, but although we are closer to resolving the matter, we are yet to find a solution.

Mr. John Denham (Southampton, Itchen) (Lab): I welcome everything that the Government have done to improve support for victims, but once the sentence has been handed down, most victims lose track of what happens to the offender. What plans does my hon. Friend have to give victims the right routinely to know whether fines are paid, whether community sentences are served, whether drug treatment orders are complied with and the length of prison sentence actually served?

Fiona Mactaggart: My right hon. Friend is aware that the victims code includes improved rights for victims, which cover, for example, the release of a dangerous offender from prison. Appropriate rights for victims are the first step, and we are discussing with the victims advisory panel what further rights should be available to victims. We will also discuss the matter with the new victims commissioner, when they are appointed—the appointment process will begin shortly. Under the victims code, some of the rights to which my right hon. Friend has referred will be available to victims, and for the first time from April, if a victim does not get those rights, they can appeal to the ombudsman.

Community Policing (Merseyside)

7. **Dr. John Pugh** (Southport) (LD): If he will make a statement on the development of community policing in Merseyside. [41775]

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): The Government are committed to the extension of neighbourhood policing to all parts of England and Wales by 2008. Merseyside is a key partner in the development of that approach, which includes highly visible policing, easier access to individual officers and stronger accountability to local communities.

Dr. Pugh: In my constituency, we have had a series of neighbourhood policing plans, a new chief inspector almost every year and the constant rotation of local bobbies. We should monitor turnover, because it would help neighbourhood policing if the police were to stay in the neighbourhood.

Paul Goggins: I agree with the hon. Gentleman, who puts his finger on an important issue. I hope that he will take some encouragement from the commitment that is being made as part of the current restructuring of community policing in his area, whereby ward-based officers will not be removed from their neighbourhood policing duties whatever else may be happening. That links back to what my right hon. Friend the Home Secretary said earlier about the need to ensure that those who are dedicated to community and neighbourhood policing are able to continue that job whatever else may be happening in the wider community.

Mr. Wayne David (Caerphilly) (Lab): I am sure that police community support officers play a critical role in community policing in Merseyside, as they do elsewhere. Does the Minister have any proposals to increase their powers in Merseyside and elsewhere?

Paul Goggins: We are considering what the standard powers of community support officers should be to

ensure that they are properly empowered by the chief constable to work as part of the neighbourhood policing team. We want them to work in a highly visible way with police officers, community wardens and others to ensure not only that local people are reassured by their highly visible presence, but that we crack down on crime in those neighbourhoods.

Mr. Mark Francois (Rayleigh) (Con): The cost of community policing ultimately has to be met by council tax payers in Merseyside, as in any other part of the country. Why should council tax payers in Merseyside, or anywhere else, have to pay through the nose for their policing in future because of the Government's obsession with regionalisation?

Paul Goggins: I do not accept the hon. Gentleman's analysis. The neighbourhood policing fund, which is funding the community support officers who are so welcomed by Members on this side of the House—and, I take it, by all Members—is the result of the Government's major investment of £88 million in the year that is about to start and £340 million in 2007–08. That means that we can move forward to the commitment of 24,000 community support officers by 2008.

Identity Cards

8. **Miss Anne Begg** (Aberdeen, South) (Lab): How the introduction of identity cards will prevent identity theft and fraud. [41776]

The Secretary of State for the Home Department (Mr. Charles Clarke): Identity fraud costs the economy at least £1.3 billion every year, and all the evidence shows that the threat is rising. The ID cards scheme will tackle the problem by recording biometric information so that we are able to detect people who try to register multiple identities to commit fraud, or for other, worse, purposes. The scheme will also allow individuals and organisations to verify identity to a much greater degree of certainty than at present.

Miss Begg: I thank the Secretary of State for that reply. I have constituents who look forward to the introduction of ID cards because they have had their identities stolen and found it very difficult to prove exactly who they are. However, other constituents who write to me are concerned that the very introduction of ID cards will not be safe and that the data will not be secure because the national database will be susceptible to fraud or to being hacked into so that the data on it are corrupted. What assurances can the Secretary of State give to those constituents that that will not happen?

Mr. Clarke: I hear absolute assurances—*[Interruption.]* I apologise, Mr. Speaker. I give assurances that the security of the database will be our absolute priority in all circumstances. Perhaps I can go even further. All of the many databases that are held about all of us in this House—whether they concern finances, health or passports, or are in the private or the public sector—are insecure to a degree while we do not have an ID cards system. The ID cards system will provide security not only for the identity database itself but for all the other databases that hold data about the whole of this country.

Adam Afriyie (Windsor) (Con): Which part of the Government's ID cards policy stems from the socialist traditions of the Labour party?

Mr. Clarke: I think, although I have not checked up on my texts recently, that it is pretty socialist to say that an individual should possess their own identity and not have it stolen by somebody else. *[Interruption.]* The hon. Member for Buckingham (John Bercow) is suggesting that that is not a socialist tenet—I shall take his authority on that—but I think that it is a pretty strong basis.

Mr. David Winnick (Walsall, North) (Lab): May I suggest to my right hon. Friend, in the friendliest way possible, that it might be useful if the Cabinet looked again at the whole issue of identity cards in view of the growing concern about not only the cost, but the database, about which, unlike other databases that he has mentioned, the Information Commissioner has issued a very clear warning over privacy and civil liberties? As regards the previous question, is it not a fact that the last leader of the Tory party was very keen on identity cards?

Mr. Clarke: Actually, the last leader of the Tory party was keen at the beginning but not at the end. The Tories wibble-wobbled throughout. The current leader has taken yet another position in the past day or so.

I do not accept what my hon. Friend says. As the arguments about costs, the security of the system and the need for it have become more widespread and better understood, support for ID cards has increased. It is a critical measure to enable us to provide security for people in this country and we shall proceed with it.

Mr. John Redwood (Wokingham) (Con): Given that the Government have issued more national insurance numbers than there are people eligible to receive them, and given the active market in illegal passports, why should we believe that they will get it right this time? Why cannot the Government get it right in those important cases in which they already hold data?

Mr. Clarke: If we take the passport example, which was controversial only a few years ago, the Passport Agency now has greater consumer appreciation of what it does than anyone else, including all major high street suppliers and so on. I pay tribute to it for that. It has undertaken a major IT project involving 40 million records successfully, systematically and positively. That is the model for what we should do and that is why the ID cards system has been given to it.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I do not have the same concern about the falsification of passports, having been with Europol to ascertain how easy that is. However, I am deeply concerned about the recent major tax credit fraud using the information, details and identities of civil servants in Departments. I am told that those identities are very

secure. Will my right hon. Friend assure us that, if people can intervene with civil servants' identity passes, ID cards will be protected from such intervention?

Mr. Clarke: That is precisely the point. The biometrics that the ID cards will possess and those that are already being introduced in passports provide the assurances for the non-biometric schemes, which my hon. Friend described, that have given rise to such fraud. We need more security to give individuals and organisations the confidence that they need. The ID cards will provide that.

John Bercow (Buckingham) (Con): Given that, despite the Home Secretary's protestations to the contrary, reliance on a single reference source to establish identity will tend to maximise, not reduce the threat of fraud, and that all the Government's arguments have been consistently rebutted, why is the right hon. Gentleman hell bent on introducing a compulsory ID card scheme with a cost that he will not effectively calculate, for a benefit that he cannot properly quantify and at a risk to individual privacy that he dare not admit?

Mr. Clarke: As I said earlier and in various debates in this place, every single one of those arguments is wrong. I am sure that we will have the opportunity to debate some of them in the Commons in due course, and that is the right way to tackle them. However, the hon. Gentleman's assertions about cost, liberty and so on are simply wrong.

Antisocial Behaviour Orders

9. **Mr. Jim Cunningham** (Coventry, South) (Lab): How many antisocial behaviour orders were issued in 2005 in (a) Coventry and (b) the west midlands? [41777]

The Minister for Policing, Security and Community Safety (Hazel Blears): The number of antisocial behaviour orders issued, as notified to the Home Office, from 1 January 2005 to 30 June 2005, in the local government authority area of Coventry city council is 12. During that period, a total of 142 ASBOs have been issued in the west midlands criminal justice system area.

Mr. Cunningham: Does my right hon. Friend recall that Coventry Members of Parliament pushed for the introduction of ASBOs? Indeed, Coventry was one of the first places in the country to use them, but how many people have reoffended in Coventry and the west midlands?

Hazel Blears: I congratulate my hon. Friend and many other Members of Parliament who have pushed for tough and swift enforcement action against antisocial behaviour. My hon. Friend's constituency is one of our Together Action areas, which have been at the forefront of leading the fight against antisocial behaviour.

I do not have the specific figures that my hon. Friend has requested today, but I shall write to him with the details. In action areas such as his, the number of people who believe that antisocial behaviour is a big problem has reduced from 25 per cent. only two years ago to 19 per cent. now. That drop of 6 per cent. is a tribute to the people, the police and the local authority—all of them have genuinely taken action.

Jeremy Wright (Rugby and Kenilworth) (Con): I am sure that the Minister agrees that making an ASBO is of no value if it is not enforced. What will the Government do to reduce the paperwork burden on the police so that they have the time and opportunity to enforce the orders that the courts make?

Hazel Blears: The hon. Gentleman will know that we have made about 9,000 forms obsolete. We have also introduced video identity parades, and parades that used to take weeks to arrange can now be done in a matter of hours. We are trialling hand-held computers in a whole range of forces, so that police officers do not need to go back to the station so often. The police have also issued more than 170,000 penalty notices for disorder. This has saved them thousands of hours of police officers' time, which can now be used to tackle the problems that the public think are a real priority.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): The Minister will be aware that antisocial behaviour orders have been warmly welcomed in local communities, not least by the many young people who make such a positive contribution to society. She will also be aware, however, that some people in this field seek new measures to make it easier to obtain antisocial behaviour orders, fixed penalty notices and other measures. Will she set out for the House what measures there are in the respect action plan, published last week, to make it easier for the police and other agencies to obtain antisocial behaviour orders, fixed penalty notices and other such measures?

Hazel Blears: My hon. Friend is right to say that people have used these powers to great effect in some areas. Indeed, the police in Wolverhampton have been closing crack houses, and they have secured 25 antisocial behaviour orders, which has made a real difference. Under the respect action plan, we want to consult on a closure order that will give the right to close either residential or licensed premises within 24 or 48 hours, to bring respite to communities that are suffering from serious antisocial behaviour. We want to ensure that there is a power for conditional cautions, so that people can be made to do visible unpaid work very soon after engaging in their antisocial behaviour. We also want to make antisocial behaviour injunctions and local authority injunctions work better. There is a whole range of enforcement issues in the respect action plan. Hon. Members will know, however, that it also contains—

Mr. Speaker: Order. I must say to the right hon. Lady that I have to give other hon. Members a chance to speak.

Mr. Philip Hollobone (Kettering) (Con): Is the Minister aware that it is very difficult to apply for and obtain an antisocial behaviour order? Is she also aware that 40 per cent. of them are breached, and that a

pathetically small percentage of those breaches end up being prosecuted, especially among the under-16s? What is she going to about that?

Hazel Blears: First, I reject the hon. Gentleman's assertion that antisocial behaviour orders are virtually impossible to obtain. There are now 6,500 antisocial behaviour orders across the country. I do not have a league table—I do not want to judge people on how many orders they have—but many police areas and local authorities have now got their act together and are able to obtain the orders. The hon. Gentleman said that 40 per cent. of the orders are breached; 60 per cent. of them are not, which means that peace and harmony have been brought to those communities. When they are breached, it is vital that enforcement action is taken swiftly in the areas that are using these powers.

Iraq (Asylum Applicants)

11. **Ann McKechin** (Glasgow, North) (Lab): If he will make a statement on recent progress in returning failed asylum applicants to Iraq. [41779]

The Minister for Immigration, Citizenship and Nationality (Mr. Tony McNulty): There have been some 1,371 voluntary returns to Iraq since July 2003. In 2004, the Home Office announced its intention to commence an enforced returns policy to Iraq. As with all nationalities, removals will be enforced on a case-by-case basis, and the immigration service will return people only to those areas of Iraq assessed as being sufficiently stable and where we are satisfied that the individual concerned will not be at risk. The first enforced returns to Iraq took place on 20 November 2005, when 15 Iraqis were removed on a forced basis.

Ann McKechin: The Minister will appreciate that a large number of Iraqi applicants have now been residing in the United Kingdom for more than three years. They come from the parts of Iraq to which we are unlikely, in the short to medium term, to be able to guarantee them a safe return. As a result, they are left in a very unsatisfactory limbo. Will the Minister consider either granting an amnesty to these people or allowing them to work for a limited period until we can determine whether the security position in Iraq, especially in the Baghdad area, is likely to improve?

Mr. McNulty: My hon. Friend has asked an entirely fair question. There are no plans for any such amnesty for asylum seekers—from Iraq or any other nation—whose applications have failed. In relation to whether those who cannot immediately be returned should be allowed to work or afforded some kind of temporary status, these matters are always kept under review, so I would never say never.

Stewart Hosie (Dundee, East) (SNP): I welcome the Minister's commitment to a case-by-case review of the forced return of failed asylum seekers to parts of Iraq deemed to be safe. Given the deep anxiety not just about that but about removal of asylum seeker families with children to many countries that, though nominally safe, are in reality in turmoil, with large amounts of violent civil conflict, will the Minister give a commitment to a case-by-case review of the forced return of asylum seekers with families to places such as Congo and Sudan as well as to Iraq?

Mr. McNulty: I can only repeat what I said in my previous answer. All cases that are deemed ready for enforced returns are dealt with on a case-by-case basis, regardless of the circumstances and regardless of the country. Rather than narrowing that down to particular segments of the failed asylum seeker community as the hon. Gentleman suggests, I would prefer to keep it at the level at which the personal circumstances and the circumstances of the country for that individual, on a case-by-case basis, must be paramount. I repeat, however, as I said last week, that it must be in everyone's interest that when people, for whatever reason, fail in their application for asylum, we must collectively do all that we can to ensure voluntary rather than enforced returns.

DNA Database

12. **Chris Bryant** (Rhondda) (Lab): What assessment he has made of the effectiveness of the national DNA database. [41780]

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): As the recent report on the DNA expansion programme confirms, the national DNA database is a key police intelligence tool and provides the police with around 3,000 intelligence matches each month, which are critical leads for police investigations. There has been a fourfold increase in the number of detections obtained through the use of DNA between 1999 and 2005. The database is helping to secure more convictions and bring more offenders to justice.

Chris Bryant: I am grateful to the Minister for that answer. He will know that 88 murders once considered cold cases have now been solved thanks to the DNA database. Three of those were in Wales, and 11 stranger rape cases have also been solved in Wales as a result of the database. I urge him not to listen to the hon. Member for Hornsey and Wood Green (Lynne Featherstone), who says that it is an intolerable attack on human rights, or to the hon. Member for Ashford (Damian Green), who seems to think that it is an irrelevance. Will the Minister push forward with the DNA database so that we can solve more cold-case crimes?

Andy Burnham: I could not agree more with my hon. Friend's points. In particular, people who have been arrested for offences and whose DNA has been held have been linked to 3,000 offences, including 37 murders, 16 attempted murders and 90 rapes. Those leads are giving justice to families who could not previously have their case concluded. The database is extremely important and provides the police with a vastly important intelligence tool. We should celebrate its expansion rather than, as some others have done, seek to nit-pick and carp at every available opportunity.

Points of Order

3.32 pm

Mr. William Cash (Stone) (Con): On a point of order, Mr. Speaker. On the respect action plan, I made inquiries at the Vote Office as to whether I could get hold of a copy and was told that I could not do so. I am aware that a copy has been deposited in the Library of the House, but it strikes me that something that has been given the full weight of the Prime Minister's authority, and that is built up in such an incredibly self-important manner, should be available to Members of the House in the Vote Office. Please can you investigate this matter and take whatever action that you feel necessary?

Mr. Speaker: The hon. Gentleman has given me some notice, so I am able to help him on this matter. The Government's respect action plan is not a parliamentary paper, so the Vote Office does not automatically hold copies. From time to time, Departments make available to Members through the Vote Office documents that they have published informally and that are linked to the work of the House. That is helpful, and I hope that Departments will continue to do that.

Mr. David Willetts (Havant) (Con): On a point of order, Mr. Speaker. May I ask for your guidance on how best we can correct an inadvertently misleading statement to the House of Commons? In the Secretary of State for Education's statement last Thursday, she said:

"Where a teacher is convicted of one of a number of specified offences they will automatically be included on List 99, which bars them for life from working in schools."—[*Official Report*, 12 January 2006; Vol. 441, c. 435.]

Since then, we have discovered that that bar is not automatic and does not bar teachers for life from working in schools. May I ask you how best we could secure the attendance of the Secretary of State for Education in the House to correct a statement that has caused further confusion and alarm to parents and teachers?

Mr. Speaker: I listened to the statement of the Secretary of State for Education and Skills and she said that she was coming back to the House this week, which would be an appropriate time for the hon. Gentleman to raise that question.

Orders of the Day

Equality Bill [*Lords*]

[Relevant document: The Fourth Report from the Joint Committee on Human Rights of Session 2005–06, HC 766, on Legislative Scrutiny: Equality Bill.]

As amended in the Standing Committee, considered.

New Clause 9

DISCRIMINATION ON GROUNDS OF GENDER REASSIGNMENT

'(1) The Secretary of State may by regulations make provision about discrimination or harassment on grounds of gender reassignment.

(2) In section (1) "gender reassignment" has the meaning given by subsection 36.

(3) The regulations may, in particular—

(a) make provision of a kind similar to Part 2 of this Act;

(b) define discrimination;

(c) define harassment;

(d) make provision for enforcement (which may, in particular, include provision—

(i) creating a criminal offence of a kind similar to, and with the same maximum penalties as, an offence created by an enactment relating to discrimination or equality,

(ii) about validity and revision of contracts,

(iii) about discriminatory advertisements, and

(iv) about instructing or causing discrimination or harassment;

(e) provide for exceptions (whether or not of a kind similar to those provided for by Part 2 of this Act or any other enactment relating to discrimination or equality);

(f) make provisions which apply generally or only in specified cases or circumstances;

(g) make different provisions or different cases or circumstances;

(h) include incidental or consequential provision (which may include provision for amending an enactment);

(i) include transitional provision.

(4) The regulations—

(a) shall be made by statutory instrument, and

(b) may not be made unless a draft has been laid before and approved by a resolution of each House of Parliament.

(5) In subsection (3) (h) "enactment" includes an enactment in or under an Act of the Scottish Parliament.'. —*[Lynne Jones.]*

Brought up, and read the First time.

3.30 pm

Lynne Jones (Birmingham, Selly Oak) (Lab): I beg to move, that the clause be read a Second time.

The new clause is intended to enable the protection of transsexual people from discrimination in the supply of goods and services by creating a power to introduce secondary legislation. It is a near copy of the provisions relating to the provisions on sexual orientation, which the Minister will be aware were not in the original Bill as introduced in the House of Lords, but were by the time it came to be considered by this House. That was partly as a result of the pressure applied by other hon. Members, including those, such as myself, who signed early-day motion 710 in the name of my hon. Friend the Member for Brighton, Kemptown (Dr. Turner).

[Lynne Jones]

That was a very welcome move on the part of the Government and it is unfortunate that the Government have so far chosen to ignore the requests for a similar provision in the case of transgender people; for example, 88 hon. Members signed early-day motion 1083 in my name on the Equality Bill and the supply of goods and services to transsexual people.

There are three reasons for including the provision now: the need for protection, administrative efficiency and compliance with EU law. Society is much more accepting of transpeople today. The Gender Recognition Act 2002 was passed unopposed with all-party support, a far cry from 1994 when there was widespread discrimination against transsexual people, which led me to found the parliamentary forum on transsexualism.

At that time, Ministers tolerated blatant discrimination in employment against transpeople. Nevertheless, discrimination continues. It took five years to see the introduction of the Sex Discrimination (Gender Reassignment) Regulations 1999, which amended the Sex Discrimination Act to prohibit discrimination in employment and vocational training. However, those regulations do not extend to discrimination in the supply of goods and services.

The media have reported several cases involving transsexual people refused access to pubs. Press for Change, the lobby group on behalf of transpeople, is particularly concerned about young transsexual people who are forced to leave home when relationships with their families break down. Discrimination by private and institutional landlords means that these young and vulnerable transsexual people often encounter great difficulty in finding accommodation.

The more widespread problem is that without legal protection against prejudice, many transsexual people censor their lives by taking care to avoid situations where they feel discrimination, knowing that the law currently leaves them with no redress. In that regard, we have made little progress since the time shortly after I was elected in 1992, when I was approached by a transsexual woman who was absolutely terrified of her gender status becoming known by her employer. It was that kind of discrimination that led to legal challenge and to the regulations that I have mentioned.

In relation to the provision of goods and services, a few test cases have so far come to court, but most potential litigants stand down when advised that they have no case as the law currently stands. As I have said, the Sex Discrimination (Gender Reassignment) Regulations amended the Sex Discrimination Act in 1999 to prohibit discrimination in employment and vocational training. This was done to implement the 1996 ruling in the European Court of Justice in the case of P *v* S and Cornwall county council. That was the case of a transsexual woman who, having initially been promoted by the council, was then sacked by it when she informed it that she was going to undergo gender reassignment surgery.

The directive determined that discrimination on the ground of sex includes discrimination on the ground of gender reassignment. Because the 1999 regulations were introduced under the terms of the European Communities Act 1972, they could not exceed the scope of the equal treatment directive. They extend only to employment and vocational training, and not to the rest of part III of the Sex Discrimination Act 1975.

An opportunity to legislate for goods and services protection arose with the Gender Recognition Act 2004. At that time, however, Ministers preferred to wait for the outcome of discussions on a new EU directive on gender discrimination in goods and services. In Committee, the then Minister with responsibility for such matters, my hon. Friend the Member for Tottenham (Mr. Lammy), responded to a query from me as follows:

> "She is right in saying that there is nothing to prevent the Government from acting. However, as I indicated, we are in discussion with our partners in Europe. We have a draft directive as of three months ago, and it appears that there will be legislation on the matter. The Government welcome that and believe that it is right to have that dialogue with our European partners, come to a conclusion and then take the matter forward."—[*Official Report, Standing Committee A*, 16 March 2004; c. 186.]

That conclusion was reached later in 2004. European Council directive 2004/113/EC, of 13 December 2004, implemented the principle of equal treatment between men and women in the access to, and supply of, goods and services. However, no provision was made in the Equality Bill to implement the directive, which surely would have been the obvious means of dealing with the issue. The Equality Bill is therefore the second missed legislative opportunity to provide that protection for transpeople.

One major concern that the Government expressed about introducing such protection through the Bill was that a substantial amount of work would be required in considering whether any exceptions were necessary. Given that the 1975 Act already contains exceptions to cope with single-sex facilities, it should not be considered problematic that new exceptions are required to permit continued discrimination against transpeople. However, there are likely to be rare and complex situations in which exceptions may be needed—probably those involving people in the process of changing gender. The new clause would address that by introducing a power for Ministers to issue regulations creating exceptions. It is intentionally constructed as a replica of clause 81, which creates a power to introduce goods and services protection on the ground of sexual orientation. The new clause can therefore be presumed to be acceptable to the Government as a workable framework.

However, the power to make regulations would allow Ministers to make any special provision that might be necessary, and it would ensure that Parliament does not have to satisfy itself at this stage that all possible exceptions have been considered. The provision allows more time and flexibility to ensure that the protection can be provided now, and in a way that works.

Ministers have argued that it is not the right time for such a step. In answer to my hon. Friend the Member for Colne Valley (Kali Mountford), the Minister referred on Second Reading to the Government's equalities review and the discrimination law review, with a view to the inclusion of any changes in the promised single equality Act. However, as the Government are aware, waiting for a single equality Act would risk leaving the UK in breach of its obligations

under EU law. The directive that I mentioned earlier, which implemented the principle of equal treatment in the access to and supply of goods and services, does not explicitly refer to transpeople or to gender reassignment. However, the minutes of the Council meeting include an explicit note that the directive should be determined in the light of the 1996 European Court of Justice ruling in the P *v.* S and Cornwall county council case, which I mentioned earlier also. In that case, the European Court of Justice held that the prohibition of discrimination on grounds of sex should be construed to include discrimination on grounds of gender reassignment.

3.45 pm

Goods and services protection for transpeople will therefore be required no later than December 2007, when the directive enters into force. It is very unlikely that a single equality Act will be passed by Parliament and have entered into force in time to meet that obligation. It would, of course, be possible to implement earlier the directive to implement goods and services protection by making regulations under the European Communities Act, which I understand is the Government's intention. That appears, however, to be little different from using the Equality Bill now to create a power for regulation, and I am therefore confused about why the Government are not taking that opportunity, particularly as it would enable some areas not included in the European directive to be addressed. Some areas protected by the goods and services protection provided under the Sex Discrimination Act 1975 fall outside the scope of the EU directive. Education, as a reserved area, is one example, and media representation another. Clearly, in introducing regulations under the European Communities Act, the Government will not be able to extend protection in those areas.

John Bercow (Buckingham) (Con): I respect the hon. Lady's record in this field and strongly support her new clause. I put it to her that the Government's rationale for not acting now is no more compelling than the rationale that they offered in the other place in the first instance in respect of the similar problem of goods and services discrimination against lesbians and gay men. In fairness to Ministers, I may say that on that occasion, not least under pressure from the noble Lord Alli, the Government saw sense and conceded the need to act. Should they not do so in this case, too, on grounds both of equity and of efficient use of parliamentary time?

Lynne Jones: I was coming to the point about administrative efficiency and entirely agree with the hon. Gentleman. In fact, in many ways the issues concerning transpeople are perhaps a little easier for the Government to deal with than those concerning lesbians and gay men; we already have gender regulations in relation to employment, which cover many complex areas. I have with me, for example, a guide to the Sex Discrimination (Gender Reassignment) Regulations 1999, which covers employment where it is required for employees to share the same accommodation. A lot of issues that might require detailed scrutiny have already been dealt with in those regulations.

Work is already under way within the Government on regulations to implement the Equality Bill's provision for protection against discrimination in the supply of goods and services on grounds of sexual orientation. Many of the issues raised by discrimination against transpeople are similar to that. For example, religious bodies have similar concerns, and many organisations address the issues on the ground jointly through a lesbian and gay network and bisexual and trans framework.

Even if the Government introduce regulations, however, goods and services protection will not be comprehensive for transpeople. The means by which the Government propose to implement the EU directive will result in our missing the opportunity to introduce protection in these crucial areas. In addition, it will add unnecessary complexity to the law. It therefore makes administrative sense for the work on discrimination against transpeople to follow on quickly from the work on sexual orientation, rather than being left until the Equality Bill has passed through the House. For those reasons, I hope that the Government will accept new clause 9—I know that they are committed to introducing this protection for transpeople.

Chris Bryant (Rhondda) (Lab): On a point of order, Mr. Speaker. I apologise for raising this point now, because it does not directly relate to the business at hand, but I wanted to give you notice of this point of order. I hope that this is an apposite moment. You will know that the hon. Member for Bethnal Green and Bow (Mr. Galloway) is not present and, indeed, is incommunicado. However, he managed to sign last Thursday 12 early-day motions, which appear on today's Order Paper. One of them, early-day motion 1297, is about abandoned animals at Christmas, but I do not know whether cats were included. Is it in order for an hon. Member who is not present and has no means of being in communication with this House to sign early-day motions? I suggest that it might be worth while investigating how he has managed to do so.

Mr. Speaker: I do watch "Big Brother" and I saw the one about the cat and the one about the boxers. I know that some hon. Members give authority to another hon. Member to put their names on early-day motions, but I cannot think of any hon. Member who would do so in this instance. I will look into the matter, and that is the best that I can do. I will also continue watching "Big Brother" in my spare time.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Further to that point of order, Mr. Speaker. I acknowledge that this is an exceptionally important debate and I do not want to digress from it, but my hon. Friend the Member for Rhondda (Chris Bryant) has raised an important point. In considering that point, Mr. Speaker, will you find out whether any of the early-day motions have been tabled during the incarceration of the hon. Member for Bethnal Green and Bow (Mr. Galloway), because if so, it is difficult to see how he could provide authority for them to be signed?

Mr. Speaker: As I said to the hon. Member for Rhondda (Chris Bryant), I will look into the matter. It

[Mr. Speaker]

could be a question of authority to add a name being given to another hon. Member, so we will continue with the debate unless I get into serious difficulties for promoting a television programme—I use that term lightly.

Mrs. Eleanor Laing (Epping Forest) (Con): New clause 9 should be an essential part of this Bill. As my hon. Friend the Member for Buckingham (John Bercow) said most eloquently a few moments ago, there is no logical reason why protection from potential discrimination on the ground of transgender should be treated any differently from protection from potential discrimination on the ground of sexual orientation. The Opposition were pleased that the Government were flexible, far-seeing and honest enough to accept the amendments in the other place that have led to the addition to the Bill of protection from potential discrimination on the ground of sexual orientation. It is a matter of simple logic and reason to say that the same protection should be afforded to people who have chosen to change gender. We have already passed legislation to make formal the status of transgender and we all appreciate that there is no reason why people should not have that protection.

I understand why the Minister is likely to argue that the Government do not want to include the new clause at this time: they want to give the matter further consideration as it is part of an ongoing review. We discussed the matter at some length in Committee in a constructive debate. Nevertheless, the hon. Member for Birmingham, Selly Oak (Lynne Jones) proposed the new clause in a thorough and meaningful way and she speaks for many, many Labour Members. She speaks for many Conservative Members, too, and she has the full support of the Opposition Front Bench.

Sandra Gidley (Romsey) (LD): I have little to add to the words of the hon. Member for Birmingham, Selly Oak (Lynne Jones), who put the case well. Although it is welcome that during the passage of the Bill the Government have extended goods, facilities and services protection on the ground of sexual orientation, there seems no reason not to extend the provision on the ground of transgender.

In Committee, the Minister was pressed repeatedly to give an assurance that the directive implementation date of December 2007 would be fully met, yet failed, unfortunately, to produce any such reassurance. I accept the need to get the measure right and iron out the fine details, but as the hon. Member for Birmingham, Selly Oak said, this will be the second missed opportunity to address that aspect of inequality. In 2004, the then Minister said that a review was ongoing and that something was expected within a year. However, almost 18 months later we are no further forward.

The simple reality is that if we wait for the Act to be passed, we will have missed an opportunity to implement the directive fully and to extend the provision, because, as has already been pointed out, education and the media are not covered. It would be helpful if the Minister could explain the process, give us assurances that the directive will be fully implemented and indicate where we go from here. Only a small group of people may be affected and it is important that we get the provision right, but the Government have had enough time.

Mr. Tim Boswell (Daventry) (Con): I, too, signed the new clause moved so ably by the hon. Member for Birmingham, Selly Oak (Lynne Jones) and, on the basis of our past association during the passage of the Gender Recognition Act 2004, I want to say how much I admired both her constructive approach to those macro-debates and the clear way in which she proposed the new clause. On both, more often than not, I agreed with her—and, indeed, with other Members. This is not fundamentally a party political issue. That is why the Government should catch the tide and eliminate discrimination in one of the few remaining areas that is as yet inadequately covered by our legislative arrangements, and should do so in the way that the hon. Lady put so clearly to the House. She invites us to accept a new clause that is framed to give the maximum possible flexibility of detailed implementation, if there are detailed or technical issues that need further thought and ultimate resolution—as there usually are, in my experience. I am with her on that.

I regret that owing to other duties, which we sometimes have, I have been a country member of the debates on the Equality Bill. That does not signify any lack of support for it; it merely means that I have not been able to participate in the Committee and listen to the detailed discussions that have taken place. One by-product of that is that coming to the new clause fresh, as it were, without having been a direct participant in the debates in Committee, it seems odd that nothing has been done in this area.

4 pm

I have three points to put to the House. First, I disagree slightly with the hon. Member for Birmingham, Selly Oak, who rightly said—I do not disagree about this—that there have been great advances in our approach to transgendered people. Nevertheless, my experience of people in such a situation is that there is still a real sensitivity and scope, to put it no less strongly, for wide misunderstanding among the general public of the position of transgendered people, not least because they are such a small minority.

Frankly, I would have known little about it, and might have had less sympathy than I have, if one of my constituents, who is very articulate, had not been able to brief me extensively during the passage of the Gender Recognition Act 2004. My constituent has gone through a marriage annulment and, I think, the first civil partnership in the country under the accelerated procedure. I was delighted to congratulate her on that relationship, which I hope will last. She is an excellent person who shows some measure of the quality of people who are transgendered and who are being disregarded and sometimes demeaned by society.

There was some unpleasant press comment last week about somebody who had sought a reversal operation after an initial operation. That was the old Adam coming out, at least in the press, in people who are still unsympathetic to transgendered people. It seems

offensive to have a situation in which the small number of transgendered people—probably a handful in each constituency—feel that they are being singled out at a time when other people's inequalities are being addressed.

Secondly, I should like the Minister to comment on another issue in her response. I remember well from our exchanges in Committee, when considering the 2004 Act, the hon. Member for Birmingham, Selly Oak bringing forward some interesting legal opinion and comments—on which we did not have a wholly satisfactory answer from the Government—in the relation to The Hague convention on the operation of private international law.

Increasingly, there will be situations—I notice the Minister looking a little quizzical—where persons who find themselves translated to the UK, either as temporary visitors or permanent residents, may have private rights attaching to them through their membership of other member states of the European Union. That creates a further anomaly that Ministers may need to consider, quite apart from non-compliance with the European directive in time, which I would have thought they would take seriously, but instead they seem to be taking a casual attitude.

Thirdly, on discrimination, it seems daft that under the legislation shopkeepers, for example, will no longer be able to refuse services or the supply of goods on the grounds of people's sexual orientation or their religion, or for any other reason, but that the one area where they could continue to refuse would be in relation to transgendered issues. That seems grossly unfair and sends exactly the kind of signal on persecution, or demeaning people, that we should not be sending.

Having not participated in the debates in Committee, I thought for an awful moment that the Government might, in some strange way—perhaps as the index of the ignorance that is still widely attached to such sensitive issues—have thought to themselves that the provisions on sexual orientation that they were making would, in some sense, cover gender reassignation. Of course, the provisions will not do that because gender reassignation has nothing whatever to do with sexual practices or orientation, nor does it imply anything for them. In that sense, if we are to rake around in moral concerns, it is much less "reprehensible"—I emphasise the inverted commas—to have undergone gender reassignment than to have a particular sexual orientation. I have no objection to the law dealing with those issues either, but I do not understand why the Government are so diffident about this issue.

Finally, I shall emphasise a point that the hon. Member for Birmingham, Selly Oak made so eloquently. Her new clause is an entirely facilitative new clause. It provides for an order-making power and not for a precise set of criteria. Therefore, if there is a problem it is possible for Governments to accommodate that. However, to accommodate it by doing nothing at this stage will facilitate the condoning and permission of discrimination in this very narrow area for an indefinite period of a year or two, when that has no justification or merit and should be stopped.

John Bercow: My hon. Friend rightly refers to the fact that we are debating provision for an order-making power. As part of a belt-and-braces approach for the Government, does he agree that if Ministers are anxious in some way that pressing ahead now risks error or a lack of satisfaction, the order-making power can be designed in such a way as to minimise that threat? Ministers can say that they will issue draft regulations that will be subject to wide-ranging consultation and that they will then subject the regulations to the affirmative procedure of the House.

Mr. Boswell: I entirely endorse my hon. Friend's comments. Ministers have the maximum flexibility and the lowest level of commitment, but the House should not turn its back on the interests of transgendered people by rejecting the clause and saying that they alone should not be able to avail themselves of the equality agenda of which the Government are so proud and on which, as matter of record, I have supported them.

The Parliamentary Under-Secretary of State for Trade and Industry (Meg Munn): I thank my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones) for raising the issue and I pay tribute to the long-standing work that she has done. Like the hon. Member for Daventry (Mr. Boswell), I, too, have two constituents who have come to me with issues surrounding transsexuality and transgender. One of them mentioned on many occasions the work that my hon. Friend had done, and for which we are all very grateful.

As I said in Committee, I want to stress that the Government support the intention underpinning the new clause, and to make it absolutely clear that we are committed to ensuring that transsexual people are protected against discrimination in the areas of goods, facilities and services. Work is already under way, within the context of the discrimination law review, to ensure that transsexual people gain the legal protection that we all agree should be available. That builds on the rights that the Government have already ensured for transsexual people through the Gender Recognition Act 2004, which several hon. Members have already mentioned.

It has been argued that because the Bill contains an order-making power to extend protection against discrimination on the ground of sexual orientation, we should bring forward regulations to protect transsexual people. Indeed, as my hon. Friend said, her new clause mirrors the provisions in clause 81. We are not persuaded, however, that legislating now to bring in a power to introduce the regulations that my hon. Friend is seeking is the right approach. The circumstances are far from identical. In many cases, discrimination issues facing transsexual people are not the same as those facing gay men and lesbians. We need to understand them properly before we legislate.

I was very pleased to hear today—as I always am—the commitment of many Members to issues of equality, but I must reiterate to them, as I did on Second Reading, that the Bill was never designed to cover all equality issues. I fully understand the frustration felt by hon. Members because it takes time to achieve what we are setting out to do, but the discrimination law review is the mechanism that we have put in place to ensure that we

[Meg Munn]

have a proper approach. That will lead to a single equality Bill in the lifetime of this Parliament, which is our manifesto commitment.

Kali Mountford (Colne Valley) (Lab): I am trying to gather some understanding of my hon. Friend's position, especially as she says that we must learn about the experience of such discrimination and the way in which that is qualitatively different from other people's experience of discrimination, because I do not understand precisely what she is trying to get at. There is also a question of time. We are constrained not only by expectations—not least those of the community—but by the strictures on us due to the need to comply quickly with European legislation. Will she indicate how quickly she might reach that position of understanding?

Meg Munn: If my hon. Friend will bear with me on the question of timing, I shall come to it shortly. I will respond specifically to the matter because it was raised in Committee.

Mr. Boswell *rose—*

Meg Munn: Will the hon. Gentleman contain himself until I have responded to the point made by my hon. Friend the Member for Colne Valley (Kali Mountford)?

On the experiences of transsexual people, there are specific difficult questions that we must resolve. I am not saying that there are not answers to those questions—I fully expect that there will be—but we must examine the provision of single-sex hospital wards and the situation in prisons. We must consider services that are provided to people that are based on their gender. I fully expect that we will find ways through that, but we must have a proper look at the matter. We also need to consider terminology and the way in which we define terms that are used in different ways, such as transsexual and transgender.

Mr. Boswell: The hon. Lady is deploying arguments that, as far as I know, are precisely those that were advanced by Ministers in the other place against the inclusion of sexual orientation as a criterion—the position was reversed as a result of the wisdom of the other place. Why is she persisting in making those arguments, and what is the difference between the two criteria?

Meg Munn: The hon. Gentleman wishes to establish why such an order-making power has not been added to the Bill. It is interesting to note that the Government are often criticised for making order-making powers, precisely because it is difficult to amend regulations after they are drafted, although the hon. Member for Buckingham (John Bercow) rightly pointed out that the affirmative procedure would be used. I am not 100 per cent. sure about this, but the hon. Member for Beaconsfield (Mr. Grieve) might well have made that point before—he is smiling, so I think that I might be right. We would want to go down that route rarely.

Dr. Evan Harris (Oxford, West and Abingdon) (LD) *rose—*

Meg Munn: I will make some progress because hon. Members might find that I refer to the points that they wish to raise. I am happy to ensure that I give way before the end of my speech if I have not answered their questions.

Let me explain why and how we will move forward to provide protection for transsexual people. The work that we are already doing in the discrimination law review has highlighted the importance of making sure that the law takes proper account of the specific issues that transpeople face. We need to consult fully with them and the organisations that represent them, as well as those who will have responsibilities under law to ensure that we achieve well-focused and workable law. We will publish a consultation paper before the summer that will include our initial proposals and options for extending, beyond employment protection, protection against discrimination for transsexual people.

The purpose of the discrimination law review is to produce proposals for a single equality Act, which we are committed to bringing forward in the life of this Parliament. It is precisely because there are differences between protection for different groups and anomalies in the existing framework that we have made the commitment to overhaul and simplify the statutory equality framework.

The work to develop proposals on extending protection for transsexual people is being taken forward in the context of the discrimination law review for two reasons. First, we want to ensure that the new legal framework that will be set out in a single equality Bill can take account of the issues that transsexual people face. Working within the review means that can take a broad view of the protection from discrimination afforded to transsexual people. Secondly, we want the provisions that cover transsexual people—

4.15 pm

Dr. Evan Harris: Will the Minister give way?

Meg Munn: I said to the hon. Gentleman that I wanted to proceed with my speech and that he might find that he did not need to intervene. If he still wishes to intervene, I shall happily give way before I sit down.

Secondly, we want the provisions that cover transsexual people to benefit from the development, simplification and harmonisation that will be the outcome of the review.

As hon. Members pointed out, the Government made sure that the EU gender directive on goods and services covered gender reassignment. That directive is due to be implemented by December 2007, and we have the option to use existing powers under the European Communities Act 1972 to make regulations to do so. We therefore already have two legislative vehicles to extend protection against discrimination to transsexual people, so further regulation-making powers are unnecessary.

Dr. Evan Harris: The problem with having to save up points is that one does not have time to make them all in an intervention, so I shall ask only one question. If the Minister is to meet the deadline for implementing the European directive through regulations, she will have to deal with the issues relating to hospital wards, prisons and so on within that time scale, so what stops her putting in the Bill regulation-making powers to enable

her to deal with issues that she will have to deal with anyway under the European Communities Act mechanism?

Meg Munn: As I just said, that is unnecessary.

Lynne Jones: I want to comment on the two examples that my hon. Friend gave—single-sex hospital wards and prisons. The Prison Service has been working on guidelines on the treatment of transsexual prisoners for at least two years. I have tabled several parliamentary questions, and the last I heard was that those guidelines are almost ready or imminent. As for single-sex wards, the issues they raise are similar to those relating to joint accommodation in employment. I do not see that those issues are so problematic that the Government are prevented from accepting the amendment.

Meg Munn: As I said, I do not regard the issues as being without solutions. However, they need to be resolved and the solutions must be workable. I gave only two examples; there are others, of course.

I hope that I have been able to make it clear that the Government are unequivocally committed to tackling discrimination against transsexual people.

John Bercow: Will the Minister give way?

Sir Gerald Kaufman: Will my hon. Friend give way?

Meg Munn: I give way.

John Bercow: I think that the Minister is giving way to me rather than to her right hon. Friend, and I am grateful to her for doing so. As she knows, I hold her in the highest esteem, so I do not say this with any personal malice or resentment—but having listened very carefully to what she has said in the past 10 minutes, I am none the wiser. It may be that I am a slow learner. Does she accept that, to me, her answer is thoroughly impenetrable? I cannot fathom a single good reason why the Government can act in a year or so's time when no great issue of minutiae or detail is involved, but are somehow incapable of acting now, as the House would prefer.

Meg Munn: What I have said is that because the EU directive sets out the matter, we are in a position to work through regulations to meet that time scale. We want to consider issues that go wider than the EU gender directive as part of the discrimination law review. I sincerely believe that there is a great deal to be gained from simplifying our legislation and having all discrimination law in one Act that sets out everyone's human rights, because equality affects us all. That is what I am trying to achieve through the discrimination law review.

The issues are being worked on—they have not been put on the back burner. Discussion is ongoing and we are moving ahead. On that basis, I hope that my hon. Friend the Member for Birmingham, Selly Oak will feel able to withdraw the new clause.

Dr. Evan Harris: I was not proposing initially to add further to the wise words of my hon. Friend the Member for Romsey (Sandra Gidley), but I wish to return to what the Minister said. It was difficult to engage as fully as we might have wanted, given that she wanted to make her position clear before taking interventions. I wish to make two points, but I do not speak for the mover of the new clause who, I am sure, will present her own view. We do not doubt the Minister's personal commitment to the issue that is before us, nor, indeed, the Government's overall objectives in creating a climate and a statute requiring non-discrimination. In those terms, her answer was particularly disappointing, as it was when I raised the matter in Committee.

The Government have decided, I am pleased to say, to take order-making powers in respect of sexual orientation. The hon. Member for Buckingham (John Bercow) has already recognised that there is a moral imperative to do that because of the problems that are people have to face. There are two imperatives. First, there is the moral imperative, which is no less than the imperative that has already been conceded in respect of action following the enactment of the Bill in respect of sexual orientation discrimination. Therefore, it is hard to understand why the Minister does not take the opportunity of ensuring that she has regulation-making powers that will enable holistic regulations and laws to be made that cover also education and media portrayal, which are exempted from the European Communities Act 1972.

The second imperative is the time scale that is placed upon us by the implementation date of the European directive. As I understand it, that does not apply in respect of sexual orientation. I think that the Minister said that she will definitely meet the deadline through the use of the European Communities Act regulations. If that is so, why not do the whole thing properly and have one consultation approach in time for the deadline and use the same mechanisms as have been proposed, which we are delighted to see, for dealing with sexual orientation discrimination?

John Bercow: Does the hon. Gentleman agree that this is not a matter only of principle, although the principle is itself extremely important? It is also a matter of practicality. Does he accept that unless the change is made sooner rather than later, it logically follows that the number of instances of discrimination will be that much more numerous? For transgendered people, discrimination and denial is not an occasional exception, it is a regular occurrence.

Dr. Harris: That is right. It will not surprise the hon. Gentleman to know, given that my party introduced a single equality Bill proposal in another place through Lord Lester some years ago, that we believe that every year and every month that is wasted in not initiating quicker action in these areas will lead to more discrimination. However, we welcome the fact that the Government have made significant advances.

The Minister gave two examples that came after she said that work had to be done to understand the sort of discrimination that was faced. I am sure that she did not mean this, but to the outside world that might seem as though the Government and those who helped to draft the law do not understand the sort of discrimination that is faced by transgender people. However, through the work of hon. Members such as the hon. Member for

[Dr. Harris]

Birmingham, Selly Oak (Lynne Jones), there are many in this place, as has been demonstrated by the hon. Member for Daventry (Mr. Boswell), who understand—and we believe that the Government similarly understand and recognise—what the problems are.

Given that the Government will have to deal with the issue of hospital wards and prisons to implement the European directive deadline by the end of 2007, using regulations under the European Communities Act, it is not a convincing or logical argument to say that it is not possible to proceed through regulation-making powers in the Bill to provide a complete approach. Those matters will have to be dealt with in any event.

If the Minister were to say that there were real difficulties in terms of education or media portrayal, which would take longer than the available time scale, I would not accept that but it would be logical. In choosing the hon. Lady's examples from areas that fall within the deadline with which she must abide if she is not to fall foul of the European directive, she is not using either the logical or the strongest of arguments. Regardless of the intentions of the hon. Member for Birmingham, Selly Oak, who will decide these issues for herself, I think that my hon. Friends will be keen to see the House divided on the issue, given that we have not had the undertakings or understandings that we deserve.

Sir Gerald Kaufman: The Government have rightly accumulated a good deal of credit on this issue in previous legislation. I pay tribute to Christine Burns, who received an MBE for her work on gender issues and was among the constituents who drew my attention to the new clause. Given that the Government have accumulated a good deal of credit on the issue, I urge my hon. Friend the Minister to reconsider her response in the light of the provision, which does not bind the Government or put them into a straitjacket. If it did so, I could accept her argument that time was needed to consider specific issues relating to transgendered people as distinct from people suffering from discrimination as a result of their sexual orientation.

My hon. Friend says that the Government will undertake a consultation, but they would not be constricted in any way if the new clause were accepted, as proposed subsection (1) says:

"The Secretary of State may by regulations make provision".

It does not say that the Secretary of State shall by regulations make provision. Proposed subsection (3) says that the "regulations may . . . make provision". It does not say that they shall make provision.

The inclusion of the new clause in the Bill would not put the Government in a straitjacket, but if they did not accept it they would be in a straitjacket. We all know that legislative opportunities are constricted. The fact is that there is a Bill before the House that provides a vehicle to introduce the new clause. My hon. Friend—no one doubts her good faith—said that the Government wish to consider the issue as part of the consultation. Several of us in the House would be a little more relaxed if we could be sure that within a reasonable period a legislative vehicle would be introduced so that changes could be made.

Meg Munn: I am happy to confirm that that is precisely our intention. We wish to ensure that the consultation is completed very quickly, and we will publish a Green Paper that deals with this and other issues very soon. We will then be in a position to introduce an appropriate legislative framework. We are therefore committed to deal with the issue. EU regulations, too, have been introduced, so I can give my right hon. Friend that assurance.

Sir Gerald Kaufman: I am not questioning in any way the good faith of my hon. Friend or the Government. It is a fact of parliamentary life, however, that whatever the Government's conclusions, and even if the Green Paper that they promise to introduce includes precisely what is wanted, the constrictions of the legislative timetable mean that it is not possible to know when or, indeed, if legislation can be introduced in this Parliament to enact what my hon. Friend has promised in good faith. By contrast, the new clause gives the Government time and scope to deal with the issue, given its inclusion of the word "may", which I have cited twice. Acceptance would therefore not bind the Government or lead them into a cul-de-sac.

Perhaps you could advise me, Mr. Speaker, on a procedural, not a policy, matter. If the Bill is amended today, I understand that it must return to the House of Lords because it is a Lords Bill. If that is so, I am sure that hon. Members on both sides of the House will be satisfied by an assurance that the Government will reconsider the matter before the Bill's return to the House of Lords. I hope that my hon. Friend the Minister responds positively, because nobody wants division in the House on this issue.

4.30 pm

Lynne Jones: The Minister has given certain assurances. Does my right hon. Friend agree that the minimum requirement for the withdrawal of the new clause is an assurance that new legislation will be enacted within this Parliament? The problem with leaving the matter to the House of Lords is that if the Bill is not amended, it will not return to the House of Lords.

Sir Gerald Kaufman: My hon. Friend is right, but I am trying to find a new way. It is possible, but far from certain, that the Bill will be amended today, and if it is amended the House of Lords will be able to reconsider the matter. The House of Lords can do anything when it reconsiders a Bill—it is not bound by the rules of procedure of this House—so it could bring the Bill back. Alternatively, the Government could provide an assurance in response to my hon. Friend's request, which is generous on her part, for a guarantee on the introduction of legislation within this Parliament. If that happens, I would support my hon. Friend in withdrawing her new clause, because nobody wants to divide on the issue—we want to unite.

Rob Marris (Wolverhampton, South-West) (Lab): As ever, my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) said much of what

I wanted to say, but I shall briefly repeat some points. I agree about the permissive word "may", which appears twice in the new clause.

On whether the Government can reconsider the Bill in the House of Lords if it is amended in the House of Commons, my hon. Friend the Minister referred to two other avenues by which such legislative protection could be introduced within the lifetime of this Parliament. It would help if she were to repeat her assurance that the issue will be addressed within the lifetime of this Parliament and that there will be legislative provisions rather than simply a Green Paper.

The Minister discussed the simplification and codification of anti-discrimination legislation and I share her objective, because the complicated layers of anti-discrimination measures that have built up over the past 40 years bedevil people in enforcing their rights. However, the wording of clause 81, which contains the power to make regulations on discrimination on the grounds of sexual orientation and which I support, is, with one or two key changes, almost exactly the same as that of new clause 9. If it is too complicated to accept new clause 9 and introduce another layer of anti-discrimination legislation, then that argument can also be used in relation to the provisions on discrimination on the grounds of sexual orientation in clause 81.

Meg Munn: Does my hon. Friend agree that new clause 9 does not mean that action will be taken, because it only says "may"? I have made the precise commitment asked for by my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones). The discrimination law review will lead to a single equality Bill that will be passed in the lifetime of this Parliament. That is a manifesto commitment on which all Government Members stood before the election. As much as it is within my power to do so, I will ensure that that manifesto commitment is advanced, which meets the points raised by my hon. Friend the Member for Birmingham, Selly Oak.

Rob Marris: I believe that there is a contradiction between what the Minister said about the new clause and clause 80, which I fully support. However, I am satisfied by her reassurance and hope that other hon. Members will be satisfied. I am grateful to her for that helpful reassurance.

Lynne Jones: I am not at all convinced by the Government's reasons for not accepting the new clause, but, in view of the points made by my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman)—

Mrs. Laing: Does the hon. Lady agree that although the whole House trusts this particular Minister, who has given us her assurance from the Dispatch Box, Conservative Members do not trust the rest of her Government to follow through what she has said? She cannot necessarily bring about what she says that she wants to bring about, so the time for action on the issue is not in the future but now.

Lynne Jones: I do not entirely agree that the Government are not trustworthy in this matter. I am prepared to accept the Minister's assurance—

David Lepper (Brighton, Pavilion) (Lab/Co-op): On the point made by the hon. Member for Epping Forest (Mrs. Laing), in 2001 I went with two of my constituents to meet the Minister's predecessor in the Home Office, who then dealt with these matters and who gave us an assurance that the Government would introduce a gender Act. From that day forward, we saw the Government take action, irrespective of who the Minister might be. With that precedent in mind, we can accept with confidence the assurance that she has given, even though she may not be in the post—I hope that she is—when the Bill is enacted.

Lynne Jones: I agree. The Minister's words will be recorded in the written record of these proceedings. The Government are fully aware of the cross-party support for this measure and of Labour Members' widespread support for my new clause.

Dr. Evan Harris: Of course, everyone welcomes the Minister's assurances as far as they go, but they do not go further than the assurances that she gave in Committee that there would be a single Equality Bill, which, presumably, if there is not an early election, will lead to a single Equality Act. The point of the new clause is to say that transgender rights in respect of non-discrimination in goods and services should be put through at the same time as those given to people discriminated against on the grounds of religion or sexual orientation. This excellent new clause gives the House that opportunity. That is why the Minister's promise of tomorrow is not good enough for many of us.

Lynne Jones: As I said, I am prepared to accept the Minister's assurances, although I ask her to look at the clause again. If the Government intend to legislate in this area and to introduce the EU directive, I still argue that a sensible way forward would be to accept the new clause. I accept that it is not possible for the Minister to agree to it today, but my right hon. Friend the Member for Manchester, Gorton suggested an alternative way forward, and either would be acceptable to me.

I would prefer the matter to be dealt with in this Bill, because that is the most sensible way forward. However, in view of the assurance that legislation will be introduced in this Parliament, I beg to ask leave to withdraw the motion.

Hon. Members: No.

Question put, That the clause be read a Second time:—

The House divided: Ayes 138, Noes 254.

Division No. 124] **[4.39 pm**

AYES

Ainsworth, Mr. Peter	Bottomley, Peter
Bacon, Mr. Richard	Brady, Mr. Graham
Baker, Norman	Breed, Mr. Colin
Barker, Gregory	Brokenshire, James
Beith, rh Mr. Alan	Brooke, Annette
Bellingham, Mr. Henry	Browne, Mr. Jeremy
Benyon, Mr. Richard	Burns, Mr. Simon
Bercow, John	Burstow, Mr. Paul
Beresford, Sir Paul	Cable, Dr. Vincent
Binley, Mr. Brian	Carmichael, Mr. Alistair
Blunt, Mr. Crispin	Clark, Greg
Bone, Mr. Peter	Clegg, Mr. Nick
Boswell, Mr. Tim	Davey, Mr. Edward

Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Duddridge, James
Duncan, Mr. Alan
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Greening, Justine
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Heath, Mr. David
Hemming, John
Hendry, Charles
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Kirkbride, Miss Julie
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Mackay, rh Mr. Andrew
Main, Anne
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McIntosh, Miss Anne
Mercer, Patrick
Moore, Mr. Michael
Murrison, Dr. Andrew
Oaten, Mr. Mark
Opik, Lembit
Osborne, Mr. George
Paice, Mr. James
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Robertson, Angus
Robertson, Hugh
Rosindell, Andrew
Russell, Bob
Sanders, Mr. Adrian
Shapps, Grant
Simmonds, Mark
Smith, Sir Robert
Spink, Bob
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Syms, Mr. Robert
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Wallace, Mr. Ben
Watkinson, Angela
Webb, Steve
Whittingdale, Mr. John
Wiggin, Bill
Williams, Hywel
Williams, Stephen
Wilson, Mr. Rob
Wright, Jeremy
Young, rh Sir George

Tellers for the Ayes:
Andrew Stunell and
Lorely Burt

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Armstrong, rh Hilary
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Betts, Mr. Clive
Blackman, Liz
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Philip
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Drew, Mr. David
Eagle, Angela
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Gardiner, Barry
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hall, Patrick
Hamilton, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Iranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mann, John
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McIsaac, Shona
McKenna, Rosemary
McNulty, Mr. Tony
Michael, rh Alun
Miliband, rh Mr. David
Miller, Andrew
Mitchell, Mr. Austin
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Mountford, Kali
Mudie, Mr. George
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan

O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Owen, Albert
Plaskitt, Mr. James
Pound, Stephen
Prentice, Mr. Gordon
Prosser, Gwyn
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Snelgrove, Anne
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Whitehead, Dr. Alan
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Woolas, Mr. Phil
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Ian Cawsey and
Mr. Dave Watts

Question accordingly negatived.

New Clause 10

GUIDANCE ON THE APPLICATION OF PROHIBITION IN RELATION TO SCHOOL TRANSPORT

'(1) The Secretary of State shall issue guidance under this section setting out how the provisions of part 2 in relation to school transport shall be implemented.

(2) Such guidance under subsection (1) shall have particular regard to—

(a) the obligations retained for all schools which are public authorities under the Human Rights Act 1998 to comply with the duty of non-discrimination irrespective of the exceptions which apply under this Act; and

(b) the duty not to discriminate on the grounds of religion or belief and to carry out public functions with due regard to the Human Rights Act 1998 in relation to school transport under sections 51 (2) (b) and 52 (4) (k) and (v).

(3) Part 2 of this Act shall not come into force until the guidance issued under subsection (1) has been issued.' — *[Dr. Evan Harris.]*

Brought up, and read the First time.

Dr. Evan Harris: I beg to move, That the clause be read a Second time.

New clause 10, which is in my name, has the support of Liberal Democrat Members. It deals with guidance in relation to school transport and wider parts of the Bill. It seeks to ensure that the Secretary of State issues guidance setting out how the provisions of part 2 on school transport and wider matters will be implemented. We ask that such guidance as the Government are, I hope, planning to introduce shall have particular regard to the obligations retained for all schools, which are public authorities under the Human Rights Act 1998, to comply with the duty of non-discrimination, irrespective of the exceptions that apply under the Act.

Clearly, there are exceptions in respect of discrimination law, but there is an overriding provision to respect human rights, especially in relation to non-discrimination—that is not a free-standing provision—in relation to certain other rights covered in the Bill, and that exceptions as implemented have to be for a legitimate purpose and must be proportionate.

In particular, the new clause draws attention to the duty not to discriminate on the grounds of religion and belief and to carry out public functions with due regard to the Human Rights Act in relation to school transport under various sections of the Bill that deal with the subject. Crucially, the new clause suggests that this part of the Act should not come into force until the guidance under the new clause has been issued. The reason is that there are still major concerns about how the exceptions will be implemented in a way that is fair.

I want to spend the rest of my short remarks reading from the fourth report of 2005–06 by the Joint Committee on Human Rights, which deals with the Equality Bill. The report makes two important recommendations in this area. The first is in paragraph 41 and says that the Committee did

"not consider the exceptions under clause 49"

—it is clause 50 in the version of the Bill that we are considering—

"to be incompatible on their face with the Convention rights, they may in our assessment fail to prevent discrimination which would be contrary to the Human Rights Act."

The Committee drew attention to the recommendations made in its previous report—the 16th report of 2004–05—and went on to say that it hoped

"that the Bill would provide for statutory guidance to be produced before Part 2 comes into force, making clear that all schools that are public authorities under the Human Rights Act retain obligations to comply with ECHR rights of non-discrimination, irrespective of the exceptions which apply under the Bill. It is essential for any difference in treatment to be objectively justified in order to comply with Article 14 ECHR."

That is clear and speaks for itself. However, I would like to note a Government amendment that I presume we will reach, if not debate, later that recognises that, in this area, the Government have limited the exception available to faith schools in respect of their ability to discriminate on the ground of religion by subjecting a pupil to any other detriment and, indeed, to expulsion if, for example, the child changes religion, having been admitted to a faith school. I warmly welcome the fact that the Government have considered what was debated civilly in Committee and accepted that that was unnecessary and went too far. The need for guidance still applies and I want to hear how faith schools will apply their exceptions and what the Minister will say in respect of the time scale for guidance, as well as what that should cover.

On school transport, the Minister will remember that there is a long-standing thorny issue in respect of the appropriate guidance. In Committee, I set out my

[Dr. Evan Harris]

concern and that of successive Select Committees at the inadequacy of the current guidance, and the fact that that is reinforced, if anything, by the explanatory notes to the Bill, which talk only about denominational schools, as if those parents who have children who they do not wish to go to a denominational school do not have the same rights to help if they need it to go a further distance to a non-denominational school. The Minister knows that that is the nub of the point. I refer again to the fourth report of the Joint Committee on Human Rights, paragraph 49 of which states:

"We are concerned that this current Bill does nothing to dispel, and may reinforce, the apparent misapprehension of some LEAs that it is permissible to discriminate against children of parents with non-religious convictions in the provision of school transport. We reiterate the concerns of the previous Committee, that guidance for LEAs on this matter"—

it exists, as the Minister knows, in the form of a circular letter on school transport from the then Department for Education, dated 21 January 1994—

"is inadequate to ensure compliance with the Human Rights Act, and recommend that guidance should be produced under this Bill which should make clear that, as the Government has previously accepted, there is a duty under the Human Rights Act to make equal provision for school transport to support education in accordance with both religious beliefs and non-religious beliefs."

I stress that the Bill should make equal provision in accordance with both religious and non-religious beliefs.

5 pm

Provided that the education system involves denominational schools, we Liberal Democrats recognise the need to provide help with school transport for children whose parents have religious beliefs and who wish to send their children to a school further away than their nearest one. The Minister will be well aware, however, that the guidance and local education authority practice seem to imply that those who do not have a religious belief do not qualify for the school transport concession.

I hope that the Minister will repeat what she said in Committee by making it clear that the provision applies to those with, and without, religious beliefs, and that clear guidance will be produced in good time. Perhaps she might even ask the Joint Committee on Human Rights and the Education Committee—the latter issued a critical report on the School Transport Bill in respect of these matters—to consider the guidance before it is published, in order to ensure that it is absolutely right. I hope, too, that she will put on the record the need for guidance in both those important areas. That way, the problems that parents without religious beliefs face because of the unfair way in which the school transport system sometimes operates can finally be rectified, after many years of trying to rectify them.

Mr. Dominic Grieve (Beaconsfield) (Con): I commend the hon. Member for Oxford, West and Abingdon (Dr. Harris) on his ingenuity in tabling this new clause, which touches on an important issue. However, my experience of the problems of home-to-school transport as operated in my county, where there is selective education and, therefore, the need—in a way perhaps similar to that which he described—to do a great deal of juggling to get children to the appropriate school, makes me think that his proposal would cause massive headaches for local education authorities with very little benefit. I am bound to say, moreover, that the Minister would find it difficult to draw up guidelines, and even harder to implement them.

If, as a result of this legislation, the Human Rights Act 1998 is infringed because of the way in which home-to-school transport is offered—and in a way that is unacceptable, even allowing for the exceptions provided for in the Bill—I have no doubt that somebody will take that case to court to get the situation clarified. I hope that the Minister is not encouraged by the hon. Gentleman's proposals, because they would cause intense muddle and land her and the Government with an impossible task.

Meg Munn: In Committee, the hon. Member for Oxford, West and Abingdon (Dr. Harris) tabled similar amendments relating to guidance for school transport, which he then withdrew. In respect of school transport, the Bill contains exemptions for local education authorities and public authorities from the provisions on discrimination on the grounds of religion or belief. Local education authorities have a statutory requirement to provide free home-to-school transport for certain pupils and they also have some scope to decide when transport is necessary in other circumstances. Each pupil's case will be considered on its merits, taking account of all relevant factors, including a parent's wish that their child attend a school of the religion or denomination to which they adhere. That discretion means that LEAs often provide subsidised transport for pupils of a particular faith to attend a school of that faith located outside the local area. An exemption from the Bill's discrimination provisions was included to ensure that that practice could continue. Otherwise, local education authorities would be vulnerable to challenge of transport policies that take into account the historical distribution of religious schools, which have often been built on out-of-town sites.

I emphasise that local education authorities may—it is, indeed, our view that they should—provide subsidised transport to a non-faith school for a child whose parents are strongly opposed to their attending a faith school close to home. That, too, would be unlawful without the exception in the Bill.

Mr. Grieve: Will the Minister confirm that all those functions are, in fact, judicially reviewable, if a local education authority is not providing them in a fair and reasonable fashion?

Meg Munn: That is certainly my understanding.

The exemption has been included merely as a protection for local education authorities against those who may use religion as the basis for a claim if they have not received free school transport for which they may have applied. There are no new school transport provisions in the Bill that warrant accompanying statutory guidance, yet this is the second time that the hon. Member for Oxford, West and Abingdon has tabled an amendment attempting to introduce such guidance. I have sympathy with some of his concerns

about school transport and have already indicated, both in Committee and subsequently in writing, that I agree that policy on school transport needs updating. I can confirm that that is being addressed by the Department for Education and Skills.

I have already agreed with the hon. Gentleman that new guidance is needed. I agree that it needs to make it clearer that cases of those seeking school transport to non-denominational schools should be treated in the same way as the cases of those who seek transport to denominational schools. I have indicated that new guidance will be produced, but it can be produced only by the DFES following consultation, development and the passage of the education and inspections Bill, which will, among other things, tackle school transport policy. We do not propose to produce statutory guidance for schools, but non-statutory guidance will be produced, which will make it clear that exceptions under the Bill do not override rights of non-discrimination under the Human Rights Act 1998.

I agree with the hon. Gentleman that the explanatory note to the Bill is not properly even-handed and we shall ensure that the note to the final Act puts that right.

This Bill is totally different from the education and inspections Bill, which is progressing on a different time scale and is not as far advanced. I appreciate the hon. Gentleman's concerns; indeed, the interest he has shown with such tenacity has served to reinforce the need for guidance in this area, but it cannot be given under the Bill. I hope that, once again, he will agree to withdraw his new clause.

Dr. Evan Harris: The Minister's excellent speech got better as it went along, and was somewhat better received, at least by me, than the contribution of the hon. Member for Beaconsfield (Mr. Grieve), who apparently takes the view that guidance confuses rather than guides. I have heard him on a number of occasions eloquently demanding that mystifying pieces of legislation, of which the Government are, no doubt, on occasion capable, should be explained through guidance. I guess that those areas must have been more carefully chosen than the one that I chose today. *[Interruption.]* I shall certainly give way to allow him to respond to my gentle teasing.

Mr. Grieve: The hon. Gentleman is wrong to suggest that I do not think that guidance may not, on occasion, be useful. My experience from having seen home-to-school transport in operation on many occasions is that guidelines are already in force in my local education authority area that are extremely complex. If people fall foul of them, they end up being taken to court. I do not think that a general, Government-issued set of guidelines will easily meet the multiplicity of problems that different local education authorities, each of which has completely different circumstances, face on home-to-school transport. It was the particular guidelines about which I was troubled, not necessarily guidelines in general.

Dr. Harris: I am reassured and hope that the hon. Gentleman agrees that, if a party believes in better regulation, it is preferable to ensure that public authorities are guided on how to avoid multiple judicial reviews and the costs thereof, although they might bring his profession some benefit. Local authorities should not have to rely on constant challenges to law that is unclear and not made clearer by guidance, although I accept that it is a difficult area.

I understand that another Bill will deal with school transport and, therefore, the Minister feels that it would be more appropriate to update the inadequate guidance under that legislation. People will have to cope for a few more months or years with the existing guidelines and more judicial review may be necessary. However, I thought that it appropriate to allow the Minister to set out on the record her views as communicated to me about future guidance and the problems with current interpretations. I am especially pleased that she had the good grace to recognise that the explanatory notes continue the culture of assuming that transport on grounds of religion applied only to those with religion and could never apply to those without religion. I beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

Clause 10

GROUPS

Amendment proposed: No. 43, in page 6, line 2, leave out 'particular.'.—*[Mr. Grieve.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): With this it will be convenient to discuss the following amendments: No. 23, in clause 39, page 26, line 20, at end add—

'(iii) all staff transferring to the Commission from the former Commissions shall be deemed to have continuity of service for the purposes of the Civil Service Compensation Scheme.'.

No. 24, in clause 39, page 26, line 20, at end add—

'(6) The protection afforded by the Transfer of Undertakings (Protection of Employment Regulations 1981 (S.I. 1981, No. 1794)) shall apply to all staff of the former Commissions whenever they join the Commission for Equality and Human Rights.'.

No. 16, in schedule 1, page 60, leave out lines 13 to 18 and insert—

'(a) ensure that no fewer than one half of the Commissioners have personal or direct experience of one or more of the causes of discrimination or prejudice referred to in section 10(2), and

(b) have regard to the desirability of their together having experience and knowledge relating to the matters in respect of which the Commission has functions, including, in particular, human rights.'.

No. 17, in schedule 1, page 60, line 19, leave out sub-paragraph (2).

No. 20, in schedule 1, page 60, line 33, at end insert—

'(d) at least two Commissioners with experience and knowledge of trade unions and employee relations.'.

No. 10, in schedule 1, page 60, line 33, at end insert—

'(3A) The Secretary of State shall ensure that not less than one quarter of Commissioners appointed under paragraph 1(1) are from a black or other ethnic minority background.'.

No. 18, in schedule 1, page 60, line 33, at end insert—

'(3A) The Secretary of State shall ensure that—

(a) not less than one half of Commissioners appointed under paragraph 1(1) are women, and

[Mr. Deputy Speaker]

(b) not less than one quarter of Commissioners appointed under paragraph 1(1) are from a black or other ethnic minority background.'.

No. 25, in schedule 1, page 60, line 33, at end insert—

'(d) a Commissioner appointed under paragraph 1(1), with the consent of the London Assembly, who knows about conditions in London.'.

No. 1, in schedule 1, page 64, line 21, after 'Committee', insert

'or to the Race Committee'.

No. 2, in schedule 1, page 64, line 22, after '52', insert 'or paragraph 68'.

No. 3, in schedule 1, page 64, line 41, after 'Committee', insert

'or to the Race Committee'.

No. 4, in schedule 1, page 64, line 41, after '52', insert 'or paragraph 68'.

No. 5, in schedule 1, page 65, line 24, after 'Committee', insert

'or to the Race Committee'.

No. 6, in schedule 1, page 65, line 25, after '52', insert 'or paragraph 68'.

No. 7, in schedule 1, page 65, line 44, after 'Committee', insert

'or to the Race Committee'.

No. 8, in schedule 1, page 65, line 44, after '52', insert 'or paragraph 68'.

No. 26, in schedule 1, page 66, line 2, at end insert

'London Committee

31A (1) The Commission shall establish a decision-making committee to be known as the London Committee.

(2) The Commission shall ensure that the London Committee is established before any of sections 8 to 12 comes into force (to any extent).

31B The Commission shall appoint as the Chairman of the London Committee a Commissioner appointed for the purpose of satisfying paragraph 2(3)(d).

31C The Commission shall appoint each member of the London Committee for a period of not less than two years or more than 5 years, subject to the possibilities of—

(a) reappointment, and

(b) dismissal in accordance with the terms of appointment.

31D The London Committee shall advise the Commission about the exercise of the Commission's functions in so far as they affect London.

31E Before exercising a function in a manner which in the opinion of the Commission is likely to affect persons in London, the Commission shall consult the London Committee.

31F (1) The power under section 13—

(a) shall be treated by virtue of this paragraph as having been delegated by the Commission to the London Committee in so far as its exercise, in the opinion of the Commission, affects London, and

(b) to that extent shall not be exercisable by the Commission.

(2) Sub-paragraph (1) shall not apply to the power under section 13 in so far as it is treated as delegated to the Disability Committee in accordance with paragraph 52.

(3) Sub-paragraph (1) shall not prevent the Commission from making arrangements under section 13(1)(d) or (e) for the provision of advice or guidance to persons anywhere in Great Britain.

31G In allocating its resources the Commission shall ensure that the London Committee receives a share sufficient to enable it to exercise its functions.

31H The London Committee shall have its offices in London.'.

No. 42, in schedule 1, page 68, line 4, at end insert—

'(c) the Chairman of the Public Accounts Committee of the House of Commons.'.

No. 9, in schedule 1, page 72, line 16, at end add—

'PART

RACE COMMITTEE

Establishment

65 (1) The Commission shall establish a decision making committee to be known as the Race Committee.

(2) The Commission shall ensure that the Race Committee is established before either section 8 or section 10, insofar as they relate to matters of race, comes into force (to any extent).

Membership

66 The Commission shall ensure that—

(a) there are no fewer than seven or more than nine members of the Race Committee,

(b) at least one half of the members of the Race Committee are persons from a black or other ethnic minority background, and

(c) the Chairperson is a person from a black or other ethnic minority background.

67 The appointment of each member of the Race Committee shall be for a period of not less than two years or more than five years, subject to the possibilities of—

(a) reappointment, and

(b) dismissal in accordance with the terms of appointment.

Functions

68 (1) The Commission shall by virtue of this paragraph be treated as having delegated to the Race Committee—

(a) the Commission's duty under section 8 insofar as it relates to matters of race and may be fulfilled by the exercise of the powers conferred by or referred to in—

(i) section 11,

(ii) section 13(1)(a), (c) or (d) (or paragraph (e) or (f) insofar as it relates to paragraph (a), (c) or (d)),

(iii) section 14,

(iv) section 15,

(v) section 19, insofar as it relates to matters of race,

(vi) section 27,

(vii) section 29, or

(viii) section 31,

(b) the Commission's duty under section 10 insofar as it relates to matters of race and may be fulfilled by the exercise of those powers, and

(c) those powers insofar as they are or may be exercised for the purpose of matters concerning race.

(2) Delegation under this paragraph shall not prevent the exercise by the Commission of a power, or the fulfilment by the Commission of a duty, by action which relates to any one or more than one of the causes of discrimination or prejudice referred to in section 10.

(3) Before exercising a power to which paragraph 21(2) or 22(3) applies the Race Committee shall consult the Scotland Committee.

(4) Before exercising a power to which paragraph 29(2) or 30(3) applies the Race Committee shall consult the Wales Committee.

69 Before exercising a power or fulfilling a duty in relation to matters of race, the Commission shall consult the Race Committee.

70 The Race Committee shall advise the Commission about the exercise of the Commission's functions insofar as they relate to matters of race.

Resources

71 In allocating its resources the Commission shall ensure that the Race Committee receives a share sufficient to enable it to exercise its functions.

Report

72 (1) The Race Committee shall for each financial year of the Commission submit to the Commission a report on the Committee's activities in that year.

(2) The Commission shall incorporate each report of the Race Committee under sub-paragraph (1) into the relevant annual report of the Commission.

Five Year Review

73 The Commission shall arrange for a review of the activities of the Race Committee to be conducted as soon as is reasonably practicable after the end of the period of five years beginning with the date of the commencement for all purposes of sections 8 and 10 insofar as they relate to matters of race.

74 The following may not participate in the review (although those conducting the review may seek views from any of the following)—

(a) a Commissioner or former Commissioner,

(b) staff or former staff of the Commission,

(c) a person who is or has been an Investigating Commissioner, and

(d) a person who is or has been a member of a committee established by the Commission.

75 The Commission shall ensure—

(a) that those conducting the review consult persons whom they think likely to have an interest,

(b) that those conducting the review submit a report to the Commission, and

(c) that the report is published.

76 The Race Committee may not be dissolved under paragraph 14(c).

Definition

77 In this Schedule "race" includes colour, nationality, ethnic origin and national origin.'.

Keith Vaz (Leicester, East) (Lab): Thank you for calling me so early in the debate, Mr. Deputy Speaker. I wish to support amendments Nos. 1 to 8 and 9. I also speak in support of the amendments tabled by my hon. Friend the Member for Kingswood (Roger Berry) and I have great sympathy with the amendments tabled by my hon. Friend the Member for Hayes and Harlington (John McDonnell), although I am sure that they will have the opportunity to contribute to the debate themselves.

I have just come from the Members' Dining Room, where I was attending the bi-annual Eid celebrations. It is an achievement of those who were responsible for timetabling that we should have a debate on race and equality at the same time as most of the leading members of the Muslim community have gathered, along with many other right hon. and hon. Members, in another part of the Palace of Westminster. I know that they also wish to take part in this debate, but they are meeting constituents and listening to the speeches—including by the President of the Liberal Democrats and the Chancellor of the Exchequer. I know that several of my colleagues wish to take part in this debate and I hope that we will see even greater attendance later.

Race and equality are an essential part of the Government's agenda. In the 19 years that I and my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott) have been Members of Parliament, we have seen several debates on race, immigration and the general good relations that exist in our country. When Governments seek to foster those good relations and, indeed, enhance them, they are under a duty to ensure that the institutions and organisations that they create have that purpose. The Commission for Racial Equality has been in existence for all the years that I have been living in the United Kingdom, and I came here when I was nine years of age. The then Government had just abolished, or were just about to abolish, the old Race Relations Board, and its successor was the CRE. So for all the time that I can remember, the black and Asian community has had an institution that was supposed to support and protect it and to speak up for its needs and concerns. In later legislation, even more powers were given to the CRE than the old Race Relations Board had had. Therefore, it is sad that the Government propose to abolish the CRE through this Bill and replace it with an organisation that brings together several other strands of the equality agenda. I want to make it absolutely clear that I support those strands—for want of a better word—having appropriate representation, with a body and organisation that speaks on their behalf, working in like-minded fashion with other organisations to ensure that equality is kept firmly at the top of the Government's political agenda.

5.15 pm

I am disappointed that between the First Reading of the Bill in the last Parliament and the Second Reading and Report of the Bill in this Parliament more time has not been spent consulting the black and Asian community. That is a lost opportunity. The Minister will know that at the weekend, under the banner of the former chair of the CRE, Lord Ouseley, several individuals and organisations signed an open letter to her protesting against proposals to abolish the CRE; they accept that a new body may be necessary but the powers that it will be given do not reflect the aspirations and needs of the black and Asian community. They say that in any new body there should be a proper opportunity for the black and Asian community to be represented, hence the importance of the establishment of a race committee.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Two years ago, my hon. Friend and I, and a group of black and Asian Members of this and the other place, went to see the then Secretary of State for the Department of Trade and Industry and raised with her, in private, the serious concerns of the black community that the new commission would not deal adequately with matters of race. Does he agree that it is regrettable that the issues raised then by Members of both Houses were not taken seriously?

Keith Vaz: It is regrettable, but what my hon. Friend said about that meeting was important. At least, the then Secretary of State was prepared to meet us and listen to our concerns. I pay tribute to my right hon. Friend, because before the Second Reading of the previous Bill she was prepared to listen to our concerns and to engage fully with the chairman of the CRE, Trevor Phillips—as was the then Lord Chancellor, who is still Lord Chancellor, my noble Friend Lord Falconer. Both those senior members of the Cabinet took on board, to some extent, the concerns we expressed and understood that the proposals would mean a serious change to the way in which black and Asian people could both put their views to Government and be protected.

Over the last year, sadly, there has been a lack of consultation and communication. I regret the fact that more time was not spent trying to enter appropriate dialogue with the chairman of the CRE and that organisation about the needs of the black and Asian community. I do not agree with everything that Trevor Phillips says: I certainly do not agree with his views on multiculturalism, which is very much alive in places such as Leicester, Wolverhampton and other parts of the country. I am not speaking as a great cheerleader for him, but I respect his integrity and when he tells me openly that there needs to be better consultation with the CRE I take that seriously.

It is also important that organisations such as the Greater London authority, and the Mayor of London and his special adviser, Lee Jasper, and the 1990 Trust, with Karen Chouhan, Simon Woolley and others, are all involved in the measure. My hon. Friend the Member for Hackney, North and Stoke Newington is as old as me and has been a Member for as long as me, so she will remind me if there has ever been a time when so many black and Asian groups and organisations came together to protest at what the Government were proposing—

Ms Abbott *rose—*

Keith Vaz: My hon. Friend is now going to tell me that there was another occasion, but my point is important, because Ministers have not listened to the concerns of the community.

Ms Abbott: Does my hon. Friend agree that no—not one—reputable black or Asian group supports the commission going ahead without a race committee? It will cause disquiet in our black and Asian communities that the Government have not listened to their united voices.

Keith Vaz: I agree with my hon. Friend. She is right. This is a united voice in favour of the establishment of a race committee; it is also a united voice in favour of proper representation of black and Asian people on the new commission.

Mr. Jeremy Hunt (South-West Surrey) (Con): Does the hon. Gentleman agree that one of the most important roles of organisations campaigning against discrimination is to focus the spotlight of the media on abuses where they exist? One of the dangers of the new legislation, which all hon. Members hope that the Government will be alive to, is that a single, larger organisation will not have the figureheads that we have in the person of Trevor Phillips at the CRE, or Bert Massey at the Disability Rights Commission, who are effective at getting the media to look at abuses, because of their position and their personal experience of discrimination, which makes them a powerful voice in the media.

Keith Vaz: I agree with the hon. Gentleman. It is important that we have such focus. I am not saying that I do not agree with a body that involves everybody else and every other strand of equality—it is good that they should be able to share the experience of discrimination—but there is a need for the focus that he describes, which is missing.

We are at a time in the politics and history of our country when all the political parties talk about the need for better representation. When I first came to the House, I was the first person of Asian origin for more than 50 years. I was joined by my hon. Friend the Member for Hackney, North and Stoke Newington, the late Bernie Grant and Paul Boateng, who is now the high commissioner in South Africa. Since then, other black and Asian Members have been elected. I am sitting next to a very talented one—my hon. Friend the Member for Brent, South (Ms Butler).

As far as I can remember, Labour party leaders have always talked about the need for more representation in Parliament. Conservative leaders have done the same thing. I heard a passionate speech by the last leader of the Conservative party, the right hon. and learned Member for Folkestone and Hythe (Mr. Howard), who talked about the need to get more representation for women and the ethnic minority population of this country.

I am pleased that the Opposition now have the hon. Members for Windsor (Adam Afriyie) and for North-West Cambridgeshire (Mr. Vara), both of whom come as elected Members representing the whole of their constituencies, but with the added dimension of being from the ethnic minority community.

The first thing that we notice about the Front-Bench spokespersons is that they are women. That is the most distinguishable thing that we notice about the difference between, for example, the Minister for Women and Equality and her colleague sitting next to her. That is the most important thing that we notice. There are other issues, but gender is a defining issue, which is why race and gender are so important.

I pay tribute to the disability lobby—my hon. Friends sitting around me—for the work that it has done and to the gay and lesbian lobby for what it has done in ensuring that it gets to first base. There is no point just talking about representation. Sadly, the Liberal Democrats had one person of Asian origin in Leicester, South, but he is no longer with us in Parliament, so it is, in a sense, not truly representative. I will not go into the other parties, because they are slightly smaller and may think that I am being unfair.

We all talk about representation. When I first came to the House that was not a fashionable subject, but now, when the new leader of the Conservative party makes a

speech, he talks about more women and more black and Asian people, as do all political leaders—not just in this country, but in other countries throughout Europe.

Mrs. Laing: I thank the hon. Gentleman for giving way. If he has just paid me a compliment—I am never sure—I thank him for that as well.

The hon. Gentleman is making an excellent argument about why debate on equality has to address all strands of equality, in every way that we can imagine, but he is arguing against his apparent argument on the Order Paper for pre-eminence for race, religion and belief.

Keith Vaz: My remark was meant as a compliment; I am always happy to pay the hon. Lady compliments. However, I do not pay her another compliment as I do not think that she has read my amendments. They do not make race pre-eminent. In terms of representation, we will have a disability commissioner, and my hon. Friend the Member for Hayes and Harlington and I, along with other Members, are asking for the Bill to make it clear that a certain number of people of black and Asian origin will be on the commission. At the moment, we do not have any and there is no guarantee that any of the 10 to 15 commissioners will be either women or black or Asian. When the Minister stands up at the Dispatch Box, we will look for a cast-iron guarantee and commitment that those groups will be represented. Only the disability lobby, which has played a very canny game, is guaranteed a commissioner.

The hon. Lady has me on the equality argument. The black and Asian community are not against the creation of a new body provided that there is, as her colleagues have said, sufficient time, attention and focus on these issues. If we are creating an organisation—some would say a tower of Babel—with so many strands sitting round the table that are, of course, united by the common agenda of equality, there must be adequate representation.

Ms Dawn Butler (Brent, South) (Lab): Does my hon. Friend agree that if the CEHR is set up without any black or women commissioners, it will have no credibility at all when it comes to being able to represent race or sex issues effectively?

Keith Vaz: My hon. Friend is absolutely right. The commission will have no credibility at all. Not even warm words will be sufficient for the communities outside. We want hot words from the Minister and a commitment from her that the issue of representation is first and foremost in the Government's agenda. As she is the Minister responsible for equality, I suspect that it will be quite easy for her to do that.

Philip Davies (Shipley) (Con): The hon. Gentleman makes his case as eloquently as he always does, but the premise of his argument appears to be that he wants to continue the excellent work that has been started by the Commission for Racial Equality. Will he comment on the fact that parliamentary answers that I have received show that, in the past 10 years, something like 20 claims of racial discrimination have been made against the CRE? Taxpayers' money has been used to settle some of those cases out of court, so perhaps the CRE does not have such a good record on these matters as he would have us believe.

Keith Vaz: If an organisation is not working or if it can be improved, let us improve it. I have my own story about the CRE. When I first came to Britain, my mother went to the CRE to ask for help in a discrimination case that she had. She was then, I think, the only person of Asian origin teaching in the London borough of Richmond and we could not understand why she could never obtain promotion. We went to the CRE—I think I was about 11—and asked it for help. Although it did not help my mother, it did not put me off the concept of the need for an organisation that provides help.

A lot of other organisations have claims of racial discrimination made against them, and I concede the point that we need a new organisation provided that it makes for better representation. The representation point is of paramount consideration for the Conservatives and the Liberal Democrat party, which is always banging on about representation. I have just heard a speech from the president of the Liberal Democrats, and I name him even though I have not given him notice that I would. I have just rushed away from the speech to take part in the debate, but his speech was all about representation. With Muslim people sitting in front of him, he called for more Muslim Members of Parliament from the Liberal Democrat party. Such words are cheap if one goes on to a platform to say that we want more and then one takes away the very mechanism by which we get more.

Mr. Boswell: I have a lot of sympathy with the motivation behind the points that the hon. Gentleman is making. I have been reading a biography of the pre-war life of Lord Halifax, alias Lord Irwin, viceroy of India. It was interesting that the British Government's commission on India contained no national of that country—it was an entirely Caucasian show. Does the hon. Gentleman agree that whether or not this is a matter of formal representation, if there is no membership from minority communities, it is extremely unlikely that those communities will readily identify with the body and its actions?

5.30 pm

Keith Vaz: The hon. Gentleman is absolutely right. I am not familiar with the life of Lord Halifax, but he makes the good point that representation is crucial. When the Minister responds to this first point, I ask her to be absolutely unequivocal. She should not use the words "I hope", "I wish", or "there should" because we have heard them before. We are looking for the words "there must be" if we are not to press the matter to a Division.

John Bercow: On a point of clarification, does the hon. Gentleman think that the case for guaranteed representation that he is making about the ethnic minorities is as strong as, or stronger than, a similar such case that could be made on behalf of another minority? Is it of equal value, or—I think that this is a perfectly reasonable inquiry and I do not ask it tendentiously—is he arguing his case especially strongly because the CRE

[John Bercow]

originally had genuine concerns about the danger of powerlessness as a result of the creation of the new body?

Keith Vaz: The hon. Gentleman has an excellent record on these issues. Even though he represents a constituency such as Buckingham, which must have a small percentage of black and Asian people—it is certainly smaller than the 49 per cent. figure for my constituency—he still speaks passionately about such matters, for which I respect him. I think that it is a bit of both. People need to identify readily with the commissioners who will speak on their behalf. It might well be that all the commissioners decide at the first meeting that they have a common agenda that they need to take forward, but we need specifics. My hon. Friend the Member for Kingswood has tabled an amendment to provide for parity for women, which I fully support. Half the commission should consist of women because they make up just over half the population of this country. If we want to go for crude figures and base representation in some way on numbers, we should look at the population of the black and Asian community—it now makes up about 5 million of the 60 million people in this country—and ensure that it is properly represented.

John Bercow: I am grateful to the hon. Gentleman for giving me such a candid and straightforward answer. Further to that answer, would he on the same basis argue that because the gay population is by general consent thought to be approximately 10 per cent. of the adult population, it would logically follow that if the body were to consist of 10 people, there should be one guaranteed place for the gay community, irrespective of whether Stonewall is arguing for such a position? I am not aware off the top of my head that it is arguing for that, but it is an interesting point to establish.

Keith Vaz: It is an interesting point and I absolutely agree with the hon. Gentleman. There should be at least one such guaranteed place. The whole thing about the commission is that a person could be gay, black and disabled, so several different groups could be covered. If we are serious about the equality agenda, we should consider these issues and ensure that people are guaranteed a place on the commission. Of course the gay community must be guaranteed a place, but that is not what is happening at the moment.

Ms Abbott: On the question of representation, does my hon. Friend agree that it is important to nail the allegation that has been made that those of us who argue for black representation are in some way arguing for a hierarchy of discrimination? We are not putting forward such an argument, but simply saying, from our personal experience, that all types of discrimination are distinct, both in their manifestation and because of the solutions to the problems that they pose. Unless there is a proper balance of commissioners who have personal experience of discrimination, the commission will lack credibility and might not engage with different types of discrimination with the precision required.

Keith Vaz: My hon. Friend is absolutely right, and she takes me on to my next topic, policy and decision making, which are central to the purpose of the race committee.

Bob Spink (Castle Point) (Con): Is the hon. Gentleman not selling his case rather short by calling only for pro rata representation on the commission? Given that many incidences of discrimination are suffered by the black and Asian community, should not there be greater than pro rata representation for that community? Would not that be more acceptable to that community and make the commission work better?

Keith Vaz: I understand the hon. Gentleman's point, but I am happy to start with pro rata representation given that at the moment we have nothing. There are no guarantees on the face of the Bill, so the new body could consist of 10 white men, plus the disability commissioner, who could be a woman. For now, pro rata representation is fine by me.

Rob Marris: I am listening with interest because I am torn on this issue. There must be representation across the board of the various groups who suffer different forms of discrimination, and there are overlapping areas of discrimination, but I caution my hon. Friend. He has on several occasions referred to black and Asian residents of the United Kingdom, whereas amendment No. 9, which is the linchpin of the group even though it comes at the end, refers to "black or other ethnic" minorities. There is a difference, and I urge him to recognise that difference. There is a significant Ukrainian community in my constituency, for example, and we have a significant Polish community. The discrimination that they face may take a different form from the discrimination faced by members of visible racial or ethnic minorities, but we have to be cognisant of that nuance.

Keith Vaz: We are cognisant of it. However, my hon. Friend talks about the Polish community, which is white. Although its members may face discrimination, it is not the racial discrimination that I am describing. I agree that everyone should watch their language and he is right to point out that there are different ways to define these matters.

Philip Davies: Is not the flaw in the hon. Gentleman's argument in favour of having certain quotas of people on the commission most evident in relation to disability? In appointing one person with a disability, how on earth is one to define what type of disability that person should have, given that there are so many different types of disability? Should one appoint a person who uses a wheelchair when wheelchair users make up only 5 per cent. of people with a disability? It is nonsensical to suppose that one could ever get a cross-section of people with all sorts of disabilities. I believe that there have even been moves to define left-handedness as a disability

under the Bill. The fact that someone does not have a particular disability does not mean that they cannot empathise with people who do have that disability.

Keith Vaz: The hon. Gentleman is right to this extent: a person can empathise even if he or she does not have a particular disability. However, I can assure him that people who have a disability know that they have a disability. I remember that when my hon. Friend the Member for Hackney, North and Stoke Newington and I were trying to set up black sections in the 1980s, the then leader of the Labour party, who is now a Member of the House of Lords, asked us to define "black." We replied, "People know instinctively whether they are black—they just have to look in the mirror."

Ms Abbott: My hon. Friend takes us back in time. When he said that the commissioners could be 10 white men, the Minister shook her head fiercely. However, the working party that considered the establishment of the commission comprised 28 people of whom only three were from visible minorities. Does he agree that that feeds the concern felt by the black and Asian community that we will find ourselves hopelessly marginalised in the new commission?

Keith Vaz: That is an important point, which must be pursued. The way in which the consultation process has taken place is regrettable. It has taken place at the time when, following the events of 7 July, the Government have been eager to engage with sections of the Asian community by setting up commissions and working parties. As I said earlier, words are okay and statements and speeches can be magnificent—we have made some fantastic statements on diversity—but in the end what counts is our ability to change legislation for the purposes of progress.

Mr. David Winnick (Walsall, North) (Lab): Does my hon. Friend accept that much of the argument against what he is putting forward was put far more strongly 40 years ago when it was argued that there are other forms of discrimination, which undoubtedly existed and which remain, and therefore there was no reason why preference should be given to black and Asians? We have made considerable progress—I do not underestimate that progress when I look at those who occupy the Government Benches and those elsewhere in the country—but the form of discrimination against those who happen not to have a white skin remains. Hence there is undoubtedly an argument—less so now, but the argument of 40 years ago remains—for there to be a committee within the new body that is proposed along the lines that my hon. Friend is proposing. I will be delighted, as I am sure that he will be, when that is no longer necessary.

Keith Vaz: Absolutely. I am so glad that my hon. Friend has taken me on to my second point, which I have been trying to make. I have only two points to make to the House.

John Bercow: Will the hon. Gentleman give way?

Keith Vaz: I will give way only because it is the hon. Gentleman.

John Bercow: I am genuinely glad that I have been in my place to listen to the hon. Gentleman's speech. I am not making a frivolous point. I am trying to underline the rather serious point that he is making by saying that he should not be led astray, in however well-meaning a fashion, by the intervention and the challenge of definition from my hon. Friend the Member for Shipley (Philip Davies). May I illustratively point out to the hon. Gentleman an observation that the House has been favoured with in the past by my hon. Friend the Member for Daventry (Mr. Boswell), on the subject of definition? Clement Attlee was once asked to define an elephant, to which he replied that on the whole it was quite difficult to do so but equally, on the whole, when someone had seen one, they knew that they had seen it.

Keith Vaz: We have had Clement Attlee and Lord Halifax, so goodness knows who we are going to hear from next. I am grateful to the hon. Gentleman for that quote, and I shall use it in my next speech.

The issue of policy and decision making will be important. The proposed body will be charged with making policy. The point of having a race committee is that black and Asian people, it is to be hoped, will be able to decide on policy that affects black and Asian people. There will be a voice for them and somewhere for them to go. This is not happening at present.

I say to my hon. Friend the Minister—this is not meant personally to her because she has been a Minister for only the past year—to quote Mario Puzo, that to criticise people is not the business of politics. It is not personal. I think that we have failed in terms of the equality agenda after eight years. I expected more from our Government than we have given. We need to do more. We need more than good speeches about more black people here and more Asian people there. We need to have good laws, which I hope that we shall introduce as part of the measure that is before us. In addition, we must have bodies that will be able to allow the communities to be able to represent themselves. I am sorry that that is not happening. That is lamentable.

Only this morning, there was an article in *The Times* about the number of police officers who are not only joining the police service, but leaving it. The police service had 4,629 ethnic minority police officers in 2004. That was an 18 per cent. increase on the previous year. Hooray. That is a fantastic record. However, 17.8 per cent. of black and Asian recruits in 2004 resigned or were dismissed within six months of starting their jobs, compared with 7.7 per cent. of white officers.

Last year, 12.6 per cent. of ethnic minority recruits dropped out of the service within six months compared with 7.6 per cent. of white officers, and the figures continue. In that public service—one that is constantly monitored—to see that sort of reaction and to hear stories of racism against police officers makes me wonder what we have been doing over the past generation. We certainly should have done much more. These are lamentable figures for any Government. For me, someone who is passionately committed to the Labour Government—when I told my hon. Friend the Member for Glasgow, Central (Mr. Sarwar) that I was tabling the amendment, he said, "Why are you doing so? You are part of the payroll vote even though you are not on the payroll"—that worries me intensely. I do not mean that as a slight to the Minister because she is not yet on the payroll vote, even though she will be voting for the Bill's passage through the House.

[Keith Vaz]

I think that we have let people down. We have lost the plot on equality. We have only reacted since 7 July last year, because we discovered that some people who are trying to destroy the good race relations that we enjoy in this country do not come from Lebanon, have not been trained in Syria, and do not have Iranian connections. They were born and bred in Leeds. That is the challenge for us—which body will take up that mantle and try to deal with that fundamental issue? Will it be the new commission for integration and citizenship? Will it be part of the Phillips review? Will it be the Commission for Racial Equality, or what has been left of it in the past 18 months? Will it be Lee Jasper and the Greater London assembly? Will it be Simon Woolley and the 1990 Trust, or Operation Black Vote? Who will accept that mantle? The hon. Member for Daventry talked about Lord Halifax dividing and ruling, but if we divide the community in that way and do not give its members a focus it is a recipe for disaster.

5.45 pm

Mr. Michael Wills (North Swindon) (Lab): I have been listening very carefully to the case that my hon. Friend is making. While I understand the Government's approach—and I certainly think that our record on equality is rather better than he suggested—I was struck by what appears to be consensus among all black and Asian organisations on the amendment. It is important that the Government always listen, and I hope that they will reconsider their attitude to the amendment in the light of our discussions. I should be grateful, however, if my hon. Friend would spell out in a little more detail the consequences if the amendment fails.

Keith Vaz: Before I respond, may I commend my hon. Friend on his work on Britishness? I read his excellent newspaper article about the concept of Britishness, and it reminds me of a point that I intended to make. Nothing that we say takes away from the fact that a black or Asian person who was born in this country, or who, like me, has emigrated here, has a passion for being British. Nor does it take away from our support for the flag or our commitment to the things that are British. A definition of Britishness, besides including a cup of tea, as an article in *The Sun* said, should include chicken tikka masala and the music on "Top of the Pops", which is very much dominated by black British musicians. We do not wish to take away from that, and I congratulate my hon. Friend and the Chancellor of the Exchequer—incidentally, I congratulate him on his good news today—on their work on Britishness.

As for my hon. Friend's question, if the amendment fails, members of the black and Asian community will think that the Government have let them down at a time when they need their support. If I were marking them, I would say that they have scored "average" on equality. I expect them to achieve "excellent", and we have four years before the next election to make sure that they do so. May I tell my hon. Friend the Under-Secretary, whom I have known for a number of years, and who believes in what she is doing, that she may choose to take the common-denominator approach, but she should recognise the needs and desires of the communities? I urge her to speak with passion at the Dispatch Box and to give us the guarantees that we want. I do not want to ask the Deputy Speaker to take the amendment separately so that we can vote on it, as I would have to vote against my own Government, bearing in mind my comments about the non-existence of the payroll vote. However, that needs more than words about wishing and hoping.

Mr. Hunt: *rose—*

Keith Vaz: I shall give way for the final time to the hon. Gentleman.

Mr. Hunt: I thank the hon. Gentleman for generously accepting my interventions. He has spoken extremely eloquently. If he is not successful in persuading the Government to accept his amendment, does he agree that they should consider including in schedule 1, part of which deals with the appointment of commissioners, provisions to cover the recruitment of a commissioner who is specifically appointed to deal with race relations, of a commissioner specifically appointed to deal with disability rights and of commissioners to deal with other key areas, so at least someone can focus directly on those issues and thus make sure that there is a figurehead for those important campaigns.

Keith Vaz: I understand the point that the hon. Gentleman is making, and I accept that he is sincere. The fact is, however, we need proper representation in the Bill. The issue of portfolios is applicable now. The CRE has a number of commissioners, some of whom deal specifically with, for example, the Muslim community. The portfolio issue is a secondary consideration, but the hon. Gentleman is right to draw attention to paragraph 2 of schedule 1, because the issue of representation is the key point.

The hon. Gentleman was kind enough to say that I have spoken eloquently, but I think that I have spoken for too long. [HON. MEMBERS: "No."] I want to allow my hon. Friends the opportunity to speak. We rarely debate equality in this House, because the Opposition never want to debate it in their time. The hon. Member for Epping Forest (Mrs. Laing) disagrees, but when was the last time that she used one of her Opposition days to discuss equality? The hon. Member for North Southwark and Bermondsey (Simon Hughes) has told us all about his commitment to equality, but I cannot remember when the Liberal Democrats last provided time to debate it.

My hon. Friend the Member for Tooting (Mr. Khan) has just returned from Eid celebrations to attend this debate, which must have been a difficult choice.

This is an opportunity to send a powerful message to the black and Asian community, and I hope that the Minister takes it and does not leave me and my hon. Friends in the position of having to call a Division against our own Government.

Mrs. Laing: The hon. Member for Leicester, East (Keith Vaz) has made an important and eloquent speech. He mentioned that the hon. Member for Tooting (Mr. Khan) has attended Eid celebrations, which is what my hon. Friend the Member for Beaconsfield (Mr. Grieve), who is usually here on the

Front Bench, is doing. We cannot all attend Eid celebrations, which are important, but I am sure that all hon. Members support them.

I listened carefully to the speech by the hon. Member for Leicester, East. When I challenged him on one point, he answered another point, but I still disagree with him on the first point, which amendment No. 43 addresses. Given that we are discussing equality, it is strange that the Bill gives pre-eminence to matters concerning race, religion or belief. We discussed that point at length in Committee, where I argued that it is illogical to include the word "particular" in clause 10(4), because it is not right that particular attention should be paid to one of the strands of equality. However, I will not press that point, because other issues are far more important and I do not feel strongly about it. When we made that point in Committee, the Minister gave a reasonable explanation why the word "particular" should remain. I accepted her argument then and, being consistent, I am sure that she will advance it again today, in which case I shall probably accept it once more.

The hon. Member for Leicester, East has made some important points. In Committee, I moved amendment No. 52, which suggested that the commission should consist of:

"(d) at least one female Commissioner,

(e) at least one Commissioner who represents an ethnic minority,

(f) at least one Commissioner who at the time of appointment is aged over 65 years, and

(g) at least one Commissioner who is either gay, lesbian or transgender.'."

To that extent, I agree with the hon. Member for Leicester, East.

In Committee, my concern, which I still harbour, was that we should be prescriptive on Report, because law is better if it is not vague, but precise. My amendment in Committee, which is similar to the general points made by the hon. Member for Leicester, East this afternoon, would have allowed Parliament to prescribe some of the qualifications for some of the commissioners. It is important that at least one commissioner is female and that at least one commissioner can discuss issues around age from their own experience. I am not sure whether all hon. Members agree that "aged over 65 years" is a qualification, and if others think that it should be 70, 75 or even older, I would not argue, because the point is sensitive.

In principle, it is important that the commission has members who know about discrimination from their own experience rather than from a second-hand, academic or professional understanding. A reasonable proportion of the commissioners should have an understanding based on their own experience, which is different from an understanding derived from academic study or professional experience. I therefore agree with the general principles behind what the hon. Member for Leicester, East has said this afternoon.

Keith Vaz: I therefore assume that the hon. Lady will support the amendment.

Mrs. Laing: My amendment was slightly different from the hon. Gentleman's amendment. *[Interruption.]* The hon. Gentleman has suggested that his amendment is better, which is his prerogative. If I had wanted to press the matter to a vote, however, I would have tabled a different amendment. I do not support the letter of his amendment, but I support what he has said in principle. However, I suspect that the Minister will advance a legal argument to try to persuade the House that a provision in schedule 1 already covers all those points. Nevertheless, it is important that we have it on record that this House feels strongly that the commission should be composed of people who understand the issues of discrimination against which we are legislating from their own personal experience.

It is also important to recognise that this is a cross-party matter. I suspect that the hon. Member for Romsey (Sandra Gidley) agrees with me in principle as she did in Committee, although she may argue about the exact dots and commas. When such matters are considered in the wider sphere, it is important that Parliament is seen to be concerned that the commission is made up of people who have relevant personal experience.

Keith Vaz: I am surprised by the hon. Lady, because I should have thought that under the new leadership of the hon. Member for Witney (Mr. Cameron) she would want to appeal to the black and Asian community in the United Kingdom by saying that it has a voice in the Conservative party, which says that it must have equal representation. Why is she struggling with the issue, which should be an easy win for the Conservatives?

Mrs. Laing: The hon. Gentleman is mistaken—I am not struggling at all. My speech in Committee was made prior to the election of my hon. Friend the Member for Witney as leader of the Conservative party. My principles are those in which I have always believed and continue consistently to believe. It is delightful that the new leader of my party agrees with me on these matters, as he honestly does. I am pleased that he is directing my party in the right direction in this respect. I might struggle with the exact words that the hon. Member for Leicester, East has used in his amendment—I am not giving him any assurances in that regard—but I am not struggling with the principle. Conservative Members agree with what he said, and he deserves to be complimented on saying it in such a heartfelt way.

6 pm

John Bercow: I know that my hon. Friend performed with great skill and dexterity in the Standing Committee on the Bill. However, as I was not fortunate enough to be chosen as a member of the Committee, I am familiar only with some, not all, of the exchanges that took place there. I understand her argument that the terms and wording of her amendment differ from those of the hon. Member for Leicester, East, but if there is something wrong with his amendment, what is it?

Mrs. Laing: As usual, my hon. Friend asks a very precise question. In principle, there is nothing wrong with the hon. Gentleman's amendment, but I am not willing to commit my right hon. and hon. Friends and myself to supporting exactly what he has said word for

[Mrs. Laing]

word. I know that the hon. Gentleman will forgive me for that, and I hope that my hon. Friend will forgive me as well. I confess that I am a cautious lawyer by training, so I do not rush into precise and binding promises on every dot and comma of a particular amendment unless I am 100 per cent. sure that my right hon. and hon. Friends and I wish to be led down precisely that path.

Keith Vaz: I like the hon. Lady, but I do not forgive her, because this moment represents a genuine opportunity for the Conservative party to show some fresh thinking on the equality debate. The hon. Member for Beaconsfield (Mr. Grieve), who is sitting next to her, will have just come back from the Eid celebration, having made his usual marvellous and eloquent speeches in support of this country's ethnic minority communities. If the hon. Lady agrees with the principle of what I have said, here is her chance—her moment in history—to strike a blow for those communities. Why does not she seize it with both hands?

Mrs. Laing: I am tempted by the hon. Gentleman's flattery, but I simply repeat that in principle we support what he said—he advanced some good arguments. It is quite something for agreement on principle to be reached between Conservative and Labour Members. He should quit while he is ahead, or I will find something specific to disagree with.

Mr. Boswell: It might assist my hon. Friend if I were to tell her my view, without anticipating any speech that I may shortly be called to make. Is it not absolutely crucial that we have a robust and entirely convincing response from the Minister, because some of us will be listening to the debate and deciding what to do in the light of that?

Mrs. Laing: My hon. Friend is, as ever, extremely wise and experienced in these matters. He is entirely right and anticipates what I am about to say. Although, as I said, I have every respect for the hon. Member for Leicester, East—I must stop paying him compliments or it will be bad for his political image—it is not what he says, but how the Minister responds, that determines how we go forward. The Minister's response will probably be a carefully thought out legal argument. As such, I may well be convinced by it. However, I have already confessed to being a cautious lawyer, and I will continue to proceed with caution. Perhaps that backs up my earlier remarks about the importance of people who sit on the commission drawing their conclusions not from their cold professional understanding but from their own personal experience.

Rob Marris: I, too, am a lawyer, although perhaps not as cautious as the hon. Lady. I see no Conservative amendment relating to the disability committee, which is covered in part 5 of schedule 1. The wording in that part of the schedule is on all fours with amendment No. 9, except that one would have to take out the word, "disability", and insert the word, "race". As the hon. Lady has not tabled an amendment to part 5 of schedule 1, I presume that she accepts the disability committee, so why is she being so cautious about the wording—and perhaps even the concept, although I am not so sure about that—of the amendment?

Mrs. Laing: I have been examining the principles that we are debating. Unfortunately, in my position, I do not have the power to do any of the things that the hon. Gentleman would like to be done. When I am sitting on the Government Benches—I think that it will be in the not-too-distant future—I hope that I might have the privilege of dealing with these matters from the Dispatch Box. If the hon. Gentleman and the hon. Member for Leicester, East were to ask me such questions then, I hope that I would be able to reply positively.

Rob Marris *rose—*

Mrs. Laing: There is no point in the hon. Gentleman continuing to ask me questions, because I am not the Minister.

I want to move on, because we have taken up a lot of time on this and there are many equally important matters still to be debated. Amendment No. 42, which stands in my name and those of my hon. Friends, relates to the way in which the new commission will be held accountable for the spending of taxpayers' money. I brought that up many times on Second Reading and in Committee. The Minister and the hon. Member for Romsey (Sandra Gidley) are smiling because they have heard me make this argument so often, but I make no apology for repeating it.

The cost of the new commission and the work that it undertakes will be very much greater than the cost of the three bodies that it replaces. I am very worried about that. Of course, I accept that as we are widening the scope of the work done by the existing three bodies, excellent as they are, the new operation will cost more than the current one. That is correct. However, there is a difference between more and an enormous amount more—indeed, multiplied several times over. The Minister has given me many answers on that point in our previous deliberations but none has satisfied me.

Meg Munn: I am puzzled by the hon. Lady's view. She says that the figure has been multiplied many times. The budget for the new commission is £70 million whereas that for the existing commissions is £48 million. By anyone's calculation, the figure is not multiplied many times.

Mrs. Laing: The Minister is right. The new commission will cost twice as much. We had that argument previously. *[Interruption.]* I know that 48 times two does not equal 70, but if any hon. Member can give me an example of a Labour Government's projection and the relevant figures at the end of the year for which it was done coming in below that same projection, I shall withdraw my comments. If the Government estimate £70 million, the commission will cost more than that.

The current £48 million is probably money well spent and I do not therefore argue for a cut in spending on such an important matter. My hon. Friends and I always argue for spending the smallest possible amount

of taxpayers' money, yet if the Government plan to put three bodies under one administrative roof, there must be economies of scale and the current budget of £48 million should be reduced. Nevertheless, given that the new commission can rightly cover six strands of work instead of three, that budget will clearly increase. However, if one decreases and then increases a budget, one should not predict spending twice the amount of taxpayers' money.

Rob Marris: We are considering a new body that will cover six strands, but the difference between 48 and 70 is less than 50 per cent. A 50 per cent. increase would be 72. I understand the hon. Lady's position but, if she believes that £70 million is too much, how much would the Conservative party be prepared to pay to tackle discrimination?

Mrs. Laing: At present, discrimination is tackled by £48 million a year and it is well done. I pay tribute to the three bodies that currently carry out the excellent work. They have worked hard to inform hon. Members about the issues that we are debating and they should be congratulated on their hard work on our proceedings, as should the bodies that represent the other strands of inequality that will come under the new commission for equality and human rights.

The current work represents taxpayers' money well spent, but I am worried. I wager that, when we examine the new body's accounts at the end of its first financial year, it will have cost more than the £70 million predicted by the Minister. I fear that the new body will cost more than twice as much as the current bodies. That is worrying because every pound spent on the commission is a pound of taxpayers' money not spent on health, education or some other matter.

It is our duty, as a House of Commons, to be the guardian of taxpayers' money. Whatever we want to do and however good the intentions of the legislation that we wish to pass—I have said time and again that the Bill's intention is good and we thoroughly support it—if it costs too much, is over-bureaucratic and puts too many burdens on business, thus costing more indirectly to the economy, it will undo some of its good work. It falls to me as Opposition spokesman to make this point because the Government will never make it: Labour Governments always spend more taxpayers' money than they intend because they do not have the regard that they should for the economy.

6.15 pm

Ms Butler: Equal pay, with men and women paid equally, would improve the economy. Do not the new compassionate Conservatives believe that equality and eliminating discrimination are worth it?

Mrs. Laing: Of course I did not say that—

Madam Deputy Speaker (Sylvia Heal): Order. May I remind hon. Members of the amendment under discussion? They should confine their remarks to the amendments.

Mrs. Laing: Certainly, Madam Deputy Speaker. I do not need to answer the hon. Lady's question because I have said at least six or seven times in the past half hour how worthy I consider the Bill to be and stressed the importance of the work of the new commission for equality and human rights. The hon. Lady's question was therefore unnecessary and I should not have given way to her.

The new body should be accountable for its spending. Without amendment No. 42, the commission would be required to

"send a copy of a statement under sub-paragraph (1)(b)"—

a statement of its accounts for the year—

"to ... the Secretary of State, and ... the Comptroller and Auditor General."

Amendment No. 42 would require the commission to send a copy to the Chairman of the Public Accounts Committee. It is essential that hon. Members should be able to examine the accounts of the new body and hold it to account for every pound of taxpayers' money that it spends.

It would be wrong if my concern for fiscal prudence were misinterpreted as opposition to the Bill. I reiterate my total support for the principle of the measure. The official Opposition support the Bill's intention. However, in doing that, it is our duty to be the guardians of taxpayers' money and amendment No. 42 therefore proposes that, every year, we should be able to examine every pound that the commission spends. Of course, I have confidence that every pound will be well spent.

John McDonnell (Hayes and Harlington) (Lab): I want to speak about the amendments that I tabled, but I begin my associating myself with those tabled by my hon. Friend the Member for Leicester, East (Keith Vaz).

As the Library research paper emphasised, when the Bill was first introduced, it and the intentions behind it gained a breadth of support that we had not witnessed for several years. Shami Chakrabarti of Liberty said:

"This Bill is a beacon of hope for many of us and I hope that the Government will put real political will behind it."

Other supporters include the Muslim Council of Britain, Ben Summerskill—the chief executive of Stonewall—the Confederation of British Industry and the Trades Union Congress. It would be regrettable to waste all that good will on the issue of representation among the commissioners. I hope that the Minister will make a strong statement that the issues raised in the debate will be tackled properly and that we shall hear a firm and concrete commitment from the Government that the new body will be adequately representative.

My hon. Friend the Member for Leicester, East talked about the definition of black and ethnic minorities. I am the chair of the all-party group on the Irish community in Britain, and I should like to point out that, among all the other definitions of ethnic minorities, we need to recognise that the largest ethnic minority in this country are the Irish, who have suffered discrimination at the hands of the various institutions of this country over the generations.

I have tabled amendments Nos. 23, 24 and 20. If we are to set up a new organisation from the merger of existing organisations, it is important that we help to maintain the morale of the staff of those organisations who transfer to the new one, particularly those who have built up expertise in these fields as a result of

[John McDonnell]

working for the existing organisations over the years. A number of members of staff have expressed their concern to the all-party trade union group representing the Public and Commercial Services Union, of which I am the chair. They are worried about continuity of service and the application of TUPE—the Transfer of Undertakings (Protection of Employment) Regulations 1981.

Amendment No. 23 addresses the issue of continuity of service by ensuring that all the staff from the former commissions transferring across to the new commission will be deemed to have continuity of service for the purposes of the civil service compensation scheme. This means that if, for example, a member of staff were to be compensated for redundancy, their service on the existing organisation would be taken into account.

Many hon. Members will think that that would naturally be the case, but I have raised the issue because of the recent experience of staff at the Learning and Skills Council, which is implementing massive redundancies. Many of its staff had previously transferred from the training and enterprise councils, and they thought that that service would be regarded as part of the continuity of their employment. However, many of the staff who are facing redundancy have had their entitlement calculated only from the creation of the LSC. Their service with the TECs has not been taken into account, and their supposed continuity of service has not been recognised. It would therefore be helpful if the Minister could place on the record the assurance that, for the purpose of the civil service compensation scheme, all the staff transferring from the three existing commissions will be regarded as having continuity of service.

Mr. Boswell: I have some sympathy with the point that the hon. Gentleman has made about the Learning and Skills Council. Does he agree that there is already an exemplary code of practice for the handling of transfers and redundancies in the public sector? Should it not, therefore, be a matter of general principle that that should apply to all such cases, rather than a particular one being exempt?

John McDonnell: It is true that there is a code of practice—it is helpful and it should be applied generally. It would be reassuring, however, if the Minister could put on the record that these particular members of staff will be protected. I say that because of the experience at the LSC, which undermined the morale of the large numbers of people who had transferred across from the TECs and who thought that they had some security.

Amendment No. 24 also deals with staffing. It would ensure that the TUPE regulations apply to all staff of the former commissions, whenever they transfer to the new commission. Again, I seek a statement on the record from the Minister to reassure the staff who are now being identified for transfer. The transfer from the existing commissions will be a staggered process. Most of the staff at the Equal Opportunities Commission and the Disability Rights Commission will transfer to the new body in 2007. However, staff at the Commission for Racial Equality will not transfer until 2009. As this is a piecemeal process, rather than a wholesale transfer of staff, it is important that we have an assurance that the TUPE regulations will apply to all transfers, whenever they occur.

Furthermore, some members of staff are anxious that the TUPE regulations do not cover all matters and that they will not be fully protected.

James Brokenshire (Hornchurch) (Con): The hon. Gentleman is making an interesting point. Does he agree that for the new commission to be effective in its roles and responsibilities, it is important that there is continuity of staffing so that the knowledge and experience gained by the staff of the existing bodies is properly transferred to the new commission? The doubts that the hon. Gentleman is raising about TUPE and continuity of service might encourage existing staff to look for other opportunities, rather than transferring across.

John McDonnell: I have no doubt that the staff who serve the existing commissions will seek to serve the new one with the same commitment and dedication that have made the existing ones so successful. The hon. Gentleman makes a valid point, however. We need to reassure those members of staff who are transferring across that they are secure in their employment, and that they will have the opportunity to continue what for many of them is a vocation, as a result of the dedication that they have demonstrated over the years. The last thing that we should be doing is undermining their morale or their commitment to their work. I would therefore welcome an assurance on the record from the Minister that TUPE will apply at each stage of the transfers from the different bodies, no matter when they occur.

I mentioned that the TUPE regulations were not effective in guaranteeing full protection in regard to a whole range of issues. They allow flexibility for the employer, but they do not apply to fundamental issues such as pensions. I hope that the guidance that has been issued for past civil service transfers to new organisations—and even to organisations outside the public sector—on issues such as the protection of pensions and ensuring that alternative proposals are put to staff in full consultation to give them that protection, will apply in this instance as well, so that we can offer security to those members of staff.

Amendment No. 20 is about representation. The three existing commissions have secured representation from both sides of industry, including the trade union movement. There have been trade union nominations—usually two per board—to each of the existing organisations. The reason for that is that the bulk of the casework of those organisations has arisen as a result of discrimination in employment. It was therefore natural to ask the organisations with experience in employment relations—both employers and trade unions—to nominate people to sit on the commissions' boards. It is interesting that the nominations from the trade unions have largely involved women and representatives of the black and ethnic minority groups.

I am worried that there is no commitment in the Bill to seek trade union representation on the new body, and I ask the Minister to assure us—in any form of words that she can give us this evening—that at least some

direction will be given to the new body to consult and involve the trade unions and, if possible, seek nominations from them, and not just for commissioners. An alternative might be to ensure that there is adequate trade union representation on the advisory bodies that will be established to advise the commission on individual inquiries and on the overall direction of policy. In that way, we would achieve a representative body that would be effective in building on existing experience, which has largely been focused on issues relating to employment rights.

We welcome the Bill, but it is on these points of detail that the new body will fail or succeed. I hope that the Minister will respond flexibly so that we can genuinely take into account the issues raised in this debate. In that way, we would demonstrate that the House of Commons has a value, even at this late stage of the Bill, in ensuring that the legislation will be effective.

Sandra Gidley: I listened with great interest to the hon. Member for Leicester, East (Keith Vaz). I have not changed my view on these issues since Second Reading, although I have become far more aware of the strength of feeling on them in the black and ethnic minority community. I want slightly to hold the hon. Gentleman to account for his accusation that we do not take equality issues seriously. I think that it was Lord Lester, in another place, who made a serious attempt to introduce a single equalities Act, and I believe that we had a debate on equal opportunities in 2000.

Keith Vaz: My point was that there is a lot of common ground on the equalities agenda, but the race agenda that is part of that is not just about words, but about actions and deeds.

6.30 pm

Sandra Gidley: I have no quarrel with that argument and I am sympathetic to the intent of the amendments.

In some respects, the key question that needs to be considered is whether one has to have experienced an issue in order to be able first, to understand it, and secondly, to deal with it. I am not sure that I have the answers, but to return to an issue outside the equality agenda, one of the most emotional and sometimes traumatic experiences through which a woman can go is giving birth. A lot of evidence shows that having an understanding midwife will make a big difference to that experience. The key question is whether the midwife has to have given birth in order to understand the experience fully. That might seem an odd parallel, but some would argue that experiencing birth oneself is very important, while others would say that training, empathy and so on can overcome such problems.

I have some problems with the argument about whether the amendment limits the recruitment pool. I always feel highly offended, as a woman, at accusations that all-women shortlists will somehow end up with an inferior candidate. Let me knock that issue on the head. The argument has been raised with me, however, and I feel that I ought to mention it.

The Bill already provides for commissioners to have experience or knowledge relating to a relevant matter, across the strands, and to human rights. The question that I ask myself is whether that is enough. After listening to the hon. Member for Leicester, East, it is clear that there will be wider implications if we do not take seriously the discontent in the black and ethnic minority communities. I would react with absolute horror to a commission that was made up of 10 white men, but I do not think that that will happen. I wonder whether for once we should trust those concerned to get on with it rather than prescribing it in the Bill. I do not know the answer.

The hon. Member for Leicester, East also lauded the Commission for Racial Equality, saying that it was the one place where black and ethnic minority communities could go if they had a problem. Is that really the case? Although the issue was mentioned when I had briefings with the CRE, it did not seem the most important thing on the agenda of those to whom I spoke. It was only after the Bill's Second Reading that other representative bodies of black and ethnic minority communities came forward and it became obvious that there was a huge amount of discontent. Why did the CRE not make that feeling known at the very beginning? Would a single equalities commission, with a range of people with experience of different discriminations, and with a strong responsibility to consult, be a better way forward?

Keith Vaz: The hon. Lady mentioned that she wishes to trust the new body on the issue of representation, but why should we? We are parliamentarians, and there is a common agenda. To borrow the words of the hon. Member for Epping Forest (Mrs. Laing), if we want to be clear why cannot we be clear here, rather than leaving it to another body to make the decision for us? If we do not legislate clearly, and if we leave wooliness and vagueness, of course people will take advantage of that. Why are the Liberal Democrats not prepared to support the amendments?

Sandra Gidley: We have not yet declared our position, so the hon. Gentleman will have to wait and see.

Were we to go down a quota route for the different strands of discrimination, we would be faced with some real problems. Gender is potentially the biggest source of discrimination in society, but I would not necessarily insist on a 50 per cent. gender representation. Racial discrimination might be one of the more acute problems in society, but we run the risk of having a committee—I hesitate to use the word "tokenistic"—whose members are chosen because of what they are rather than because of what they can do and how they can progress the agenda.

Roger Berry (Kingswood) (Lab): Will the hon. Lady and her colleagues support or oppose the Bill's provision that at least one commissioner should be or have been a disabled person?

Sandra Gidley: We have no particular problems with that, but that is the whole difficulty. Ideally, I would prefer there not to be different provisions for different strands of inequality. The Bill is an attempt to set up the commission, but several attempts have been made during the Bill's passage to try to address various other inequalities, mostly with a spectacular lack of success.

Hywel Williams (Caernarfon) (PC): Does the hon. Lady accept that the first qualification for being a

[Hywel Williams]

commissioner is a general understanding of the power processes in society, which could be satisfied by any member? There is also a need for knowledge of and interest in particular issues such as disability, for knowledge of issues from the perspective of a commissioner from Wales or Scotland, and for a guarantee that there will be commissioners who have direct experience of the application of racism, for which Labour Members are arguing.

Sandra Gidley: The issue of direct experience is fraught with problems, particularly in relation to disability. As has been mentioned, someone who uses a wheelchair has a different perspective on life from someone who has visual impairment or a hearing problem. Do we need to have people with direct experience of and an interest in a particular issue—we must not lose sight of the human rights aspect—and how relevant is it to be pigeonholed in such a way? I am not entirely convinced that that is necessary if other provisions are in place to make sure that the necessary groups are consulted adequately.

One of the other problems, which one of the amendments attempts to address, is that black and ethnic minority communities undoubtedly experience discrimination, as do women. All the evidence shows that a black ethnic minority woman will experience more and enhanced discrimination. There is a case for considering some of the wider causes of discrimination in a more holistic way, rather than trying to tackle each separate strand. That is why I welcome the human rights-based approach.

Rob Marris: I will pose to the hon. Lady the question that I attempted to pose to the hon. Member for Epping Forest (Mrs. Laing), although I am not sure that she quite understood it. Schedule 1, in part 5, contains provisions for a disability committee. The wording of that part of schedule 1 is on all-fours with amendment No. 9. Does the hon. Lady support the inclusion of a disability committee provision in the legislation, and if so, can she say that she supports amendment No. 9? If she does not support the inclusion of such a provision in schedule 1, why, if she wants to consider matters holistically, has she not tabled an amendment to remove it?

Sandra Gidley: I understand the hon. Gentleman's point but I have addressed it to a certain extent. This is an occasion when the Minister's response will be the key to how we vote if the House divides.

Philip Davies: The hon. Lady is making a thoughtful and balanced speech. Does she agree that the terms of recruitment for those bodies should be based on a person's ability to do the job, which is true equality? If we believe in equality we should ensure that the best person is chosen for the job, irrespective of their sex, race or background. Someone such as my hon. Friend the Member for Buckingham (John Bercow) is a good advocate for anti-discrimination without being from an ethnic minority. The chief executive of the Disabled Drivers Motor Club, Ed Passant, is an excellent advocate for the cause, but is not disabled himself. People do not have to be from certain backgrounds to be good advocates for the causes for which they are arguing.

Sandra Gidley: The hon. Gentleman raises one of the key points. The danger with the amendments is that people are chosen because of what they are rather than what they can bring. It is not necessarily the case that there is nobody available, but I am unconvinced that we are looking at the complete pool.

It concerns me that black and ethnic minority groups feel disfranchised and I am not convinced that the CRE was the voice that it thought it was. The representations that I have received have been stronger and more forceful than those from the CRE at the beginning of the process. It concerns me that a body that has a useful function and has done many good things is perhaps not linking to other sectors of the black and ethnic minority communities as well as it could be.

We must not be complacent, but we are in danger of becoming so if we say that we will set the quotas and the problem will be solved, as the people concerned will make sure that the issues are addressed. It is more important to ensure that mechanisms are built in to ensure adequate consultation with all members of society. If the Minister can reassure us on that point, there may for once be a case for saying let us trust the group and allow it to go ahead. The fundamental problem is one of discrimination per se, and it does not matter to me which strand of discrimination. We will get to the end result quicker if we stop thinking in silos and start thinking about the basic problem.

Roger Berry: It is a pleasure to rise to speak to the amendments that stand in my name and to welcome the Bill, which is part of the significant progress being made by the Government towards the creation of the kind of society where people can participate equally without the fear of discrimination or prejudice.

I am delighted that we have a consensus, as we tend to have nowadays on equality issues—it is marvellous—on most of the key issues in relation to establishing a new commission for equality and human rights. A mere eight or nine years ago, the Conservatives were fighting tooth and nail against the setting up the Disability Rights Commission and were arguing on the quiet to get rid of the Equal Opportunities Commission and the Commission for Racial Equality. In fairness, none of the Conservative Members present tonight was involved, but I am convinced that we would not have the Bill were it not for the fact that we have a Labour Government.

I have, however, tabled amendments, for the obvious reason that I believe the Bill can be improved. I wish to support amendments Nos. 16 to 18, which stand in my name and that of my hon. Friend the Member for Leicester, East (Keith Vaz). I have reciprocated by attaching my name to all his amendments and he made powerful arguments in their support.

6.45 pm

The amendments are essentially those that were tabled on Report in the other place by my noble Friend Lord Ouseley. The purpose of amendment No. 18 is to address representation and ensure that the commission represents the society that it will serve.

The Bill is a curious one in some respects, as my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) pointed out—indeed, he stole much of my speech. Schedule 1 contains a specific commitment that at least one commissioner will be, or will have been, a disabled person. I confess that I had considered asking for two or more disabled commissioners, but to my astonishment I discovered that we are still in the same position as with the first draft of the Bill: when it comes to the other equality strands, there is no provision whatever for commissioners with particular characteristics.

My main concern over the years has been with the disability strand and I am delighted that the Government have accepted the principle that there should be at least one disabled person as a commissioner. A disabled person will bring experience to the commission that the commission should own and that experience is directly relevant and important enough to the work of the commission that we should legislate in that way. I cannot understand why the principle has been abandoned when it comes to gender or race.

Mrs. Laing: The hon. Gentleman is arguing two separate points and answers some of the questions that the hon. Member for Leicester, East (Keith Vaz) asked. There is a big difference between amendments No. 16 and No. 18, in that the first is general and speaks of

"no fewer than one half",

which is acceptable, while the second gives specific quotas and therefore is not. Otherwise, the hon. Gentleman's point is absolutely correct.

Roger Berry: I was speaking to amendment No. 18 and was going to come to No. 16 in a moment. Amendment No. 18 is acceptable and should be supported because it would cater for a minimum provision of women and members of black and other ethnic minority communities as commissioners. It is acceptable because this House apparently, and quite rightly, is going to accept that at least one disabled person should serve as a commissioner. I do not understand why the Government have said that, as a matter of principle, there should be representation for disabled people on the commission but that that should not apply to women or members of black or other ethnic minority groups. That is why the amendment proposes that no fewer than half the commissioners should be women and that no fewer than one quarter should be from black and other ethnic minority backgrounds. That is the same aim as that of amendment No. 10, tabled by my hon. Friend the Member for Leicester, East. It is not tokenism, nor is it denying the obvious, which is that people should be appointed on merit. It is simply an attempt to ensure that all communities are fairly represented as commissioners.

The Government's arguments against the amendments have tended to be of the following kind: that it is possible under the Bill that we could have 10 white men, but as my very good friend the Minister rightly says, that could not possibly happen. No one believes that the Government would be so foolish as even to think of doing that. I genuinely believe that it has never crossed anyone's mind to have 10 white men serving on the commission, but nothing in the Bill would prevent a Government from appointing commissioners in that way.

The Government have said that the need for flexibility in appointments requires that no such restrictions be imposed, but apparently, there can be restrictions in respect of appointing at least one disabled person. I hope that my hon. Friend the Minister will confirm that it would not be that difficult to make first-rate commission appointments on merit, with at least half the commissioners being women and at least one quarter representing black or other ethnic minority groups. Doing so would be no more difficult than appointing, on merit, a disabled person.

Other Members referred to the third Government argument, which is that to appoint commissioners in such a way would reflect silo thinking. I understand the point and entirely oppose silo thinking in the commission's work. When the commission was proposed, I supported the idea of a single commission for equality and human rights, precisely because I oppose silo thinking. There were those in the disability movement, as in other equality strands, who had grave reservations about that idea. I had practical reservations about the manner in which the commission might be set up but, in principle, I have always supported a single commission, precisely because I oppose the silo mentality.

A friend of mine, Professor Paul Steven Miller, was one of President Clinton's commissioners at the Equal Employment Opportunity Commission in Washington DC. He is a disabled lawyer and he convinced me—as if I needed convincing—that, when people come through the door, the cause of discrimination may be not abundantly clear. People could be discriminated against on the grounds of race and gender, race and disability, disability and orientation, or goodness knows however many different circumstances. It is right to have a single commission to provide a service to people who allege discrimination; that is the only idea that makes sense. People being referred from one commission to another would not promote equality or human rights.

I support the commission because I am against a silo mentality. I want people to feel assured that allegations of discrimination will be tackled holistically—another term used by Members today. Having said that, I do not believe that a representative commission is a threat, but rather that it is an opportunity. It would strengthen the expertise of the commissioners. Having commissioners who are disabled, or who have experienced discrimination as women or on the ground of race, would strengthen the commission, not weaken it.

Philip Davies: I pay tribute to the hon. Gentleman's work on disability over many years, but will he explain what somebody in a wheelchair knows about visual impairment that somebody who is not in a wheelchair does not?

Rob Marris: Where does one start?

Roger Berry: Yes, where does one begin? First, the hon. Member for Shipley (Philip Davies) may have noticed from his constituency experience that there is a fair degree of communication between disabled people

[Roger Berry]

with different impairments. For example, people who use wheelchairs frequently talk to people who have a sight impairment or other such conditions. A strong network of disabled people's organisations share views, and as a result, they become better informed.

I realise that, in establishing a representative commission, the question is where do we draw the line? It is self-evident—I did not expect to have to say this—that although the Bill, which the whole House will doubtless support, proposes creating 10 to 15 commissioners, we can all think of perhaps 50 different interests that we would like to be represented. I am talking about not an abstract situation but a real one, and I am simply suggesting that, just as we need to appoint someone with experience of disability, it is important that those with experience of discrimination on the grounds of gender and race are adequately represented on the commission.

One may disagree with having 50 per cent. representation for women, but the point is that the Bill as drafted makes no provision for women at all. One may be against a quarter of commissioners coming from black and ethnic minority communities, but the Bill as drafted does not require that any commissioners come from such communities.

Ms Abbott: Does my hon. Friend agree that it is easy to trivialise the arguments in favour of representation? Some of us have heard those arguments trivialised for 20 years or more and it is sad to have to rehearse them. However, we are not talking about abstractions but about how to ensure that the commission draws on the many disabled people, women and black people who have a lifetime's knowledge of and expertise in campaigning on those issues. We are talking about how to ensure that the balance of expertise in the community is properly represented on the commission.

Roger Berry: I entirely agree with my hon. Friend.

Creating a more representative commission would strengthen the expertise available to the commissioners and give confidence to stakeholders, as several Members have pointed out. It is true that those from black and other ethnic minority groups in particular—along, of course, with the Commission for Racial Equality and the Greater London authority—have made a strong case for such representation, but so have others.

It is because I favour making the commission more representative that I also support the creation of a race committee. As my hon. Friend the Member for Wolverhampton, South-West said, it is self-evident that amendment No. 9, tabled by my hon. Friend the Member for Leicester, East, replicates part 5 of schedule 1, which deals with the establishment of the disability committee. But if the Bill is to provide for a disability committee, why should it not provide for a race committee? Notwithstanding the question of consistency, it makes very good sense to create such a committee. Interestingly, at the outset of these discussions, the Disability Rights Commission suggested that, for a period, it might be necessary for each of the equality strands to have a committee, in order to pursue their interests.

I repeat that the last thing that I want is for the commission to have a silo mentality—heaven forbid—but I do want it to have expertise; after all, that is how government is run. Any organisation that wants to use expertise efficiently might well find it useful to set up the odd committee in which such expertise can be found.

I turn to amendments Nos. 16 and 17 and the point that the hon. Member for Epping Forest (Mrs. Laing) raised. Paragraph 2 of schedule 1 proposes that the Secretary of State shall appoint an individual only if the person concerned

"has experience or knowledge relating to a relevant matter, or . . . is suitable for appointment for some other special reason".

I should have thought that that was stating the blindingly obvious. Those requirements are self-evident and I cannot imagine anyone seriously considering appointing a commissioner who did not have experience or knowledge that was relevant to the job. The provision should be tightened, which is why amendment No. 16 would

"ensure that no fewer than one half of the Commissioners have personal or direct experience of one or more of the causes of discrimination and prejudice".

I do not say that people who have not suffered discrimination can have no understanding of a society in which discrimination takes place, but those who have been victims of discrimination or prejudice have something very special to bring to the table. That is the reason for the amendment.

7 pm

When the amendments were discussed in the other place, the Lord Chancellor said:

"I very much hope that, when the commission is appointed, its make-up will broadly reflect the balance that these amendments seek to secure".—[*Official Report, House of Lords*, 19 October 2005; Vol. 674, c. 753.]

I am sure that the Government do want that, but he talked about "hoping" that the commission would do that. We do not need to rely on hope because we can, in fact, legislate. The Government are not relying on hope on disability—they are legislating.

I welcome the fact that the objective behind the amendments tabled by my colleagues and me is widely shared by the Government. It is only through primary legislation, however, that we can ensure that the commission is representative, rather than just hoping it might be. The Government have accepted that principle on the face of the Bill in relation to the appointment of a commissioner who is disabled and of the disability committee.

Having a representative commission from the outset is essential if we are to have the expertise to do the job and if the commission is to win the trust of the communities whose members it will serve. In particular, I mean the communities who are most commonly victims of discrimination and prejudice. The Government clearly agree with that view. Those requirements should therefore be in the Bill. If they will not accept the amendments, they will, in my humble opinion, have to come up with some absolutely cast iron guarantees that the commissioners and the structure of the commission will indeed be along the lines for which most right hon. and hon. Members have argued.

Mr. Boswell: It is a genuine pleasure to follow the hon. Member for Kingswood (Roger Berry), who has considerable expertise in the field of disability and with whom, through my own involvement in that area, I have collaborated constructively in the past. He made some trenchant points about not thinking within a silo mentality. From my own experience, I came at the issue with an interest in disability and found myself driven by the fact of discrimination to take a lively interest, too, in issues of gender equality and race equality. In the end, they become indivisible, which is the compelling case for having a single commission.

I like, as it were, to play mental games when anticipating ministerial arguments, and I have been trying hard to do so on why there should be any justification for the special treatment of disability in the Bill. One could say it is because Bert Massey and the Disability Rights Commission were not very happy about it, and that is certainly true. That may well be reflected in the Bill, but in trying to produce acceptable and defensible arguments for the Minister—I offer them to her for nothing—there seem to me to be two.

First, the Disability Rights Commission is relatively new in comparison with the other equality bodies. Secondly, the nature of the discrimination concerned is, as it were, more by analogue than by digital: whereas one is either a racist or one is not, and one is either a feminist or one is not, the test in relation to disability is whether reasonable adjustments are being made, which is a much more opaque area.

Having said which, I have absolutely convinced myself that those arguments are implausible. To return to the beginning of the Report stage, it seems that the Government have already conceded the primary point, as they did on the first group of amendments about the difference between sexual orientation and transgendered people. Having provided to legislate for one group, it seemed difficult to many of us not to legislate for the second. Having provided to legislate for disability, it equally seems difficult not to argue the case for legislating on race. I was particularly attracted by amendment No. 16, at least in that it provides an instruction to Ministers on good practice, which they should adopt.

As the hon. Member for Leicester, East (Keith Vaz) developed his case with his characteristic charm and eloquence, I found myself increasingly warming towards it. As I went through the nature of the argument in the same way that I did on the amendment spoken to by the hon. Member for Kingswood, I anticipated all the ministerial problems. I am sure that the Minister has a great big brief in front of her—I speak from experience—that bears the six-letter word "resist". It will say that first, we need flexibility, and, secondly, it would be insulting to type people by their particular cases. How can we know that people are not multifunctional in two or three areas of disability? Why should we seem to single out one group when we cannot, for example, appoint a transgendered person because we would run out of places on any reasonably sized commission? Would that not send the wrong signals? And Ministers have the right intentions anyway. I think that the Minister has to show the House tonight that the Government do have the right intention, which is to produce a multifunctional and effective commission that is seen to represent the interests engaged in this important area.

The one point on which I perhaps did not quite agree with the hon. Member for Leicester, East—I think I did not; it may have been misinterpretable—was his remark that there are good race relations in this country. I think that that is the case, but we have an obligation to maintain perpetual vigilance, at which I see him nodding. One does not have to agree with every last word that Trevor Phillips said in his rather controversial speech at least to be aware that things can go wrong. Indeed, in other countries with rather less of a multiculturalist tradition than ours—France, in particular—they have gone wrong. We should be conscious that at the very moment when we think things are all right, they may be formally so but that does not necessarily mean that there is deep engagement. That will take more than one generation to achieve and will vary very much with levels of education and experience in particular areas. I am conscious of what one of my colleagues once described as the kind of polite apartheid that can apply in some cities: different ethnic groups may stand off without actually falling out with one another but find little affinity or involvement. That is not a happy position, although those are perhaps wider issues that we cannot develop in full tonight.

Implicit in what the hon. Member for Leicester, East said was the idea that the Bill is all about something real—a significant economic imbalance. If one considers the proportion of people from ethnic minorities who are unemployed, the rates of pay that those in work receive and the general economic position, the figures are still depressingly unpositive. There is a problem and we cannot fail to start by acknowledging that.

If that is the economic side, the other side is representation or stakeholder involvement, which is what the amendment and the debate are about. If people do not feel that they have a stake in this country and that their interests are being taken seriously and represented, we should be ashamed of ourselves in this place, but whether we are or are not, we are building up problems for the future. We have to involve all our people, and I did not need the recent change in the leadership of my party to reinforce my views in support of that. If one is a one-nation politician of any party, one is about bringing people together and recognising that they have views, aspirations, fears and experiences that need to be taken extremely seriously.

In relating all that to the substance of the debate, it seemed to me that I should like three sets of assurances from the Minister. The first is on the wider work of the Commission for Racial Equality. It would be useful if she could put on the record how some of the other functions—what I might call the positive functions—of the CRE are to be discharged, particularly its work on local racial integration. Many of us feel strongly that that should continue and be safeguarded, and is—in a sense, although I do not wish to give a hierarchy—more important than the mere legal enforcement of equality. Both are extremely important, but the positive approach, which says, "Let's encourage good practice and good race relations", is an important part. Some of that activity may transfer to the new commission, but it would be useful if the Minister could confirm that.

The second issue is economic imbalance and I hope that Trevor Phillips's commission will carry out some studies on that. My party will not prescribe a magic

[Mr. Boswell]

solution that would somehow produce economic equality overnight, but no one should be comfortable unless we are working towards that.

The third issue is the institutional and operational matters that are under debate in the Bill. The hon. Member for Hayes and Harlington (John McDonnell) was right to mention staff issues because, in my sad experience, they are not always well handled by Governments, of whichever party, in legislation. The issue of participation is central and whether we have a separate race committee or another structure—the Minister may come up with a good argument on that—the institution will not work unless people feel comfortable with it and that it has some relevance to them.

The hon. Member for Walsall, North (Mr. Winnick) mentioned India, and I should point out that Lord Irwin, as he then was, was rather a rather liberal—if it is not derogatory to use the word these days—Viceroy, but he was wrestling with a commission that was a non-starter because it was all Brits and no Indians. That does not work, because any structure needs to be acceptable to the various communities involved.

John Bercow: My hon. Friend makes his point pithily and eloquently, as ever. With due respect, may I take him back to a point that was interestingly but wrongly made by the hon. Member for Romsey (Sandra Gidley) earlier? She mentioned a possible analogy between the issue we are debating and the role of a midwife. Does a midwife have to have given birth to be a suitable person to deliver a baby? What we are talking about here is not a one-off function: it is an ongoing advocacy and representational role, and that is the important point that we have to bear in mind.

Mr. Boswell: I agree, and had I wished to indulge myself earlier I would have taken up the hon. Lady on a related point to her analogy of the midwife. At least part of the case that she made is that a midwife, whether or not she has given birth, should be experienced and knowledgeable about people giving birth and, by definition, sympathetic to them. A midwife should not be multifunctional and also act as a physiotherapist, occupational therapist or speech therapist in her spare time. Therefore, we need people on the commission who are heavyweights, who understand what is involved and who can engage with and win the confidence of the minority communities, minority interests and others who might be discriminated against.

I love moving amendments and trying to get a Bill right, and part of that includes the cerebral function and taking a cool look at how legislation works, as with the points that my hon. Friend the Member for Epping Forest (Mrs. Laing) rightly made about the administrative cost of the new commission. However, it is also important to understand that the process includes an element of emotional intelligence and the reflection of anger and disquiet in the community. My hon. Friend the Member for Shipley (Philip Davies) asked about the common feature and I think that at least part of it is the anger people feel—for example, whatever their skin colour—at the discrimination that they have endured for no good reason and, sometimes, as they see it, as the fault of society. The Bill will not solve all ills, but we could make a start by saying that it should reflect not only the best structure that we can produce, but the anger of individuals about how they have been treated and a determination across all the parties to do our level best to see that that does not happen in the future.

7.15 pm

Ms Abbott: I wish to speak in support of the amendments that would introduce a race committee and provide proper representation among the commissioners. I also support the amendments tabled by my hon. Friend the Member for Hayes and Harlington (John McDonnell) and other colleagues on issues of staff protection, and I hope that the Minister will take them seriously.

As my hon. Friend the Member for Leicester, East (Keith Vaz) reminded the House, it is some 20 years since he and I were first selected as prospective parliamentary candidates, together with Bernie Grant and Paul Boateng. We were not selected because of our good looks and charisma, at random or as an act of patronage by our leadership. Indeed, as a group, we were regarded with some fear—yes, even my hon. Friend—when we first entered the House in 1987. We were selected on the back of a feeling in society that had arisen because of the riots in London, Bristol and Liverpool in the early 1980s. There was a strong feeling in society at the time, especially in the communities from which we were selected, that it was high time that, towards the end of the 20th century, this House of Commons started to look like the people of Britain.

The argument, which was accepted on all sides at the time, was that for young black and Asian people to feel part of and engaged with this society, they had to see representation at the highest level. That was not because only black and Asian people can understand the issues of black people and other ethnic minorities. Nor was it because of quotas or numbers. Nor was it because in an ideal world it would not matter what colour MPs were. The idea was that representation mattered because of what it said about an institution. People can read about issues of discrimination and even do dissertations on them, but unless they have lived them and felt them, they will not be able to give them the emphasis that only living them gives.

I have heard all the mockery about needing to have a one-legged person, one blind person and one Chinese person for the past 20 years, but the arguments on representation are about the legitimacy of institutions and the wealth of talent available to institutions. If the arguments about representation were valid for the House of Commons 20 years ago, how much more valid are the same arguments for this commission on equality today? I beg Members not to have a continuous rehearsal of arguments that we heard 20 years ago. If the case for representation was important 20 years ago, it is—if anything—more important today.

Philip Davies: The hon. Lady is here because of her ability, and so is the hon. Member for Leicester, East (Keith Vaz). Does she agree that true equality means that the best person for the job is given the job, whatever their background? If that means that all the people on the commission are black, so be it. If that means that all

the people on the commission have a disability, so be it. While we talk about quotas and look at people on the basis of their colour or whether they are disabled, we will never have true equality. It should be irrelevant what colour people are or whether they have a disability: what matters is that we have good people, whatever their background.

Ms Abbott: Of course, in an ideal world colour, gender, sexuality or physical challenges would not matter, but we are not in an ideal world and all my experience of these issues, which goes back a few years before the hon. Gentleman entered the House, tells me that unless we debate representation, raise the issue and put in place the structures and the law to ensure it—as we are calling for in this case—we will find that the majority of people best placed to empathise with the issues are somehow, magically, always white males. Time after time, that is the practical outcome.

I am old enough to remember when the CRE was set up and am the first to acknowledge that although it has had some excellent leaders, it has not been as effective in recent years as it might have been. I am the first to acknowledge that the CRE has faced challenges as an institution, but I remind the House that when it was set up in 1977 it embodied the best and most hopeful aspirations of our society for racial equality. In those early years, it attracted the best and brightest members of our black and Asian community. The House should also remember that the CRE is not just a London organisation; in community after community, in town after town, local racial equality committees, often with only one or two paid staff, do incredible work 18 hours a day, as beacons, fighting for equality in their community.

As this debate may be our last chance to say anything about the CRE before it goes in two years' time, we should not just look at where it has failed and where we might disagree with one of its chairs on a particular issue. We should look at the hopes and aspirations that it embodied and at the incredibly brave work of hundreds upon hundreds of individuals for the national body or for their community, long before race and equality were fashionable or acceptable. It would be wrong for the House not to acknowledge the contribution that the CRE has made to ensuring that we do not see in our society what the French saw last summer—community after community in flames.

I entirely concede that the CRE may not have achieved all that we hoped. Like my hon. Friend the Member for Leicester, East, I do not agree with what Trevor Phillips said about multiculturalism, but we should not forget what the CRE represented, the hopes it embodied and the real achievements of individuals associated with it.

Mr. Andrew Pelling (Croydon, Central) (Con): Will the hon. Lady give way?

Ms Abbott: No, I must make progress.

Of course, I support bringing all the equality strands into one commission, but my fear is that unless we get the legislation and the structures right, the commission will embody what I have seen so often, whether at local authority, non-governmental organisation or Government level: lowest common denominator equality, which is no good for anyone, although it provides a laugh for some people who are hostile to the whole notion of equalities in principle. Lowest common denominator equality sells every equality strand short. Sadly, it is my experience that if race is merged with other equalities issues, without sufficient thought and care about the structures, race inevitably falls to the bottom of the agenda. That is why, when the Government set up a working party to look into the matter, out of 28 people there were only three visible minorities. When we say that we want not just assurances but legislation and structures, we are not looking in the crystal ball, we are reading the book.

It astonishes me that two years after my hon. Friend the Member for Leicester, East and I took a group of concerned parliamentarians to see Ministers, the Government have not moved on the issue. As I said earlier, I am arguing not for a hierarchy of equalities, but that, based on my experience of working on equality for 30 years—not just as an MP, but in my trade union and my community—all the equality strands have a distinct character. On employment, for example, the problem for most white women is how to get through the glass ceiling: the problem for most black people is how to get through the door. Of course, the commission must broker a collective view at the end of the day, but unless there are people on it who understand the distinctions between the challenges faced by disabled persons, by people whose problem is their colour or by women, we shall end up with lowest common denominator solutions that pay lip service to, but do not address, the difficult issues.

Many issues concerned with race are difficult. This society still finds it difficult to face many of the realities about race. When I started raising the issue of the underachievement of black boys, white people asked me whether it was not a little embarrassing to talk about that. I was not afraid to talk about it, because the issue is real and it needs to be addressed. However, if we have a commission with no structures and without the right legislation, the temptation will be to duck the difficult issues; there will be lowest common denominator equalities.

Ministers talk about empathy and hoping. No individual in the black community is more committed to institutions, to the state and to making things work through the political process than I am, but there are persons out there in our communities who are really not that interested in middle-class white men empathising with their situation; they want representation and stakeholder involvement. We have heard about Lord Halifax and the end of the Indian empire, but I have to tell the House that the days of white men empathising with the situation of other people have long been left behind. I do not say that because we are not all people and because everybody cannot represent everybody else, but because institutions are more than the sum of their parts. They are about what they say—the message they give to a society. So when Ministers tell me that they hope that the commission will not be all white men, what do they mean? They are Ministers. If they want to ensure that the commission has proper represe..tation, the remedy is in their hands. They can put those matters on the face of the Bill.

[Ms Abbott]

I agree with my hon. Friend the Member for Leicester, East that the Government have made progress on inequalities. This society has made progress on equalities in the 20 years since I have been a Member of Parliament; indeed, sometimes society makes progress ahead of politicians and they have to scrabble to keep up. We have made progress, but if the commission goes ahead with the Government resolutely refusing to listen to the united voice of black and Asian communities and the Bill goes forward without a race committee, without the proper structural arrangements, we shall set the race issue in this country back many years.

Ministers say to me, "Diane, why are you going on about race? The issues are different now, it's all about human rights." All the issues are serious, but if they do not have mind to the race issue, it will have a way of forcing itself back on to the political agenda. Rather than the House having to create structures and produce law to deal with a situation where black, Asian or minority persons feel disfranchised and marginalised, why do not we this evening ensure that we have the thought-out structures and arrangements that will reassure black and Asian people that just as representation mattered to the House of Commons 20 years ago, it matters for the new equality commission? I could not let the debate go past without speaking on this matter, because representation is important.

7.30 pm

Of course, I am here to represent everybody and I try to balance every view in my constituency and work for every community. However, the people, black and white, who worked so hard to elect me in 1987 would have been disappointed if, at a point when the Government are being completely obdurate and it seems as though there is no hope, I had not stood up and spoken to this issue. That is what representation is about. It is not about advancing the issue when it is easy, or when a Member is in a majority, or when the Government are on their side; it is about advancing the issue because it has to be done—because that is where we come from and where we learn and, in the end, we know that we are answerable.

Harry Cohen (Leyton and Wanstead) (Lab): It is a pleasure to follow my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott), who is my good friend and parliamentary colleague. I fully agree with her. I did not want to interrupt her passionate flow in the debate. She talked about the local race equality councils, but from my experience as a Member of Parliament since 1983, and as a local councillor for 11 years before that, I can say that the local race equality councils stopped serious trouble in parts of our country. I note that there is no guarantee of any local institution being set up, following from this measure.

My amendment—No. 26—is about setting up a London committee, but before I talk about that, I want to praise my hon. Friend the Member for Leicester, East (Keith Vaz) for suggesting that there should be a race committee. I fully support the eloquent and strong case that he made. Indeed, I have added my name to the amendments that he tabled in that regard.

I should also like to mention my hon. Friend the Member for Kingswood (Roger Berry), who talked about the need for the commissioners to have direct experience of the discrimination strands that they are suppose to represent—that was Lord Ouseley's amendment in the other place. I referred to that on Second Reading, during an intervention, and I still do not think that that has been properly addressed. As my hon. Friend the Member for Hackney, North and Stoke Newington said, the Minister and the Government are hoping that it will come about. I should prefer that to be included in the Bill.

I was here when my hon. Friend the Member for Hayes and Harlington (John McDonnell) talked about TUPE rights, which are important, and trade union rights. I saw a little bit of data from the last honours list that shows that, whereas scores of businessman got gongs, only three trade unionists did so—and two of them were from trade unions that are not in the TUC. There is a case to be made for trade union representation on organisations such as the CEHR. It is sad that a Labour Back Bencher has to argue for that.

I return to amendment No. 26 and the case for a London committee. I am arguing the case put forward, for example, by the Mayor of London, who said in his representations to hon. Members:

> "The Equality Bill does not recognise the unique devolution arrangements in London. The Bill should establish a London Committee, in line with the decision-making committees proposed for Scotland and Wales."

Just as my hon. Friend the Member for Kingswood has said, if this is okay in relation to a disability commissioner, if it is okay to have a race commissioner and a race committee and if that is all right for Scotland and Wales, it should be all right for London as well. London has more extensive discrimination problems, but also more positive experiences than the other regions on how to bring about solutions to the problems that we face in the discrimination streams. There is a big case for the London committee. That London context provides unique lessons, opportunities and challenges with regard to equality and diversity. London is one of the most diverse cities in the world and is certainly unique in the UK context.

Mr. Sadiq Khan (Tooting) (Lab): My hon. Friend made the point that we will be losing the race equality councils and the local connection. Bearing in mind that more than 300 languages are spoken in London, that more than 14 faiths are represented in the community and that almost 50 per cent. of ethnic minorities live in London, does not that compound the need and the call for a London committee?

Harry Cohen: Absolutely. My hon. Friend has been looking over my shoulder at the next point in my speech, which contained those important statistics. I will not repeat them, but they are important. That level of diversity is unmatched, certainly in this country. Some 30 per cent. of residents are from ethnic minority backgrounds. There are also more ethnic minority businesses in the capital—a greater concentration of them.

There are more than 60,000 voluntary organisations, a significant number of which are involved with ethnic minority concerns and the ethnic minority sector. London is the base for the highest number of listed public bodies subject to the race equality duty, and those will soon have the disability and gender duties. London has a specific element that cannot be safely and properly abrogated or absorbed into the nationwide body.

Mr. Winnick: I am not a London Member, but I am sympathetic to what my hon. Friend is saying. I introduce what is not, I hope, considered a controversial point among one or two colleagues. Would not race relations in our capital be strengthened if a visiting cleric with notorious racist views on Jews or homosexuals was not embraced, whether by the Mayor of London or anyone else? If we are against racism, surely we are against all forms of racism, including anti-Semitism, presumably.

Harry Cohen: That sort of issue provides a perfect case for having a London committee. That point could not be more relevant. However, I will not get drawn into that; I shall discuss that matter with my hon. Friend on another day and another occasion.

I shall read another part of the Mayor's briefing, although it is a bit jargony. I want to read it into the record, because I think that the point is made. The Mayor's staff say:

"A Greater London Committee would enhance the work of the CEHR by helping to ensure . . . a regional focus on London appropriate to London's size, demography, complexity and diversity, and experience in developing and delivering equality policies . . . appropriate engagement with London's unique governance arrangements . . . synergy between regional strategies and national strategy and policy"

and

"tailored stakeholder engagement and dialogue, which will aid clear and transparent channels of communication."

That is a bit jargony, but when hon. Members read it in *Hansard*, they will see the point.

Mr. Pelling: I am grateful to the hon. Gentleman for the points that he is making, because there is dynamic change in London's population. The hon. Member for Walsall, North (Mr. Winnick) indicated that there can be many controversies within London's governance and perhaps there is value in a London committee intervening occasionally when some of the local CRE bodies get into difficulty.

Harry Cohen: I want to return to that point, which is well made. It would be better if there were a London committee that worked together with, for example, the GLA, the Mayor and other stakeholders—to use that jargon—when we have an important issue on race to discuss.

The Commission for Racial Equality sent to Members its concerns and one of them was about the location. It recognised that the CEHR will be

"based at two sites, with a majority of CEHR staff based in Manchester. This is a disappointing development, as despite having a 'significant presence' in London, the CRE believes it is vital that the headquarters of the new body be located in London . . . London is still the centre of decision making in the UK. In order for the CEHR to be a powerful, influential body, it needs to be located where the majority of decision makers are also located."

All the ministries are in London. The Prime Minister is in London; the Treasury is in London; the major health authorities and bodies to do with policy making are in London; the main police force is in London; and the courts are in London. In the private sector, the City of London is the finance capital, and the stock exchange is in London. Much of business is in London and there needs to be a connection.

Meg Munn: Perhaps my hon. Friend would like to come to Sheffield to talk to the range of civil servants who work for the Government and who are based in Sheffield. Not everybody is in London.

Harry Cohen: I take that point and I agree with moving some of the ministries out of London. Why do we not have the CEHR's headquarters in London where the main ministries are and a "significant presence" outside the capital?

Barbara Keeley (Worsley) (Lab): I apologise for not being present earlier, but I have been following the debate elsewhere.

Many hon. Members and many agencies believe that it is vital that the CEHR is a new, single statutory body that can offer integrated advice and guidance, and that is the problem. Does my hon. Friend not see that the amendment and the idea of a London committee work against that aim? People who favour London rather than Manchester as the location for the main services of the new body are almost striving to split it. The key point is that it is integrated and can offer advice by working across all the disciplines. The question of the CEHR's location has been settled and the amendment would work against the key features that would make the commission work as a body.

Harry Cohen: I agree that the commission must be integrated and cover the whole country and that it needs to be effective. However, on the specific point of how it lobbies and gets in touch with the policy makers, I should point out that the policy makers are not in Manchester or Sheffield. They are in London. The CRE and the new commission need to be able to approach them.

Sandra Gidley: Does the hon. Gentleman consider the EOC and the Disability Rights Commission to be ineffective because they are based in Manchester?

Harry Cohen: I am not saying that those bodies are ineffective, although I would have liked both to have been more effective. I certainly think that the EOC would have been more effective if it had been based in London and had more ready access to Ministers. The argument that I am making is that made by the CRE itself and not just by the Mayor of London, me and other London Labour Members. The CRE is saying that its successor body needs to be in London to be effective.

Ms Butler: As my hon. Friend the Member for Leicester, East (Keith Vaz) said, who will carry the

[Ms Butler]

mantle of race equalities? The establishments that he named—the National Assembly Against Racism, Operation Black Vote and the Greater London assembly—are based in London and have regular meetings with key stakeholders. If this strand is to be effective, it must have strong, cohesive links in London.

Harry Cohen: I agree with that very well made point. That is why I think that a London committee would be extremely beneficial. Even if the other headquarters were in Manchester, a London committee would provide a focus and enable the commission to lobby more effectively.

7.45 pm

John McDonnell: I understand the argument of London versus the regions, but many of us in London have supported measures to tackle unemployment by the devolution of decision making and administrative units to the regions. However, any such moves must take account of the impact that they have on human beings. We have many staff in the existing organisations and 60 per cent. of the CRE's staff are from ethnic minority groups, 40 per cent. of the DRC's staff are disabled and 80 per cent. of the EOC's staff are women. Many of those groups also have caring responsibilities, with their roots in London. The move that has now been determined could have been handled so much better if there had been adequate trade union consultation, which there has not been, on the impact on those people's lives.

Harry Cohen: That is a very well made point. I will not dwell on it but we have had representations from the DRC that expresses concern that its staff in London should be properly protected. On the gender argument, we know that, in the capital, many women's issues can "disappear" when it comes to addressing their needs. Such specific issues for women would be better addressed if there were a London committee.

Let me refer again to the representations from the Mayor and the CRE. The Mayor says:

"Locating the CEHR in Manchester risks a downgrading and isolation of the institution, which all efforts must be taken to safeguard against."

The CRE says:

"We feel that downgrading equality in this way will cause considerable detriment to those from ethnic minority and other disadvantaged groups.

The concerns expressed could not be clearer, and a London committee could mitigate against the effects of what is being proposed.

Ms Abbott: Does my hon. Friend agree that, of course, Manchester is a wonderful city and that we support moves to create employment outside London? However, there must be the suspicion that some people in government believe that putting the new commission in Manchester means out of sight, out of mind.

Harry Cohen: Absolutely, and that fear was expressed in the comments I have just read out, and particularly by the CRE.

I hesitate to say this because some of my colleagues might not like it, but the argument is a bit like that over schools, sex offenders and different lists. We get into a muddle when we have different lists. In London, we have the Greater London Assembly and the Mayor and they have a role in relation to race equality duties. If the CEHR does not have a London committee, it will come in from afar and make pronouncements, statements and policies on race matters. We will then get mixed messages, unco-ordinated messages and perhaps opposing messages. That would be pretty disastrous in a situation similar to the one that took place during the riots in France. The bodies need to be together and must work together, and that means that there is a powerful case for a London committee.

I return to where we started and the point that my hon. Friend the Member for Hackney, North and Stoke Newington made about local race equality councils that did so well. I hope that it will come about, but there is no guarantee of anything like a representational structure at a local level. At the very least, there needs to be a regional commitment where it matters, and it matters in London. We do not want what happened in France—in the main, it was in and around Paris—to occur here. We do not want riots and a festering situation in which people do not think that the injustices that they feel can be addressed. They need to be able to go to a body in London that is concerned with those injustices. Such a committee must be based in London.

I was not trying to make a regional case in which London was set against the rest. However, for the commission to be effective, it must have a London committee. That is why I tabled my amendment.

Rob Marris: I somewhat disagree with my hon. Friend the Member for Leyton and Wanstead (Harry Cohen). I do not demur from having a London committee, but I do not think that a committee for London, as a unique region in England, needs to be provided for by the Bill. Paragraph 11 of schedule 1 makes provision for the commission to set up funded, decision-making committees.

My hon. Friend's arguments on amendment No. 26 in favour of a London committee would be better put to the commission after the Bill is passed, as I hope that it will. We could then consider a series of regional committees, such as one for the greater west midlands, which has a slightly higher population than Scotland. If Scotland and Wales are to get their own committees—I am sure that it is obvious to hon. Members why that should be—I would welcome a debate on regional committees for England. We should not forestall that debate by providing for just a London committee in the Bill, especially given that paragraph 11 of schedule 1 would allow the commission to set up a London, west midlands, or east midlands committee. I would prefer to leave the matter to the commission than to accept amendment No. 26.

I hope that the Minister will give us reassurances about staff and the TUPE stuff to which my hon. Friend the Member for Hayes and Harlington (John McDonnell) referred when he spoke to amendment No. 24. We also need reassurances about matters that are not covered by TUPE, especially pensions and relocation. I appreciate that the Minister cannot give us chapter and verse on all the details tonight, but I hope

that she will choose to reassure hon. Members that the needs of the employees of various bodies who might be displaced, or may have to reapply for jobs when the commission comes in, will be addressed and that their continuity of employment will be assured if, as one hopes, they get jobs in the new body.

I support the concept of a single equalities commission. As my hon. Friend the Member for Kingswood (Roger Berry) said, I do not want any silos. I want simplification, as I said earlier. A holistic approach has been mentioned, and although I am open to correction, there is a holistic approach to most of the strands of equality and anti-discrimination stuff that we have now. There is a holistic approach on remedies because people go to an employment tribunal. It might seem strange that people who suffer race discrimination when they are not served in a bar because of the colour of their skin go to an employment tribunal—formerly known as an industrial tribunal—but I think that it is still the case. It is desirable to continue a holistic approach with a single commission and equalities body and to continue the drive towards simplification so that it becomes easier for people to assert their rights.

The hon. Member for Epping Forest (Mrs. Laing) referred to costs when she spoke to amendment No. 42, which would provide for a report to go to the Chair of the Public Accounts Committee. According to the Government's projections, the new body will cost less than 50 per cent. more than the existing framework. The hon. Lady first said that the costs would be many times more than current costs, and then that they would be twice as great. When she was told about the Government's estimates, she understandably said that she was sure that the overall bill for the six strands covered by the Bill would be more than twice the £48 million that the current three strands cost, or more than £96 million. Leaving aside for a minute the start-up costs—there are start-up costs for a new organisation—relocation costs and so on, I will wager her £100, payable to a charity, that the costs in the first year will not exceed £96 million.

Mrs. Laing: I accept the hon. Gentleman's wager.

Roger Berry: Double it.

Rob Marris: I am grateful to the hon. Member for Epping Forest, but I will not go for double or quits, as my hon. Friend the Member for Kingswood (Roger Berry) urges—I am sure that you would not allow me to, Madam Deputy Speaker.

Mr. Khan: Even if the costs were as large as Her Majesty's official Opposition suggest, does my hon. Friend agree that the commission could be considered as a loss-leader because of the benefit that we will gain? On a cost-benefit analysis, using the widest possible talent in our community—whether we are considering employment or people being served in a bar—is worthy of a reasonable cost.

Rob Marris: I entirely agree and touched on that matter earlier when I made an intervention on the hon. Member for Epping Forest. She chose not to answer my question about how much she would be prepared to pay for anti-discrimination legislation, so I hope that she will answer now. It is a pity that she remains in a sedentary position and will not follow on from the point that my hon. Friend the Member for Tooting (Mr. Khan) made.

Mrs. Laing: I did answer the question. My answer was precisely that the amount was the £48 million that it is at present, plus the corresponding amount for adding three new strands, minus the amount that could be saved due to economies of scale. That was my answer, and the amount comes to less than £96 million.

Rob Marris: That reply is rather interesting and revealing. If I go into a retailer and ask the price of a television, I do not expect to be told, "We calculate it by taking account of rent, lighting costs and VAT," because I expect to be told the price. However, I understand that the hon. Lady cannot give a price.

Mrs. Laing: It is not possible to put an exact price on defending and promoting equality, which is a matter of principle to which we are all absolutely committed.

Rob Marris: I am now slightly more confused because I thought that the hon. Lady was putting a price on that earlier when she said that she thought that the cost would be more than £96 million—more than twice the £48 million. I take the point that she was not saying that that cost would not be justified.

I suggested earlier to the hon. Lady that there was a contradiction because she and her party appeared to be sitting on the fence on amendment No. 9, which was tabled by my hon. Friend the Member for Leicester, East (Keith Vaz). I asked her whether she would support a race committee given that neither she nor her hon. Friends had tabled an amendment to remove the provisions in schedule 1 on the disability committee. She responded that I was urging her to do something that she had not the power to do, but that she hoped to be in ministerial office soon—I thought that that was rather optimistic of her. Forgive me if I misunderstand the procedures of the House after nearly five years here, but I thought that any hon. Member could table an amendment on Report. The hon. Lady chose—quite properly, I must say—not to table an amendment to remove the provisions on the disability committee, but she was incorrect to suggest that it was not in her power to table such an amendment.

I am rather attracted to amendment No. 16, which refers to the make-up of the commission. There is a contradiction between providing for a disability committee in the Bill and not providing for a race committee. I am entirely happy that the Bill provides for a specified commissioner with a disability in paragraph 1(3)(a) of schedule 1, but it is a contradiction that the Bill does not provide for commissioners representing the other five strands. The Bill contains contradictions.

I understand that there are different ways of approaching things. Judge Rosalie Abella said powerfully about a similar situation in Canada in the 1980s that equality sometimes means treating people the same and sometimes means treating people differently. That is one of the touchstones by which I live when I consider discrimination measures. Equality is not mechanical. The hon. Member for Shipley (Philip

[Rob Marris]

Davies) is no longer in the Chamber. My hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott) was very restrained when she heard from him the arguments that she knows viscerally from her experience as a black woman in our society—I know of them one removed after talking to people—and we had 20 or 30 years ago. The hon. Gentleman certainly looks less than 40. Where have some Conservative Members been for the past 20 years? I salute the Conservative Front-Bench spokesmen for at least getting up to about the end of 20th century with this stuff and welcome the fact that several Conservative Members have struggled into the 21st century, but some Conservative Back Benchers really have a pretty antediluvian approach to the matter. We should not have to go through such arguments again and again in the Chamber and elsewhere and it is sad that we must do so.

From my hon. Friend the Minister I seek assurances regarding the staff, and in particular an explanation of the contradictions between the treatment of disability and the treatment of race. That is not to say that the other four strands are unimportant, I hasten to add, but disability is mentioned at least twice in the Bill—in relation to a commissioner with a disability and a disability committee. In race, we are dealing with an incredibly important strand to me, the Member of Parliament for Wolverhampton, South-West, which was previously represented by that notorious racist Powell. Such matters are extremely important in my constituency. There is a contradiction in relation to a race committee and I beg the Minister to explain that contradiction. If she does not, amendment No. 9 and those that flow from it will be extremely attractive to me.

8 pm

Meg Munn: I thank hon. Members, in particular my hon. Friends, for raising some important issues relating to the new commission. We all share a concern to ensure that the new commission is able to operate efficiently, effectively, fairly and with the confidence of the many communities who will look to it for leadership and support.

Amendment No. 43 would dilute the commission's requirement to have regard to the importance of exercising its clause 10 duties for groups defined by race, religion or belief. We have made it clear throughout the debates on the Bill here and in the other place that there will be no diminution in the powers and responsibilities that the new commission will inherit from its predecessor bodies. That has been a fundamental principle as we progress towards establishing the new commission.

An important part of the new body's success will be its ability to do as much as, and more than, our existing arrangements. Alone among the existing equality commissions the Commission for Racial Equality has a duty to promote good relations between people of different racial groups. In addition, in 2000 we amended the Race Relations Act 1976 to require public bodies to have regard for the need to promote good relations between racial groups. The new commission will have to carry forward the historical legacy of the CRE and work with public bodies to help them to comply with the race equality duty.

Hon. Members will know that the Commission for Racial Equality has, since its inception, supported a strong network of local race equality councils and other organisations delivering local race equality work. Many of us are familiar with their work and the important role that they play in our constituencies, particularly among those who have experienced discrimination or unfair treatment because of their race or religion. I met recently with the chair of the British Federation of Race Equality Councils; the federation is concerned to ensure that the councils' work is able to continue and I look forward to continuing our discussions to ensure that that is the case.

For those reasons, we have required the commission to have particular regard to its duties in clause 10 and the importance of exercising them in relation to groups defined by race, religion or belief. That is an important guarantee to the CRE, the race equality councils and others who do local race equality work, and to black and minority ethnic communities in this country. I believe that we have found the right balance between acknowledging the historical legacy of the commission's good relations work and the need to ensure that the concerns of all its interest groups are heard and addressed.

Mrs. Laing: I accept the Minister's explanation which, combined with the impassioned speeches made by some Labour Back Benchers, has led me to decide not to pursue amendment No. 43.

Meg Munn: I thank the hon. Lady.

Amendments Nos. 23 and 24, tabled by my hon. Friend the Member for Hayes and Harlington (John McDonnell), are designed to protect the position of those who work for the existing commissions. We are aware that a transition of the type in prospect always gives rise to concerns and uncertainty among staff and we are committed to a well managed, open and transparent transition process in which staff are fully consulted.

I can reassure my hon. Friend by confirming that it is our intention that the full protection of TUPE will apply to all staff of the existing three commissions. I also assure him that it is not our intention to transfer any staff to the new commission without the full protection of TUPE. We are working closely with employee representatives and senior management of the existing commissions to develop the most effective way forward in that and related matters. We have established a union forum to act as a consultative mechanism on the commission for equality and human rights between the commissions and recognised trade unions, with Government participation.

The provisions of clause 39(5) will, in effect, safeguard the existing terms and conditions of those staff who transfer into the new commission and ensure that their period of employment continues with the new commission without being counted as a break in service for either employment or pension rights. I hope that that answers my hon. Friend's specific question. TUPE applies to all contractual terms and conditions and includes an existing right to a redundancy payment. In addition to that statutory protection, it is Government policy to ensure that staff who transfer from one public sector organisation to another are no worse off as a result of that transfer.

TUPE protection will also apply to staff transferring under a transfer scheme whenever they join the CEHR, whether that is before the new commission becomes operational—our target date is October 2007—or when the CRE folds in 2009, or any time in between. The amendment is therefore unnecessary.

Rob Marris: Will my hon. Friend assure my hon. Friend the Member for Hayes and Harlington and me that the welcome protection to which she has referred will also cover pensions?

Meg Munn: Yes, that is my understanding.

In amendments Nos. 16, 17, 18 and 20, my hon. Friends the Members for Kingswood (Roger Berry) and for Hayes and Harlington have sought to strengthen representation on the commission to ensure that it properly reflects the society in which we live and that it includes those with the experience that they consider necessary for the commission to function effectively. The difficulty of the approach reflected in the amendment is that it encourages an ever-growing list of the sorts of people who must be appointed, and there is always someone who gets left off a list and others who spend much time making the case for being on the list.

Following the publication of our White Paper on the new commission, we received more than 400 detailed and considered responses. The overwhelming majority of those supported establishing a board that could operate in the interests of all, rather than as discrete champions of specific strands jockeying for attention.

Ms Abbott: I understand the logic of saying that no single group should specifically be represented among the commissioners, but what is the logic of specifying in the Bill representation for disabled people, but not for any other group?

Meg Munn: I ask my hon. Friend to bear with me. I shall speak to that matter later in my speech and I am confident that I shall cover all the points that have been made. I think that that will enable us to make progress more quickly, but she can intervene again if she feels that I have not addressed her point.

The Government are aware that many communities and interest groups wanted reassurance that the appointments to the board would be based on knowledge and experience. We therefore took specific steps to ensure that knowledge and experience of discrimination would be key criteria for the appointment of commissioners. I assure hon. Members that when the Bill mentions knowledge and experience, it means experience of discrimination.

Keith Vaz: I hope that my hon. Friend will excuse me for not waiting until the end of her speech to intervene, but it is important to probe her on that point.

What happens if the commission does not appoint sufficient numbers of black and Asian people, trade unionists or women to a committee? What will the Minister do about that? She does not appear to have changed her position since Committee stage; she is merely repeating what she said before.

Meg Munn: If my hon. Friend will bear with me, I shall make that clear well before the end of my speech and hon. Members may intervene again to clarify various points.

Such knowledge and experience will include personal or direct experience of discrimination, so the provisions of the Bill are not at odds with the intention behind the amendments tabled by my hon. Friend the Member for Kingswood. Those with knowledge and experience of discrimination and human rights are only one part of the equation; we also need to draw on the knowledge and experience of those who will be responsible for complying with the law, improving good practice and identifying the most effective way of delivering the changes that we want. Many people who have direct experience of discrimination also have that experience, too. Given that the Bill requires the Secretary of State to consider knowledge and experience of the functions of the commission when making the appointments, we have made provision to take account of expertise in the trades union movement and in business as well as employers' concerns in the delivery of public services and in good governance and management.

It would be inconceivable that the board would consist only of white, heterosexual males under 16—I am sorry, under 65. Having taken the hon. Member for Epping Forest (Mrs. Laing), who speaks from the Opposition Front Bench, to task for getting her figures wrong, I am beginning to feel a little less confident. I shall say it again; it is inconceivable that the board would be all white, heterosexual males under 65. In response to my hon. Friend the Member for Leicester, East (Keith Vaz), let me say that not only must there be black and Asian commissioners, but that that there will be black and Asian commissioners, and there will be women commissioners. When the hon. Member for Epping Forest moved amendments in Committee suggesting that there should be at least one such commissioner, I was appalled that we would be thinking of one woman or one black person being considered to be representative.

Roger Berry: Will my hon. Friend explain why reference in the Bill to the composition of the board refers to disability alone?

Meg Munn: My hon. Friends are impatient. I will get there, I promise.

Keith Vaz: Before the Minister gets there, I must say that she has listened to what we have been saying, and she has changed her "hope" to "will" and "must". That is because my right hon. Friend the Secretary of State will be making the appointments, presumably seeking the advice of the equality Minister. When the Secretary of State makes those decisions to ensure that the "will" and the "must" is better than the hope, will account be taken of the numbers that have been mentioned in the amendments of my hon. Friend the Member for Kingswood (Roger Berry)? In other words, half of the committee should be women and a quarter should be black or Asian, at least.

Meg Munn: I am sure that my right hon. Friend the Secretary of State will want to give due regard to a range of views.

8.15 pm

We are talking about a commission that deals with discrimination. We will not be looking to replicate how our society is. Precisely those people who experience discrimination should be given representation in greater numbers than they would be in a body that reflected society in general. I hope that that reassures hon. Members that we want to ensure that that is the case. If we did not do that, the commission would neither command the confidence of communities nor champion equality with credibility among employers and service providers.

The amendments tabled by my hon. Friend the Member for Leicester, East, and the complete range of amendments—Nos. 1 to 10—seek to establish a statutory race committee. I thank those who have raised that important issue. The amendments respond to the strong concerns of some black and minority ethnic communities. Like my hon. Friend, I, too, believe that if the new commission cannot effectively tackle racism, it cannot demonstrate real progress in improving race equality in Britain, and it will have failed.

In setting out the Government's view it is important to understand the process that led to the Bill. The responses to the consultation on the White Paper in 2004 overwhelmingly supported an integrated body, not a federal structure of separate interests. Many pointed out that a federal structure would risk the new commission being blighted by inertia and infighting. Equality is not a minority issue, but an issue for us all. I am encouraged by the strong support for a unified and integrated approach to these issues.

We talk about six strands and about human rights, but there are groups of people who genuinely feel that because they are a minority concern—whether it is transgender, transsexual or those with a learning disability—their voices are never heard. The commission will have to hear all those voices. Black and minority ethnic groups have lobbied strongly for a race committee to be set out in the Bill and for there to be a designated race commissioner, as that would guarantee for them that their concerns would be considered by the new body. However, had that been placed in the Bill, other strands would also have sought to have a committee to represent their interests and we would be setting up a federated structure—an approach that we had specifically rejected for good reasons and that would go against the overwhelming consensus for an integrated approach. The CRE, until very recently, accepted that there was no need to have a race committee in the Bill.

I come to why we have made provision in the Bill for a disability committee. I refer to what I said at the outset in taking forward existing powers and duties. In working with the existing commissions, we agreed that there should be no regression from their existing arrangements. There is no requirement that the CRE must support black commissioners or a quota of black or Asian commissioners. The Disability Rights Commission requires that disabled people be appointed to the commission.

We have taken equal care to avoid regression in the race area in terms of our commitment to continue funding for the race equality councils, giving priority to race and faith in the new commission's good relations remit and carrying forward the CRE's powers in full. All the commissions will have a transitional commissioner to ensure that the experience and priorities of the existing commissions are adequately reflected in the new arrangements.

I draw the attention of right hon. and hon. Members to the disabilities committee. It has a sunset clause so that as the transition takes place and it, too, moves into place, consideration can be given to whether that process needs to continue.

Ms Abbott: My hon. Friend argues that the arrangements that she proposes for the commission do not represent a regression from the current situation relating to the CRE. It is true that there is nothing in legislation that insists that the CRE must have a majority of black and minority ethnic commissioners or even black and minority ethnic staff. It would have been absurd, when the CRE was set up, to assume anything other than that black and Asian people would play a prominent leadership role. If my hon. Friend sets up the new commission and it goes forward without any guarantees, whatever she says about the legislative position in relation to stability it will, in practice, represent a serious regression from the current status quo with the CRE.

Meg Munn: My hon. Friend makes my argument, just as it would be if she had said that there would have been absurdity in relation to the CRE. I have said that it would be inconceivable in relation to the commission.

Keith Vaz: The Minister keeps saying "inconceivable". That means that it may happen. Even if there is a 1 per cent. chance of it happening, it may happen. I do not have an Oxford dictionary in the Chamber, but it may happen. If it happens, will my hon. Friend bring forward legislation to ensure that the race committee can and will be established? If she gives me that assurance—not only in terms of race but for the other strands if they ask for it—and the commission does not set things up, which she has given it the powers to do, will she reflect and bring forward legislation under the Act to ensure that that happens? That is the only assurance that I seek.

Meg Munn: My hon. Friend is getting into great difficulties about what "inconceivable" is. I will give further guarantees and I have further expectations. The fundamental reassurance and guarantee for the commission is that it must command the confidence of the communities that look to it for guarantees around discrimination and equality. There is a range of measures in place for that to happen. I will go through the rest of my speech, during which I shall respond to these issues. I shall be happy to give way subsequently if hon. Members feel that they need further clarification.

I was talking about the transitional commissioners. They will be a guarantee of taking forward the work that is being done. We have also provided the commission with the powers to do all the things that the amendment seeks. The commission can set up committees with

delegated powers, it can ring-fence resources and it can determine the criteria for appointments to the committees. I expect some committees to cut across strands. We wanted to establish a unified commission so that issues that cut across existing strands can be properly addressed. However, I have no doubt that the commission will establish a committee that will take forward those priorities on race relations, and I strongly encourage it to do so at an early stage. It is simply not possible for it to ignore the priorities and concerns of black and minority ethnic communities, because they, along with others, will be the authors and architects of the commission's strategic plan. That is why we have placed the commission under a new duty to consult on its strategic plan in clause 5, and to consult on its "state of the nation" report in clause 12.

The hon. Member for Daventry (Mr. Boswell) raised economic issues, and rightly mentioned the review of equality issues chaired by Trevor Phillips that will look at some of those issues. It is part of the Government's programme to develop the equality debate and to look at what we need to do in the 21st century. The review chaired by Trevor Phillips will therefore have a significant influence on the commission's work programme.

John McDonnell: As powers will be given to the new body to establish the committees, the Minister may wish to express the view that if the Government are not satisfied with the new committee structure it may warrant further Government intervention.

Meg Munn: My hon. Friend makes an interesting point. We want to set up a body that is independent of Government. Indeed, there was a great deal of debate in the other place about the extent of its independence. Part of the commission's role is to comment on what the Government are doing, so we need to limit Government interference. A number of amendments were tabled to make the commission more independent.

Keith Vaz: Following the suggestion of my hon. Friend the Member for Hayes and Harlington (John McDonnell), the Minister has moved forward and has used the word "impossible". She believes that it is impossible, once the new body has been set up, to fail to establish committees. In response to my hon. Friend's question, she talked about Government intervention, so if the commission does not set up committees will she introduce legislation to make sure that its structure reflects the united views of the House? The hon. Members for Romsey (Sandra Gidley) and for Epping Forest (Mrs. Laing) both support the principle of the amendments, but they will leave the practicalities to the new body. If the commission does not deal with such matters itself, will she take action to make sure that it does?

Meg Munn: Powers are available to the commission to do so, and I have made my expectations clear. It is therefore not wise to move straight on to talk about new legislation or intervention. I have made strong commitments and there are strong expectations on the issue. I have more commitments to make which, I hope, will provide further guarantees.

Ms Butler: The Minister talked about a review headed by Trevor Phillips. Can she give the House an assurance that prominent black and Asian minority ethnic communities and groups that work on race equality issues such as the Greater London authority, the 1990 Trust and Operation Black Vote, to name but a few, will be consulted?

Meg Munn: I am happy to give my hon. Friend that assurance. Indeed, I have met the majority of groups that she named and I pay tribute to their work. I shall come to that point later.

The Government are committed to ensuring that race equality concerns will be central to the commission's work. We have considered the issue carefully and provided a number of measures in the Bill to ensure that that is the case. We have given the commission new powers to address hate crimes and prejudice against groups in society. We have given it new powers to assess and enforce compliance with the public sector race duty. We have made a commitment to the continued funding of race equality councils and of others involved in local race equality work to ensure that those important initiatives continue to flourish. I will follow up recent discussions with the British Federation of Race Equality Councils to ensure that that is the case. Representatives told me they were reassured by our plans. They are doing important work and have made a commitment to work with us as we move towards the establishment of the commission for equality and human rights.

We should not forget that the commission, because of its cross-cutting remit, is better able to address the concerns of all black and minority ethnic groups in our society—young people, children, women, lesbians, gay men, disabled people and older people. Children have not been raised specifically today, but they are one of hon. Members' concerns. Children are people and they have human rights, just like everyone else. The commission will play a key role in promoting understanding and respect for children's human rights. I have every confidence that the new commission will be able to do as much, if not more than our existing arrangements. The commission will not be tackling equality in an ethereal way—it will respond to the different and specific needs of various groups of people. We believe in equality but, as has been said, equality is not about treating everyone the same, but about responding to their specific concerns. I hope that what I have said will give assurance and confidence to hon. Members who are concerned about these issues, although I accept that words are not always enough.

Keith Vaz: Will the Minister allow to me to intervene? She sounds as though she is about to embark on her peroration, and I would hate her to finish—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Is the Minister giving way? I cannot allow two hon. Members to be on their feet at the same time.

Meg Munn: I am not coming to the end of my speech, despite what hon. Members think, although I am getting closer. If my hon. Friend the Member for Leicester, East would bear with me for a few minutes—

Mr. Deputy Speaker: Order. Perhaps the hon. Lady would like to reassure her hon. Friend that it is the end of the beginning.

Meg Munn: I think that it is the beginning of the end, but it is not the end. Indeed, I was about to say that

[Meg Munn]

today is not the end of the process—far from it. We have three years to prepare the ground for the transfer of race functions from the CRE to the new commission. Let me assure hon. Members that I do not intend to speak for that long. We now need further and stronger engagement with black and minority ethnic communities, including the CRE, to undertake the work necessary to prepare the ground. I have met and spoken to many people, some of whom believe strongly that the measures that my hon. Friends have proposed should be included the Bill. I am nevertheless grateful that they have committed themselves to continue this work and that they have reiterated their support for the overall vision of the new commission. I am personally committed, together with the Under-Secretary of State for the Home Department, my hon. Friend the Member for Wythenshawe and Sale, East (Paul Goggins), immediately to initiate a work stream that will directly involve members of the black and minority ethnic communities and others. That will explore how, for example, the race equality and good relations functions of the new commission could be framed, including its important focus on race and faith communities. The work, which we have asked our officials to begin scoping, will consider how the new commission can engage communities in identifying the strategic priorities for its work on race equality, and how its governance and committee structures can be configured to deliver that. The recent discussions with the British Federation of Race Equality Councils, to which I have referred, are a good starting point.

There have been calls for a separate commission to respond to concerns about integration and citizenship. The Government believe that those issues are for the commission for equality and human rights, but we strongly agree that they cannot be left solely to the commission. That is why my right hon. Friend the Home Secretary published a combined equality and cohesion strategy last January, "Improving Opportunity, Strengthening Society", on which we shall make a progress report. He will also make an announcement after consultation in the autumn about integration and the possible role of a time-limited commission.

Keith Vaz: The Minister has moved a long way on representation today. Let us be clear about the race committee: she not only hopes that it will happen, but wants it to happen, so if it does not happen—she thinks it impossible that it will not happen—she will make sure that the Government's views are brought to the attention of the commission, even though it will be independent, and if necessary she will return to the House to seek ways to make sure that it happens. Am I almost right?

Meg Munn: My hon. Friend is almost right. I do not want to go as far as him, because my confidence that the commission will take the race committee seriously is so great that I cannot see the need to return to the House.

Keith Vaz: On that basis, I will not press my amendment to a vote this evening.

Meg Munn: I thank my hon. Friend for making that clear. I understand the concern that the issue has raised among black and Asian communities, and I am sensitive to the need to take the matter forward in a way that encourages their involvement and also their confidence that the new body will deliver.

Ms Abbott: The black and Asian communities will be pleased that the Minister appears to have moved towards our position tonight—we have listened to her remarks carefully and will study them in *Hansard*. However, she should be assured that although some hon. Members will move on as the issue unfolds, others will not move on and will return to the Floor of the House again and again until we have a commission that represents a genuine step forward for all the equality strands within it.

Meg Munn: I thank my hon. Friend for her intervention. What is encouraging about this process is that the number of people who are not only interested in but committed to ensuring that we advance issues of equality is much greater than some years ago.

Keith Vaz: I apologise for intervening again, but the point raised by my hon. Friend the Member for Brent, South (Ms Butler) is important. Will the Minister convene a meeting between the CRE, the 1990 Trust, the Greater London authority and Operation Black Vote as soon as possible to make sure that everyone has a stake in ensuring that those commitments are carried through?

Meg Munn: I am happy to convene such a meeting.

The position taken by my hon. Friend the Member for Leyton and Wanstead (Harry Cohen) on London is slightly different from mine. The involvement of people throughout Britain is important, and I want to see how we can involve black and minority ethnic groups throughout the whole of Britain. The board will decide the way forward, once it is appointed towards the end of year, but we are already preparing the options for it to consider. Nevertheless, I thank my hon. Friend for raising the important issue of London in amendments Nos. 25 and 26. Despite the fact that I am Yorkshire born and bred, I share his pride in what our capital, which has one of the most diverse populations of any capital city, has to offer. However, I disagree with him about a statutory committee, which would be neither necessary nor wise.

I am sure that my hon. Friend knows that discrimination is not location specific, but in many respects the commission's functions will be location specific. The site will be split between Manchester and London, but I emphasise that further work remains to be done. We need to consider what are the appropriate functions to be located in Manchester and in London. None of us, however proud we are of our own part of the country, would argue that the lobbying of Parliament and regular contact with decision making needs to be based in London. We do not have in mind specific splits in terms of numbers. This will be part of a longer process to determine the appropriate functions. Our work on location identified that many of the functions undertaken are not location-specific, particularly now that most people use the phone to contact organisations.

There are many ways in which we can make the commission accessible without having to have it on people's doorsteps.

8.30 pm

I should emphasise that there will be offices in Scotland and Wales as well as in Manchester and London, and regional arrangements across England. I want the commission to reach into every community. It will have regional arrangements that are beyond those for the current commissions, although further work is required to determine how that is to be done. Nothing in the Bill prevents the new commission from establishing a committee for London. Indeed, the London region will want to consider how it responds to the challenge of the regional structure. I do not, however, agree that such a committee should be set out in statute. I hope that my hon. Friend the Member for Leyton and Wanstead will withdraw his amendment and that the people of the south and the north of England can once again become good friends.

Harry Cohen: The Minister's comments about the further work that is required are very helpful. I hope that she will emphasise the need to be effective as regards the lobbying of Ministers and key policy decision makers. On that basis, I am happy not to press my amendment.

Meg Munn: I am pleased to make my hon. Friend happy.

Amendment No. 42 would ensure that a financial statement prepared by the commission is sent to the Chairman of the Public Accounts Committee as well as to the Comptroller and Auditor General and the Secretary of State, for which the Bill already provides. The Bill requires the commission to provide an annual financial statement and send it to the Secretary of State and the Comptroller and Auditor General, who is required to examine, certify and report on the commission's financial statement and to lay a copy of the statement and his report before Parliament. Each year, the Public Accounts Committee undertakes several inquiries and investigations, often drawing on those reports. The relationship between the Committee and the Comptroller and Auditor General is close and co-operative.

I hope that the hon. Member for Epping Forest (Mrs. Laing) will understand why the amendment, while well intentioned, is unnecessary. The Bill has sufficient safeguards, as there are with non-departmental public bodies generally, to ensure rigorous scrutiny, accountability and transparency.

Mrs. Laing: I accept the Minister's assurances and I will not press my amendment. I look forward to the publication of the first year's accounts.

Meg Munn: On that note, I conclude my contribution to this part of the debate.

Mr. Grieve: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 21

UNLAWFUL ACT NOTICE

Meg Munn: I beg to move amendment No. 11, in page 12, line 1, leave out '24(1)(a).' and insert '24(1).'.

Mr. Deputy Speaker: With this it will be convenient to consider the motion that clause 28 be transferred to the end of line 20 on page 28 and Government amendments Nos. 12, 15 and 14.

Meg Munn: Amendment No. 11, like most of this group, is minor and technical. It corrects an anomaly in referencing in the Bill. Our intention is to oblige the commission for equality and human rights to inform the recipient of an unlawful act notice of the effect of the commission's clause 24 power, which enables it to apply to a court for an injunction in England and Wales or an interdict in Scotland to prevent discrimination. As drafted, the commission's obligation is restricted to informing the recipient of an unlawful act notice of its power to apply for an injunction in England and Wales, but not Scotland. That is not our intention. Amendment No. 11 therefore extends the obligation on the commission to include a reference to its power to apply for an interdict in Scotland.

The motion to transfer clause 28 is also a minor and technical matter. It does not alter the content or effect of the clause but moves it to the end of part 1. Clause 28 gives powers to the Disability Rights Commission for matters concerning rented accommodation in Scotland in the period before the new commission is operational. It is therefore more appropriate for it to be located at the end of part 1 under the "Miscellaneous" heading than with clauses that confer enforcement powers on the commission for equality and human rights.

More important, in its current position, the commencement of the clause would, because of clause 42, end the transitional period that precedes the new commission taking on its powers in October 2007. Unlike the other clauses, the commencement of which ends the transition period, clause 28 does not confer any powers or duties on the CEHR.

The substance of the Disability Rights Commission's equivalent powers for rented accommodation in England and Wales, which were conferred by the Disability Discrimination Act 2005, will come into force on 4 December 2006. As explained in Committee when the amendments were tabled, we are working closely with the Scottish Executive to ensure that the DRC's powers in relation to Scotland come into effect on the same day as in England and Wales. The transition strategy for the commission has been planned to allow time to ensure that the most suitable candidates are appointed to the board. Ending the transitional period prematurely by leaving the clause in its current location would seriously jeopardise an effective transition. It is therefore necessary for the clause to be moved as proposed.

Amendment No. 12 is also a minor technical amendment, which, I hope is self-explanatory. It simply corrects the grammar of clause 46(3)(b). It makes no change to the effect of that paragraph.

Amendment No. 15 is a more substantive amendment, responding to concerns raised earlier as well as in the fourth report of the Joint Committee on

[Meg Munn]

Human Rights. In Committee, the hon. Member for Oxford, West and Abingdon (Dr. Harris) tabled amendments to modify the exemption for schools of a religious character from the discrimination provisions. I promised to consider his arguments, which appeared to have some substance, and the amendment is the result. The Government are committed to maintaining the status quo as far as the right of faith schools to operate as such is concerned, and that necessarily means that they must be free to discriminate on the ground of religion to the extent necessary to make that a reality. In view of that need, faith schools are currently exempted entirely from the provisions specific to educational establishments.

We remain convinced that faith schools must be exempt on admissions and on provision to pupils of access to any benefits, facilities or services. In common with other schools, they are also exempt regarding the curriculum and acts of worship or religious observance organised by or on behalf of the school. However, the hon. Member for Oxford, West and Abingdon argued that making it lawful for faith schools to exclude a pupil or subject a pupil to any other detriment on the ground of religion or belief goes beyond what is needed to protect their position. We have given the matter much consideration since Committee and officials have been in discussion with the Anglican and Catholic Churches.

Exclusion from school is a serious matter that neither the Government nor schools take lightly. Existing guidance for schools sets out that a pupil's behaviour must be the only factor to consider in matters of exclusion. It therefore would not be right for faith schools to exclude an existing pupil purely on the ground of religion or belief. I do not believe they would wish to do that but it would be wrong to give the impression in the Bill that the Government are in two minds about the matter. We therefore propose to remove that exclusion.

Detriment is a wide concept that is loosely defined in law. We have been trying to identify any actions that constitute direct or indirect discrimination, falling within that term, that faith schools would wish to take, that they would be justified in taking and that would not be adequately protected by other exceptions to the measure. So far, we have drawn a blank.

On the other hand, it is possible to think of unreasonable and unjustifiable actions—and, let me say, highly unlikely ones—that the exception might appear to allow. Hence our conclusion that we should also remove that exception. It is unnecessary and risks giving the wrong impression. Let me make it clear that nothing about the amendment is intended to suggest that we believe that faith schools are likely in practice to discriminate against children of other faiths or of none. In the absence until now of legislation on such matters, I am not aware of any evidence to the contrary. The amendment simply recognises that exceptions to discrimination law must be tightly drawn.

During the passage of the Bill, the education exemptions, especially those regarding faith schools, have been the subject of much consideration and debate, not to mention a raft of amendments. That has demonstrated the depth of feeling, the importance and necessity of exemptions and the need to strike the right balance between the protection of pupils and the needs of schools. We have listened to and carefully considered views from both sides of the debate and believe that we have now struck the right balance. However, the Bill contains regulatory powers to alter, add or remove any education exemptions. We believe that those powers are crucial, since if, in practice, there is evidence that the exemptions for schools are not working as we intend, the necessary changes can be made, following full consultation with all key stakeholders.

8.45 pm

Dr. Evan Harris: I thank the Minister and her colleagues for listening to the representations that I and others have made. I would also like to say, on behalf of the Joint Committee on Human Rights, which also made a recommendation on these issues, how pleasing it is that these concerns have been noted. This makes all the scrutiny work of the Committee appear worth while. In the spirit of what the Minister said, I ask her to ensure that the discrimination law review consider these issues carefully, because, despite the high level of scrutiny that they have received, we might not have covered everything that might need amending through the regulatory powers in the Bill.

Meg Munn: I am happy to give the hon. Gentleman that commitment and also to say that the discrimination law review will provide further opportunity for consultation on a wide range of issues. I am sure that the Joint Committee on Human Rights, as well as other scrutiny processes and Select Committees, will want to consider how the measures will affect the areas that they cover.

Government amendment No. 14 has been tabled in response to issues raised in Committee. The amendment amends the definition of discrimination in regulation 3 of the Employment Equality (Religion or Belief) Regulations 2003 to make it clear that religious discrimination in the area of employment and vocational training is unlawful, even when committed against a person of the same religion as the discriminator. That is the intention, and we believe the effect, of this regulation as it stands, but the amendment resolves any doubt on the matter.

We made a similar amendment, in the other place, to what is now clause 45. Having considered the case made in Committee that this now leaves an apparent inconsistency between the Bill, as amended by the Government in the other place, and the Employment Equality (Religion or Belief) Regulations 2003, we have concluded that a similar clarification to those regulations would be helpful.

Dr. Harris: I would like to say how grateful I am that the Minister has responded to the concerns that I raised in Committee about that inconsistency, although I share her view that the meat of the matter was dealt with by my noble Friend Lord Lester in the significant amendment that was made in the other place. However, I am grateful to the Minister once again.

Meg Munn: It is pleasing to make so many people happy. On that basis, I commend the amendment to the House.

Mr. Grieve: Amendment No. 12 makes the reading of that particular provision much easier. Given that we

debated the matter at some length in Committee, it is curious how the changing of one word can turn a concept that is rather difficult to understand into precisely the concept that the Minister was trying to put forward to me in the letter sent to me.

Amendment agreed to.

Ordered,

That clause 28 be transferred to the end of line 20 on page 28.—*[Meg Munn.]*

Clause 29

LEGAL ASSISTANCE

John McDonnell: I beg to move amendment No. 21, in page 18, line 44, leave out from 'Commission' to end of line 45 and insert

'shall consider any application for assistance from an individual and may provide assistance if—'.

Mr. Deputy Speaker: With this it will be convenient to discuss the following amendments: No. 22, in page 19, line 22, at end insert—

'(ab) case work aid;'.

No. 44, in page 19, line 25, after 'assistance', insert

'including, but not limited to, meeting the costs of any other party to any legal proceedings in the event that the individual assisted is not successful in his claim'.

John McDonnell: I should like to speak to amendments Nos. 21 and 22, which deal with legal assistance and casework. Amendment No. 21 deals with legal assistance. At present, the Bill states:

"The Commission may assist an individual who is or may become party to legal proceedings if—",

It then lists various caveats in regard to that. My amendment would change the wording to provide that the commission

"shall consider any application for assistance from an individual and provide assistance if—",

I take the view that it would be wrong and short-sighted for the new commission not to have a duty at least to consider all applications for legal assistance that come before it. The existing commissions have that duty, and its omission in regard to the new body amounts to a breach of the no regression principle established by the Government. There is no requirement to provide legal representation in all cases; it is a discretionary power that is exercised in a limited number of strategically important cases. This is a fundamental principle of access to justice and its omission from the Bill effectively removes the right of a victim of discrimination to apply for assistance and to be assured that their application will be considered by the new body.

In amendment No. 22, I want to insert casework into the operation of the new body because casework has been an important part of the role of the existing bodies, and yet at least one of them, at the end of last year, abolished its casework unit, citing the fact that it did not expect casework to continue under the new body.

People can receive three different types of support from the existing commissions: legal support, which means full legal support and financial assistance; casework, which is largely a hand-holding exercise providing support and advice to people in vulnerable situations to develop their case; and information in the form of paper briefings. A commitment is needed that casework will continue under the new body. It is feared that a few will be offered legal support in high-profile cases while the rest simply receive a briefing pack after having phoned an outsourced call centre helpline.

The existing staff of all the bodies and, I believe, the existing commissioners value casework highly. It is the majority of their work and leads to many small wins—not the high-profile cases with legal support that receive the most publicity—that have a real effect on people's lives. People will be better represented if the casework continues, and I seek the Minister's assurance that it will be an element of the continuing work under the new body.

Meg Munn: I thank my hon. Friend for tabling his amendments. As hon. Members might be aware, the other place had an extensive debate on the issues raised, but I am pleased to make the case here.

On amendment No. 21, we have said consistently throughout consideration of this Bill that it is not our intention that the new commission will provide legal assistance for every meritorious case. It will simply not have the resources to do so, any more than the current commissions can support every case, as they do not have the necessary resources that that would entail. We have said consistently that it is our intention that the new commission will use its enforcement powers in an effective and strategic way. That applies equally to its power to assist individuals in bringing proceedings before a court or tribunal. We cannot see the case for placing an express obligation on the commission to consider every application. In practice, it will need to consider all applications if it is to identify which, if any, it wishes to support. As a public body, the commission has an implicit obligation not to act unreasonably, and could be challenged if it ignored applications that it received.

Amendment No. 22 seeks to add casework to the list of legal assistance that the commission can provide alongside what is already listed—legal advice, legal representation, facilities for the settlement of a dispute and any other form of assistance. Our view is that that amendment is also unnecessary, as the commission for equality and human rights will be able to provide casework advice under the powers contained in clauses 13 and 29. Clause 13 will allow the commission to provide general advice and guidance on matters that are not the subject of legal proceedings. Where legal proceedings are envisaged, casework advice is included within the reference to legal advice and representation in clause 29. Specifying casework separately would cast

[Meg Munn]

doubt on whether the references to advice and guidance and legal advice and representation cover casework and imply that it is something different, which it is not.

Amendment No. 44 would permit the commission to meet the costs of the other party in the event that an individual that it was supporting lost the case before a court or tribunal. At this stage, I should make it clear that the commission may meet any costs awarded by a court or tribunal against an individual that it was supporting. This is the case with the current commissions and will be so for the new commission. However, the amendment seeks to go further than securing that position. It would create a power for the new commission to meet the costs of the other party even where no costs had been awarded by the court or tribunal.

Hon. Members will doubtless be aware of the concern expressed in the other place about small firms and charities being treated unfairly or oppressively when the commission uses its enforcement powers. There was extensive debate in the other place on that matter and I am grateful for the opportunity to set out our thinking on how the new commission will engage.

First, we do not have to fear unreasonable or oppressive action by the commission. The commission will work primarily through promoting good practice, helping bodies comply with the law and fostering constructive links with a wide range of bodies, including small businesses and charities. The commission will need to be sensitive to the concerns of its stakeholders. If it fails to do so, it will lose authority and public support. It will, of course, need to consult on its strategic plan, which will include its legal and regulatory strategy. I hope that that alone should provide reassurance against the commission taking an arbitrary or unreasonable approach. However, I recognise that it is possible that a small organisation could find itself defending an action brought with the commission's support, but there are checks and balances that ensure that a body in this situation is not disadvantaged. Most legal proceedings on discrimination are brought in employment tribunals. Employment tribunals are specifically designed to have straightforward procedures that make formal representation unnecessary.

I am not persuaded that we should give the commission the power to meet the costs of the other side in such circumstances. The commission will use its power to support individual litigants in proceedings that it believes will have a strategic effect. It would be inappropriate for the commission to then meet the costs of the other party. I do recognise the concerns, but there are sufficient safeguards in the Bill to prevent this situation from occurring.

John McDonnell: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 31

JUDICIAL REVIEW AND OTHER LEGAL PROCEEDINGS

Dr. Evan Harris: I beg to move amendment No. 27, in page 21, line 14, at end insert—

'(2A) A person established by an Act of the Scottish Parliament and whose principal duties relate to human rights and are similar to any of the Commission's duties under section 9 shall be taken to have title and interest in relation to the subject matter of any legal proceedings in Scotland which it has capacity to institute, or in which it has capacity to intervene by virtue of subsection (1).'.

The amendment is about legal matters in Scotland. I am not a lawyer and I am not Scottish, so I shall speak briefly and hope that the Minister can let me know whether there is a concern. I will probably find myself forced to accept what she says.

The powers in the clause were amended in the House of Lords following an amendment tabled in Committee by my noble friend Lord Lester. This was responded to by the Government at a later stage by effectively disapplying parts of section 7 of the Human Rights Act. However, it is not clear that the provision would allow a Scottish commissioner to have the same powers without this change in statute in UK law.

Elsewhere in the Bill, we have made provision for the Scottish Parliament, if it decides to have a human rights commissioner, to have similar powers. Therefore, I seek to probe whether there has been an omission in the drafting. I fear that the amendment may not be quite right, which I regret, but I would be grateful if the Minister explained whether the change was necessary or whether we would need further primary legislation if the Scottish Parliament chose to go down this path, the idea being that we should not stop it doing so.

Meg Munn: The legal effect of this amendment is highly ambiguous and for that reason alone the Government must oppose it. In particular, the reference to clause 31(1) does not work. If the purpose is to override the victim test in section 7 of the Human Rights Act, we do not think the amendment is clear enough to achieve it. However, it is clear that the amendment is intended to deal with a matter—namely, the powers of a person established by Act of the Scottish Parliament—that falls within the area of devolved competence of the Scottish Parliament. It is therefore not a matter on which this House can properly legislate without the consent of the Scottish Parliament.

If and when a Scottish commissioner for human rights is established by Act of the Scottish Parliament, it will be possible to consider whether any further provisions need to be made in relation to reserved legislation to give the commissioner the powers that he or she needs to carry out their duties. If so, the appropriate way to deliver the objective would be by way of an order under section 104 of the Scotland Act 1998. Such an order would be taken forward by agreement between the Government and the Scottish Executive, and would be subject to scrutiny here in Parliament.

The Bill to create the post of commissioner is still only in its early stages of scrutiny at Holyrood. It is simply premature for us to be second-guessing the debate that

will take place there about the powers of the proposed commissioner. I trust that the hon. Gentleman has been reassured.

Dr. Harris: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 45

DISCRIMINATION

Mr. Grieve: In light of the lead amendment in this group, amendment No. 19, not being moved, I beg to move amendment No. 30, in page 29, line 23, leave out 'not in good faith.'.

Mr. Deputy Speaker: With this it will be convenient to discuss the following amendments: No. 31, in clause 46, page 30, line 13, leave out 'reasonably.'.

No. 32, in clause 52, page 35, line 44, at end insert—

'( ) action in relation to the holding of acts of worship or other religious observance by or on behalf of the public authority.'.

No. 34, in clause 57, page 39, line 3, leave out paragraph (b) and insert—

'(b) in order to avoid conflicting with the strongly held religious convictions or beliefs of a significant number of persons of the religion or belief to which the organisation relates.'.

No. 35, in clause 59, page 39, line 36, leave out paragraph (b) and insert—

'(b) in order to avoid conflicting with the strongly held religious convictions or beliefs of a significant number of persons of the religion or belief to which the institution relates.'.

No. 39, in clause 60, page 40, line 2, after 'charity', insert

'with an ethos based on religion or belief.'.

No. 40, in clause 60, page 40, line 11, at end add—

'(c) it can demonstrate that it has an ethos based on religion or belief.'.

Mr. Grieve: Given the amount of time left, this intervention will be exceptionally brief, but I have waited long enough for it. In Committee, we considered at great length the issues surrounding discrimination on the ground of religion. I continue to have some concerns about two areas. First, clause 45 provides that one may discriminate against somebody who is bringing an allegation against one only if one is satisfied that that allegation is not being brought in good faith, as well as being false. That is an almost insurmountable test. Of course it may be—

It being Nine o'clock, MR. DEPUTY SPEAKER *proceeded to put the Question already proposed from the Chair, pursuant to Order [21 November 2005].*

Amendment negatived.

MR. DEPUTY SPEAKER *then proceeded to put the Questions necessary to dispose of the business to be concluded at that hour.*

Clause 46

GOODS, FACILITIES AND SERVICES

Amendment made: No. 12, in page 30, line 14, leave out 'to refuse' and insert 'refusing'.—*[Meg Munn.]*

Clause 50

SECTION 49: EXCEPTIONS

Amendment made: No. 15, in, page 32, line 16, leave out '49(1)' and insert

'49(1)(a), (b) and (c)(i) and (ii)'.—*[Meg Munn.]*

Clause 77

EMPLOYMENT EQUALITY REGULATIONS

Amendment made: No. 14, in clause 77, page 46, line 27, at end add—

'(2) For regulation 3(1)(a) of the Regulations substitute—

"(a) on the grounds of the religion or belief of B or of any other person except A (whether or not it is also A's religion or belief) A treats B less favourably than he treats or would treat other persons;"

(3) Omit regulation 3(2) of the Regulations."'.—*[Meg Munn.]*

Mr. Grieve: On a point of order, Mr. Deputy Speaker. I feel obliged to hope that you might point out to those in charge of the business of this House that it has become clear that the time available for considering the Bill on Report has been insufficient. No one has suggested during today's proceedings that there has been any delay or filibustering, but having concluded consideration on Report, there are one or two outstanding matters that ought to have been considered.

Mr. Deputy Speaker: The hon. Gentleman knows that that is not something on which the Chair can adjudicate, but his words are on the record and will no doubt be noticed.

Order for Third Reading read.

9.1 pm

The Secretary of State for Trade and Industry (Alan Johnson): I beg to move, That the Bill be read a Third time.

All parts of this House and the other place have adopted a positive and constructive approach to the Bill; for that, I express my gratitude. I am particularly grateful to my hon. Friend the Minister for Women and Equality, who made her debut at the Dispatch Box, to the Under-Secretary of State for the Home Department, my hon. Friend the Member for Wythenshawe and Sale, East (Paul Goggins), and to my hon. Friend the Minister with responsibility for disability for their expert steering of the Bill through its parliamentary passage.

Nye Bevan said that his political motivation was to achieve serenity in people's lives. Many in this House will have direct experience of how homophobia, racism and discrimination can destroy lives, poison communities and weaken not just our society, but our economy. The Bill has at its heart the removal of fear. It

[Alan Johnson]

will promote equality, tackle discrimination and widen opportunity. It is underpinned by our shared values of fairness, freedom and solidarity.

The Bill is not the end of the journey; it is a vital step on that journey. As we move forward, we will engage properly with all who have an interest in it—inside and outside of this House. The first part of the Bill creates the new commission for equality and human rights, which will play a crucial role in joining up the attack on discrimination. For the first time, it will tackle issues such as ageism and homophobia, and extend support to minority groups such as transsexual people.

Once the Bill is enacted, we will move swiftly to recruiting and appointing the new commissioners and their staff. We will ensure that the commissioners are the right people for the work, and that they have personal experience of the issues that they are dealing with. As my hon. Friend the Minister for Women and Equality said, it would be inconceivable—for the benefit of my hon. Friend the Member for Leicester, East (Keith Vaz), I should point out that the Oxford English dictionary definition of "inconceivable" is "cannot be imagined; unbelievable"—to have a commission with, for instance, no black or minority ethnic representatives on it.

Mr. Edward Leigh (Gainsborough) (Con): Will the Minister give way?

Alan Johnson: No.

The commission will assume its powers and functions in October 2007, with race folding in two years later. The debate on Report highlighted the need for the new commission to make a strong contribution to racial equality—a point that Trevor Phillips made when I met him in November. We have listened carefully to the points raised and will put in place the work needed to ensure that they are addressed.

Helen Goodman (Bishop Auckland) (Lab): Will my right hon. Friend give way?

Alan Johnson: No, I will not.

Clause 10 emphasises in law the priority of ensuring good community relations and highlights race and faith in particular. The CRE will remain in existence until 2009. This will enable it to play a full role in discussions about how the commission works. The passing of the Bill does not determine how the commission will run, but it is the start of a new conversation and process in which black and minority ethnic communities will be fully involved. We are committed to an orderly transfer of the race agenda and, in co-operation with the Home Office, we will immediately initiate a work stream that will directly involve members of the black and minority ethnic community and others, in exploring how, for example, the race equality and good relations functions of the new commission could be framed, including its important focus on race and faith communities. In this way, we will strive to make sure that race and faith communities have full confidence in the new commission and that the commission's governance structures and strategic plan are designed in a way that reflects their concerns.

Part 2 of the Bill introduces a new protection against discrimination in the provision of goods, facilities and services and in other areas on the grounds of religion or belief. After concerns were expressed during the Bill's passage, we brought in additional powers to extend that to sexual orientation. We will issue a consultation document on that shortly and plan to exercise the power by October, at the same time as on religion and belief.

Going forward, we are committed to tackling similar discrimination in other areas, including on the grounds of age and transgender. Those issues will be tackled as part of the discrimination law review, which will lead to a single equality Bill in the life of this Parliament and will simplify 30 years of equality legislation, ironing out many of the anomalies that we know exist. We will issue a Green Paper on the review's findings before the summer, which will ensure that we can also give full consideration to emerging findings from Trevor Phillips's review into the fundamental causes of inequality.

The fourth part of the Bill places a duty on public authorities to promote equality of opportunity between men and women. We are currently completing consultation on that and hope to bring forward regulations in April next year.

The Bill is about replacing privilege with opportunity, discrimination with equality, and fear with serenity. Those are noble ambitions, which I know Members on both sides of the House support. I commend the Bill to the House.

9.7 pm

Mrs. Laing: For once, I can say yes to the Secretary of State. He hopes that we will all support the Bill. He commends it to the House, and so do I. We have supported it from the beginning, and indeed since before the general election. I support it because its main cause is freedom—the freedom of every individual in our society to live their life as they choose or, indeed, as they have to, for it is not always a matter of choice, regardless of their circumstances, whatever they may be.

Throughout the Bill's passage, we have spoken about the six strands of equality. It is not, in fact, about just six strands. The principle of the Bill is an integrated approach against discrimination for any reason, and not just for the six strands we refer to technically. It is therefore essential that the new commission should command confidence. I hope that the cross-party support that the Bill has received this evening and throughout its passage will give the project a good start. I look forward to the outcome of the equality review, to which the Secretary of State referred, and to our taking the whole matter of achieving further equality another step forward at some time in future.

I pay tribute to all the bodies that have been involved for a long time in the preparation of the Bill and in discussion of its content. Those bodies include statutory bodies, pressure groups and charities, which have contributed over a long period to our debates. Their knowledge and experience have been brought to bear on the Bill through Members of this House and of the other place and that is why we have had such constructive and informed debates. I hope that everyone who has urged the introduction of this legislation will feel that an enormous step forward has been taken when we give this Bill its Third Reading this evening.

At the end of a long process, I also wish to pay tribute to several people, including the many Ministers involved in the Bill. In particular, I pay tribute to the Minister for Women and Equality, who has been reasonable and polite and displayed considerable forbearance during the consideration of the Bill. I also pay tribute to the passionate Back Benchers on both sides of the House who have contributed to the debate and to the Liberal Democrat and other party spokesmen, who have been amazingly constructive. I also pay tribute to my hon. Friend the Member for Beaconsfield (Mr. Grieve), who has contributed considerably to the Bill, but has not been able to give us the benefit of his wise arguments this evening, except for some 50 seconds a short time ago. The debate this evening has been the poorer—

John Bercow: We have been short-changed.

Mrs. Laing: My hon. Friend is right and I hope that we will hear more from my hon. Friend the Member for Beaconsfield at some other time.

I also wish to mention my hon. Friend the Member for Daventry (Mr. Boswell), who has been committed to this issue for many years, and my hon. Friends the Members for Hornchurch (James Brokenshire) and for Bexleyheath and Crayford (Mr. Evennett), who served on the Committee. I also pay tribute to all the officials who have worked so hard on the Bill. They are often forgotten.

I must place on the record the fact that I remain concerned about four areas. I hope that my fears will be proved wrong, but I am still worried about, first, unnecessary bureaucracy. I hope that that will be avoided. Secondly, I am concerned about extra burdens on small businesses, which must not be allowed, because that would undermine employment and the economy. Thirdly, I am also concerned about the risk of excessive and dogmatic adherence to political correctness. It has not happened during the passage of the Bill and I hope that it does not happen when the Bill becomes law. Fourthly, I remain, of course, concerned about costs. However, I have said enough about taxpayers this evening and I do not need to repeat my arguments.

I hope that my fears are not realised. We all want these measures to succeed. I do not believe that it is possible to achieve equality, because every individual is unique. I was brought up to believe that "You should do unto others as you would have them do unto you." That is what this Bill is about and I give it our unqualified support.

9.13 pm

Ms Abbott: I welcome the principle of a unified commission and I congratulate Ministers on introducing this important legislation. I also wish to congratulate those groups in the black and minority ethnic communities—Operation Black Vote, the 1990 Trust and the race advisers to the Mayor of London—who have worked so hard to put race on the agenda in the context of these debates.

On Second Reading, there was little discussion about race, and this evening we have managed to put that right. I welcome the unified commission in principle, and I think that the Bill—and the thinking behind it—represents an advance for all our communities. However, I remain concerned about the position of issues of race in the new commission, the finances available for work on race in the new commission, the law enforcement work of the new commission and, perhaps above all, the support that will be available for local race equality councils. As I said on Report, some of the most valuable work funded by the CRE was carried out by local and regional equalities committees.

With those caveats, I welcome the Bill. We have listened carefully to what Ministers said about race and we shall follow how things unfold as we build the new commission, but it would be a mistake for Ministers to believe that the debate about race and the commission is over: for my hon. Friends and I, that debate, and the debate on how the commission does not simply do what the CRE did but improves on it, has only just begun.

9.15 pm

Dr. Evan Harris: My hon. Friend the Member for Romsey (Sandra Gidley) wanted to be here, but has been called away to another engagement. She has asked me to pass on her thanks to those who have worked on the Bill. She subscribes to the views that I am about to set out.

The Bill is a liberal one; the capital L could apply to the Equality Bill introduced in the House of Lords by my colleague, Lord Lester. I understand that the Government will try to bring it forward soon, but that is a debate for another day. The Bill is liberal because it provides for a mechanism whereby the human rights of individuals can be if not guaranteed, at least looked after and promoted by the commission. It is also liberal, as it attempts to end certain aspects discrimination in a reasonable and balanced way.

One of the joyous things in the experience of those of us who have worked on the Bill is that we have not heard the negative charges, previously made in the House, that there is an equality industry or a discrimination lobby. I am grateful to Members on both sides of the House that we have confined the debate to the issues, without straying into those areas.

The Government are generally to be commended on the Bill, especially in its present form, as it has been significantly amended in both Houses. The commission to be set up under part 1 is a good structure; it does not include everything that the Liberal Democrats wanted, but it scores well in comparison with the ideal set out in the Paris principles. Government amendments, especially in the House of Lords, have improved the Bill, particularly part 1. It is appropriate to recognise that and to pay tribute to Ministers. The fact that there were no Divisions in the Standing Committee and only one on Report—not on a principle, but on the timing and speed of the promotion of transgender equality and non-discrimination—shows a spirit of collegiality and a shared sense of purpose in bringing the Bill to the statute book.

Much of the credit must go to the Ministers who steered the Bill through the House. I echo the views of the Secretary of State about the way in which the Minister for Women and Equality handled the complexities of the legislation. It was not straightforward and, as we saw today, sometimes she had to deal with points and concerns expressed by Members on both sides of the House, which is never easy. She carried it off commendably.

[Dr. Evan Harris]

The Home Office is stocked with Jekyll and Hyde-type characters. I hope that it does not upset the Under-Secretary of State for the Home Department, the hon. Member for Wythenshawe and Sale, East (Paul Goggins), when I say that he is an effective Jekyll; I will not flatter the Hydes by telling him who I think they are. It was certainly a pleasure to work with him, and the fact that the Government were willing to listen and to make changes—albeit not all that we wanted—made it a productive experience.

As the hon. Member for Epping Forest (Mrs. Laing) said, we have benefited from Back-Bench contributions, especially from the hon. and learned Member for Redcar (Vera Baird) in Committee and her equivalent—if I do not offend both of them by describing him thus—the hon. Member for Buckingham (John Bercow). He was not a member of the Committee but he has always had concerns about these matters and puts them clearly.

We still have concerns about part 2, but the fact that the House of Lords removed harassment issues from the Bill left a core in part 2 that we could all generally support. As Ministers will know, there are concerns about the existing width of the exemptions under clauses 57, 58 and 59 and, indeed, about whether clause 60 is strictly needed, given that organisations that seek to use a test should have an ethos that requires that test. Nevertheless, the Bill is much better than before, and credit is due to the Government, as well as Opposition parties, for reaching this point.

It was a pleasure to serve on the Committee with the hon. Members for Epping Forest and, of course, for Beaconsfield (Mr. Grieve), both of whom are forensic yet charming—a rare combination in lawyers, unless someone is paying them a great amount of money.

Part 3 is a crucial and welcome addition to the Bill, because we all know the problems that people face with discrimination on the ground of sexual orientation. However, the fact that pressure needed to be applied to provide part 3 hints at the hierarchy of discrimination and inequalities. We therefore wish good speed to the discrimination law review, to produce a single Equality Bill and then an Act, which will end the debate about hierarchies once and for all. Of course, part 4 is key, because we will not achieve full equality for men and women until public authorities have a positive duty to promote such equality.

In conclusion, we are still in the early days of the era post the Human Rights Act 1998. A great deal needs to be done to raise public awareness about people's rights and, in particular, about public authorities' duties to ensure that they do not discriminate against people or breach human rights—but we hope that, one day, they will have a duty to promote human rights. It is with great pleasure that I wish the Bill well. I hope that it receives Royal Assent and look forward to its enactment. I hope that the whole country benefits from the measures that will be set out in statute that we have debated these past few weeks and months.

9.22 pm

Liz Blackman (Erewash) (Lab): I endorse all the compliments that have been given in the Chamber this evening. I served on the Standing Committee and spoke on Second Reading, and it has been a hugely positive process. It was a pleasure to sit and simply listen to the debates prior to Third Reading, and I will keep my remarks extremely brief.

Like everyone else, I think that creating a single commission is an extremely good move forward, because of all the advantages that a single commission ought to have. We talk about a single, unified body being accessible and coherent, which is a great concept, but we must get it right in practice. So what do we mean by the word "accessible"? We mean that the messages sent from the new body must be extremely clear, and an awful lot of proactive work must be done to inform people about the new commission, especially those who may wish to use it. The word "coherent" means a shared culture, consistent ways of working, shared good practice and an ability to deal with multi-stranded, complex cases. All that is not easy to deliver, and the key to doing so is the appointment of an extremely talented and able chief executive, as well as the commission under that person. I am sure that the Government will pay particular attention to the appointment of the chief executive, because that is critical to the success of the commission.

I welcome the provisions in the schedules to the Bill that make it necessary for the commission to work towards developing a strategic plan through consultation and preparation. It will be required to set out the activities that it will cover, the timetable that it will use and to set priorities. I also welcome the duty imposed on the commission to review and revise its strategic plan as it moves forward. That is extremely important but, as important, is the link between that process and Parliament and the fact that the strategic plan and its revision will be laid before Parliament. Only through such a transparent process will this accountable body of Parliament have a regular opportunity to scrutinise in detail the work of the commission. If we cannot do that, there is no point in having a commission. It must be made accountable.

Similarly, all the commission's processes of monitoring the law and the progress made must be examined. Again, there must be a link with Parliament and reports must be laid before us. There is also a connection between the consultation that all those processes demand and the absolute necessity for having the strong regional footprints to which the Minister has referred throughout the debate.

People who know me know that I have a particular interest in disability issues. I am very pleased with the proposals to integrate more closely the commission's duties and functions in relation to disabled people with its duties and functions in relation to other groups. Nevertheless, the Disability Rights Commission is a very junior member when compared with the Equal Opportunities Commission and the Commission for Racial Equality. I am therefore pleased that disability issues are recognised in statute by the fact they will have their own committee, albeit with a sunset clause, which is right.

My hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott) spoke about how difficult it is for people from black and Asian groups to get through the door into employment. May I drew to her attention how very difficult it is for people with disabilities, particular those with mental disabilities, to

get through that door let alone access all the other services that we take for granted? When the commission is set up, I shall look at how it makes a difference to the lives of all the people in the various strands or groups, but particularly at the progress that is made for people with disabilities.

9.27 pm

Mr. Hunt: I am very pleased to have the opportunity to speak after the hon. Member for Erewash (Liz Blackman). Like me, she has concerns about the impact of the battle against discrimination on people with disabilities. There are fundamental opportunities for the disability agenda, and I wish to direct my comments at that.

Some hon. Members may have read the story on the BBC website last week about the disabled man who was left stranded at Euston. He had arrived 20 minutes early to catch a Virgin west coast train to Liverpool. He had booked help but, when he arrived at Euston, he was told that no help was available and that station staff were too busy. He called three times before eventually being told by someone from Network Rail that it was just one of those things. Sometimes one misses a train. The person who missed the train happened to be Bert Massie, the head of the DRC, but it is an example of the discrimination and difficulties that disabled people face every day of every week.

The story illustrates the fundamental role of the DRC. It is not just a body that campaigns for appropriate legislation and for the implementation of that legislation; it is also a body that must highlight abuses of the system and use the power of publicity to highlight the problems. It is vital that that campaigning role is not compromised in the new much larger body, and that is why I very much support the amendments eloquently proposed by the hon. Member for Leicester, East (Keith Vaz).

There have been huge advances on the disability agenda in the past 10 years, starting with the Disability Discrimination Act 1995, which was piloted through the House by the shadow Foreign Secretary and former leader of the Conservative party, my right hon. Friend the Member for Richmond, Yorks (Mr. Hague). The National Disability Council and the Disability Rights Commission were established. The Special Educational Needs and Disability Act 2001 got rid of discrimination involving access to education, and EU regulations in 2003 ended exemptions for certain categories of employers. Of course, the Disability Discrimination Act 2005 was passed last year. Running through all that legislation has been an understanding that when dealing with discrimination against disabled people, the issues are different from those involved in other types of discrimination.

There is a need for an element of positive discrimination for disabled people. Most legislation on race, sexuality and gender makes no mention of a specific gender, race or sexuality. We must give people with disabilities proactive help if they are to enjoy the opportunities that the rest of society enjoys. An element of judgment must be applied when implementing disability legislation. We require employers to make "reasonable adjustments" and public authorities must have "due regard" to promoting equality of opportunity. Such judgment is required because significant costs are attached to disability legislation. It is right to spend that money—for example, the rail industry will spend £142 million on upgrading rail carriages between now and 2020—and the costs must be carefully thought through.

It is not enough for people with disabilities for us simply to eliminate negative attitudes and stereotypes among those who do not have disabilities. We can be as progressive, enlightened and compassionate as we like, but that alone will not solve the problem of the old lady who is stuck in her flat because of her disability. That is why we must realise that different measures are necessary if we are to deal with the problems faced by people with disabilities.

I welcome the Bill from the perspective of the disability agenda, but I urge the Secretary of State to consider two vital roles that the new commission must have when it is set up. First, it must carefully monitor the implementation of the Disability Discrimination Act 2005, especially in respect of transport. I have mentioned the upgrading of rail carriages, but there is a question whether audio-visual facilities are needed on buses so that people can hear and see when they reach the right bus stop more easily than they can at present. There is also a question whether the legislation should be extended to aviation and shipping. For example, there have been well-publicised cases of disabled people who have tried to get Ryanair flights, but have been treated in a way that most hon. Members would find utterly appalling. The sooner the Act can have teeth to stop such incidents from happening, the better for thousands of people with disabilities.

Secondly, I hope that the new commission will look beyond the DDA to new areas in which it might have a role. I hope that it will examine whether disabled people should have a right to independent living and whether elements of the DDA should be extended to schools and communal areas, which are not covered at the moment. I hope that the commission will consider whether there should be a more generous interpretation of mental illness rather than the current fairly strict one. I hope that it will examine whether the Act should apply to volunteering, which is a vital way back into independent living and the world of work for a number of people with disabilities. I hope that it will consider whether something should be done for carers, who are vital to improving the life chances of many people with disabilities, but are not especially helped by legislation as it stands.

I hope that the commission will examine the link between disability and poverty. The Joseph Rowntree Foundation has found that the percentage of people of working age with disabilities who live in income poverty is double that of people who do not have disabilities. It also found that that number is rising, while the percentage of children and pensioners living in income poverty is falling.

Finally, I hope that the new commission will consider bold measures to eliminate discrimination in areas such as health care, housing, benefits and social services, in all of which there are substantial battles that must be won if we are to secure equality of opportunity and equality of esteem for people with disabilities.

[Mr. Hunt]

Disability is not something that affects only a small minority: one in seven people in this country have disabilities and one in 10 care for someone with disabilities. I will turn 40 this year; by the time I am 85, there will be four times as many 85-year-olds as there are now, and many of them will have disabilities. I therefore hope that as we move forward with the new commission we will continue to make progress for people with disabilities. We must be vigilant against losing the focus that to date has been so successful for people with disabilities and others. We need to recognise that we are at the start of a journey in relation to tackling discrimination and improving the life chances of people with disabilities and we must match the legislative progress that we have made in the House with practical progress on the ground. Only by doing that will we achieve equality of opportunity and equality of esteem for disabled people and ensure that they become not just aspirations for those who seek to eliminate prejudice, but realities for those who suffer it.

9.36 pm

Barbara Keeley: We can see that there is genuine consensus on the Bill both inside and outside the House. My hon. Friend the Minister and the Government are to be congratulated on bringing the work on the legislation to this stage with that level of consensus. That is good.

I agree with my hon. Friend the Minister that there is no real need for the Bill to create a separate committee for London. As the MP for a Greater Manchester constituency, I think it is important that we all support the basing of the commission in Greater Manchester and acknowledge that doing that in no way downgrades any of its functions. Manchester is a great area in which to live and work, and the Worsley constituency is a very convenient place from which to travel if one is based in Manchester.

The public sector duty to promote gender equality is vital and I hope that we will see public authorities in their role as employers taking proactive steps to improve the position of women in employment. As I noted on Second Reading, there are a great many issues for them to concentrate on. The duty to promote equality will help to deal with the way in which caring affects people's ability to work. That has just been mentioned by the hon. Member for South-West Surrey (Mr. Hunt). As we know, carers are a key group in our society, accounting for 10 per cent. of our population, and in some age groups, carers' ability to work is affected by their caring responsibilities. The Equality Commission for Northern Ireland has a separate strand to promote equality between those with dependants and those without. Although there is to be no separate strand on caring responsibilities in the work of the new CEHR, I hope that it will become a priority for the new commission, as it is for the Government.

The Bill is the biggest step forward in the law on equality in many years. There is vital work for the new commission to do and it is important that it can be done in an integrated way, encompassing equality, diversity, human rights and work to promote good relations. I hope that in doing that work in an integrated way, the commission will also be able to take a broad view of equality in ways that will help other groups who suffer discrimination in employment—for example, people who face the difficulties of balancing work and caring responsibilities. Among the many things that we can do for carers, it is key to ensure that they can look forward to some of the serenity to which my right hon. Friend the Secretary of State referred. Serenity is a quality that we could all use a bit more of in our lives.

9.39 pm

John Bercow: The fifth of April 2005 witnessed the first of the two Second Reading debates on the Bill that this House has had. On that occasion I had the privilege of expressing my strong and vociferous support for the Bill, and in a thinly attended Chamber I took 25 minutes to do so. Tonight, I shall be much briefer because I am conscious that others wish to contribute to the debate.

This is a first-class Bill. It was given an extremely pithy and eloquent recommendation to the House by the Secretary of State about half an hour ago. It will establish the commission for equality and human rights. It will legislate to prohibit discrimination in the provision of goods, services and facilities on grounds of religion, belief or sexual orientation, and it will impose a duty on public authorities to promote gender equality. These provisions are all extremely welcome, and in two specific senses. First, they are welcome in the sense that they are not merely aspirational or the expression of a theory. They will make a concrete difference in terms of improving people's lives, which has to be the ultimate test of the appropriateness of a particular piece of legislation. Secondly—this is not insignificant either—they send out a signal as to the type of society in which the House believes, and I believe that the legislation is good.

In all courtesy to the Minister, whose stewardship of the Bill I greatly respect, I think that she would be unwise—and she is not—if she were not fully to heed and reflect on two of the most powerful, impassioned and convincing speeches that I have heard in the House in a long time, namely those from the hon. Members for Leicester, East (Keith Vaz) and for Hackney, North and Stoke Newington (Ms Abbott). Their speeches gave a real meaning to the idea, old-fashioned though it might be, that one comes into the Chamber and listens open-mindedly to a contribution with no preconceptions and is influenced in one judgment by that speech. That is the best tribute that I can give to those two hon. Members. My thinking was influenced as they spoke.

The Bill was good before and, as a result of amendments in the course of legislative scrutiny, it is better now. I think that it is unlikely that the House will be divided tonight, but if there are people who are genuinely opposed in principle to the Bill, they might wish to test their opinion in the Lobby. However, I strongly support the Bill and, if there is a Division, I shall express that support by going, with pride, through the Aye Lobby.

9.42 pm

Keith Vaz: I begin by thanking the hon. Member for Buckingham (John Bercow) for his kind comments about both me and my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott). We are not used to having such nice things said about us.

I return the compliment because the hon. Gentleman always makes thoughtful and impassioned speeches from the Opposition Benches.

I shall be brief. What is good about the Bill is that it has the support of both sides of the House. Many speeches today were based on the experience of so many Members. I shall concentrate on the issue of race, as did my hon. Friend the Member for Hackney, North and Stoke Newington, because it is obviously of constituency interest to me. Forty-nine per cent. of my constituents are of Asian or Afro-Caribbean origin, so it is an issue that I have followed during the 19 years that I have been in Parliament. I am sure that my hon. Friend will agree when I say that I cannot remember a time when there has been such a consensus over an issue of this sort. It is so good to see such a consensus.

I thank my hon. Friend the Minister for going to such an extent to meet the objections that we expressed in the amendments that we tabled. It is good to hear from the Secretary of State, because he is the man who will be making the appointments to the new commission. His statements tonight about it being inconceivable that the commission could be formed without proper representation of the black and Asian communities is something that we warmly welcome. I look forward to seeing those appointments when they are made. I am sure that a number of the groups that have been involved in putting forward views on the Bill, such as the CRE, the 1990 Trust and the Greater London authority, will want to put forward their representations as well.

I was pleased by the points made by the Minister when she said clearly that if the structures were not put in place the Government would have to think about what they needed to do to ensure that objections were met. As I have said, that is a clear statement. I know that she fell short of a commitment to me to bring forward legislation, but there are many Members in the Chamber—I see my hon. Friends the Members for Tooting (Mr. Khan) and for Brent, South (Ms Butler) and others—who would be prepared to bring forward a private Member's Bill to ensure that the commitments that have been made from the Government Dispatch Box are adhered to by the new commission. I hope, however, that we will not need to do so. I share the optimism of my hon. Friend the Minister, who performs her duties with enthusiasm. I remind her that it is high time that she joined the payroll vote after her sterling efforts on the Bill.

I end by thanking two Ministers who are not in the Chamber, but who have had an important say in the progress of the Bill. I am grateful to my near neighbour, my right hon. Friend the Member for Leicester, West (Ms Hewitt), the former Secretary of State for Trade and Industry, and to Lord Falconer, the Lord Chancellor and Secretary of State for Constitutional Affairs, who has always taken a strong interest in these issues. He was excellent when the Bill was in the Lords, and in his ministerial capacity he has gone out of his way to make sure that he uses the power of appointment—one of the most important powers available to Ministers—to ensure that a number of black and Asian people have been appointed to positions in his portfolio. Ministers should remember that when they exercise power, but I wish the Bill and the commission well.

9.45 pm

Mr. Gerald Howarth (Aldershot) (Con): I strongly support the observations made by my neighbour and hon. Friend the Member for South-West Surrey (Mr. Hunt). If the Bill achieves what he hopes it will achieve it will serve some useful purpose, but I have reservations about it. I do not wish to rain on anyone's parade, but it is important that such concerns, which extend beyond the House, are expressed.

I have grave concerns about the Bill because of its likely impact on freedom of choice and expression. It is likely to reinforce the situation in which certain minorities no longer command equality but are, indeed, placed in a position of superiority. Anyone who expresses a contrary view will then be exposed to the threat of prosecution. There are genuine fears about the Bill. The Secretary of State has tried to assure us that the Bill removes fear, but in many quarters ordinary decent and reasonable people fear that it will serve not to remove fear, but to increase it. That is not an off-the-cuff assertion, but is backed up by facts.

Mr. Ed Greening, for example, has been removed from Wiltshire's adoption panel because he believes that children thrive better in a normal home, with a man and a woman as adoptive parents, than in a homosexual household. The Labour Government have gone further and in "Supporting Families" they state that marriage is the

"surest foundation for raising children".

However, a man has been removed from a job that he has undertaken for five years not because he believes that homosexual adoption is wrong, but because his first preference would always be

"for a child to be reared by a heterosexual couple."

He says:

"There is now a lot of pressure to give equal status to same-sex partners, who in some cases are not going to be as appropriate as heterosexual married couples."

To most normal people in this country, that will be a statement of the bleeding obvious, but in the current climate, which has been reinforced by the Bill, it is likely to attract a police interview.

Indeed, that is what happened to Lynette Burrowes, who said in a Radio 5 Live interview that she did not think homosexuals should be allowed to adopt. PC Plod was dispatched because, according to a Scotland Yard spokesman,

"it is policy for community safety units"—

ominously reminiscent of Robespierre's committee of public safety—to investigate homophobic, racist and domestic incidents because they were "priority crimes". My son is a young solicitor, and I suggest we ask the parents of the young solicitor who was killed last week whether that should be a priority crime, rather than some of the things to which the police must now devote their time.

New Labour's new thought police were soon pursuing the chairman of the Muslim Council of Britain, Sir Iqbal Sacranie. He, too, was investigated for expressing a view that is a central tenet of his faith. The same thing happened two years ago to the Bishop of

[Mr. Gerald Howarth]

Chester. When I complained to the chief constable of Cheshire, he told me:

"I do feel that all community leaders need to be careful that their views however carefully crafted are not misinterpreted through headlines in the media or used by disturbed individuals as an excuse to target particular individuals."

That is simply unbelievable. For the expression of a deeply held Christian view by a bishop of the established Church, of which Her Majesty the Queen is supreme governor, to be subject to a police caution is a measure of the depth to which we have sunk.

As we read in yesterday's *The Mail on Sunday*, the Association of Chief Police Officers has issued a guidance note, which states:

"if a complainant feels his allegation is not being taken seriously—even if it isn't true—he will have been 'victimised' by police . . . The onus falls entirely on the police to manage the interaction to ensure that the victim has no residual feelings of secondary victimisation."

The police are in a no-win situation—it does not matter how careful they are because they will be judged on how the alleged victim views their attitude.

I fear that the Bill will accelerate the process of intolerance against Christian views. I am pleased to say that no action was ever going to be taken against Sir Iqbal, but the lack of prosecution resulted from the public authorities' burning desire not to be seen to offend Muslim opinion. By contrast, Christian views can be offended with impunity: "Jerry Springer—The Opera" was deeply offensive to many Christians, but their concerns were loftily dismissed by Michael Grade and the BBC.

The padre of my church, to whom I was speaking yesterday, has recently returned from operations in Iraq. Over Christmas, he protested to Channel 4 about the trailer for a programme called, "The Magic of Jesus", but the operator to whom he spoke simply put the phone down on him. Would either Channel 4 or the BBC have dared to stage a play making fun of the Prophet Mohammed? I suggest not. However, it is true that a play that offended a minority group in Birmingham, and which caused it to react violently, was abandoned.

Tonight's *Evening Standard* carries a report entitled, "Gay police want ban on Christian association":

"Leaders of the Gay Police Association (GPA) have made a formal complaint to Met chiefs demanding that they bar members of the Christian Police Association from the force as they do members of the BNP."

It is deeply offensive to associate the Christian Church with the British National party.

If the Bill is enacted, I fear that there will be pressure on some of our ancient towns to abandon public support for Christmas celebrations.

Mr. Khan: Scaremongering.

Mr. Howarth: That has happened in plenty of cases where the decision was changed under public protest. There was a proposal to rename the Christmas festival "Winterval", for the express reason that Christmas might be offensive to Muslims. All the Muslims whom I know find it deeply offensive that Christians are not prepared to stand up and say, "This is an ancient festival and part of our national life." Departments are falling over themselves to be seen to celebrate minority religious festivals, often spending thousands of pounds of public money.

Over Christmas, Mr. Paxman could not bring himself to use BC—before Christ—and had to resort to something called, "BCE". I wonder whether you know what that means, Mr. Speaker. I understand that it means—

Dr. Evan Harris: Before Cameron era.

Mr. Howarth: That encompasses the entire history of the world, and we face a new, exciting era.

It is significant that this place, the other place and GCHQ are exempt from the Bill. Why are we exempt when the Bill is being forced on the rest of the British public? Such are the inroads being made by the politically correct in Britain today that this Chamber will be the only place where genuine freedom of expression will be permitted, thanks not to any modernising by this lot, but to an ancient Act of Parliament dating to 1689—the Bill of Rights. If I had made this speech outside this House, I dare say that PC Plod would have called me up and asked me to explain my views.

All hon. Members enjoy special protection, which we are seeking to take away from many of our citizens by imposing draconian legislation. We need to ensure that we are protected as hon. Members and able to speak our minds. There now appears to be so little difference between the parties that often those who have a genuinely held conviction get more interest from the public because although they are saying something that they may not necessarily agree with, they want to hear Members of this House speaking their minds, which is what we were elected to do. I have constituents who are not in the powerful position that we are in and who are living in fear of their lives because they may have said something out of place or at which somebody has taken offence. *[Interruption.]* It is no good Labour Members tut-tutting. In my constituency somebody working in the NHS was dismissed from her job because she said something that was taken by somebody else to be offensive, although that was not her intention.

I support what my hon. Friend the Member for South-West Surrey said about disability. I hope that the Bill will achieve some of those objectives, but we need to be careful in ensuring that it does not have unforeseen adverse effects on the people of this country.

9.55 pm

Vera Baird (Redcar) (Lab): Oh dear—I am afraid that there are still little patches of the nasty party around.

I was on the Joint Committee on Human Rights, which recommended that there should be a human rights commissioner. I am proud that we worked to produce a good report and proud that it was heeded. The commission would otherwise have been an inevitable outcome of our obligation to meet various Europe-imposed duties of equality on age, sexual orientation, religion or belief. The presence of human rights has helped to pull the commission, with all its faults—I am aware of my hon. Friends' concerns—out

of being a minimal pull-together and helped to make it look like a new venture with wider dimensions, involving complex problems with philosophical implications and an opportunity to drive equalities and human rights through a society that is still very unequal.

When we talk about the respect agenda, we are talking about the need to regroup people around the common rights and responsibilities that we all share. The human rights in the European convention on human rights are a reasonable representation of those rights and responsibilities. Save those that we would all want to be absolute—life, freedom from torture, the prohibition on slavery and the right to a fair trial rights—the rights are conditional. They carry with them internally the rationale for the responsibilities that are required as a result of having them. For instance, in a democratic society the right to respect for the family can be interfered with if there is a necessity to do so in the interests of security, public safety, economic well-being, crime prevention, health, morals or the rights and freedoms of others. Set out in the convention is the concept that rights are available only in so far as they are compatible with corresponding duties or respect. No one can rely on their right to family life in their home if they are using it to blast music at others, perpetually playing it so loud that it is terrifying in itself because the defying of all decencies is so blatant. It will be necessary, in the interests of a democratic society, to protect the rights and freedoms of others by dealing with that.

There is, of course, an overwhelming test of proportionality, but the values implicit in human rights are good, because otherwise, however we do it, we are imposing our own values on the disrespectful person. The validity of those values is contestable. Someone might say, "Who is the judge to decide that my music is too loud?", or "Who is the prosecutor who brings the case to impose his values on me?", or "What right has the neighbour to complain just because she does not like my music?" If we balance people's mutual rights to a private life, taking into account the broader interests of society, we find that we have, at the very least, a rationale for what we impose that is grounded in values that run well with democratic society. Those values are demonstrable and explicable and can become a currency by which we all interact with each other, but they cannot become so if they are not promoted. That cannot be achieved by court cases on narrow legal points. The commission has a duty to drive human rights with the bite of legal powers, but the job of promoting them is a key part of that.

There is much left to do. Good personnel must be appointed. We must equalise the law on equalities, redefine public authorities and ensure that none of the strands is weakened by their unity. There will be another Bill, but I congratulate my Government on this step towards equality, harmony and more respect.

Question put and agreed to.

Bill accordingly read the Third time, and passed.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation).

CLIMATE CHANGE LEVY

That the draft Climate Change Agreement (Energy-intensive Installations) Regulations 2006, which were laid before this House on 5th December, be approved.—*[Mr. Heppell.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation).

VALUE ADDED TAX

That the Value Added Tax (Betting, Gaming and Lotteries) Order 2005 (S.I., 2005, No. 3328), dated 5th December 2005, a copy of which was laid before this House on 5th December, be approved.—*[Mr. Heppell.]*

Question agreed to.

STANDARDS AND PRIVILEGES

Ordered,

That Ben Chapman and Mr Andrew Mackay be discharged from the Committee on Standards and Privileges and Mr David Curry and Mr Chris Mullin be added.—*[Mr. Heppell.]*

MODERNISATION OF THE HOUSE OF COMMONS

Ordered,

That Chris Grayling and Jessica Morden be discharged from Select Committee on Modernisation of the House of Commons and Mrs Theresa May and Graham Stringer be added.—*[Mr. Heppell.]*

DEFENCE

Ordered,

That Derek Conway be discharged from the Defence Committee and Mr Mark Lancaster be added—*[Rosemary McKenna, on behalf of the Committee of Selection.]*

COMMITTEES

Mr. Speaker: With permission, I shall put together motions 7 to 11.

Ordered,

EDUCATION AND SKILLS

That Mr David Evennett be discharged from the Education and Skills Committee and Mr Douglas Carswell be added.

ENVIRONMENTAL AUDIT

That Mrs Theresa Villiers be discharged from the Environmental Audit Committee and Mr Edward Vaizey be added.

HOME AFFAIRS

That Nick Herbert be discharged from the Home Affairs Committee and Mr Richard Spring be added.

OFFICE OF THE DEPUTY PRIME MINISTER: HOUSING, PLANNING, LOCAL GOVERNMENT AND THE REGIONS

That Mr Mark Lancaster be discharged from the Office of the Deputy Prime Minister: Housing, Planning, Local Government and the Regions Committee and Mr Greg Hands be added.

TREASURY

That Damian Green be discharged from the Treasury Committee and Mr Brooks Newmark be added.—*[Rosemary McKenna, on behalf of the Committee of Selection.]*

PETITION

Furs Estate

10.1 pm

Harry Cohen (Leyton and Wanstead) (Lab): I wish to present the public petition of residents of Furs estate, South Woodford and others. The lead signature is that of Mr. Edward Blackwell of 13 Broadwalk E18, who is a campaigner on the matter. Twenty-two other residents of the estate have signed it.

The petition

Declares that the Furs estate has become a dangerous place for drivers and pedestrians as a result of excess use of the estate as a practice area and test route for learner drivers by driving schools.

The Petitioners further declare that over the past four and a half years over 30 road traffic accidents on the estate have been caused by learner drivers.

In addition the Petitioners declare that meetings between residents, the police the council and local driving schools have failed to solve the problem.

The Petitioners therefore request that the House of Commons urge the Government to pass legislation restricting the use of enclosed estates as practice areas and test routes for learner drivers by driving schools.

And the Petitions remain, etc.

To lie upon the Table.

Hospitals (Hertfordshire)

Motion made, and Question proposed, That this House do now adjourn.—*[Claire Ward.]*

10.2 pm

Grant Shapps (Welwyn Hatfield) (Con): I originally wanted to call the debate, "Financial crisis in Hertfordshire hospitals" but a wise-looking man in the Table Office said that only the Government can declare a crisis in this country, so I had to resort to calling it merely, "Financial deficit in Hertfordshire hospitals". However, to my constituents, many of whom are watching the debate, it is a genuine crisis.

In Welwyn Hatfield and Hertfordshire, circumstances developed that led to an acute hospital, which was responsible for all manner of health care, becoming little more than a community or cottage hospital. It all started approximately six years ago, when the original two trusts merged to form a single East and North Hertfordshire NHS Trust. At that time, we were reassured beyond doubt that it was simply an administrative merger that would make the trust's running costs much lower.

Time went on and we found that the Tewin children's ward was being closed down. To our surprise and without notification, the ward was initially closed at weekends, and then permanently, so that people who would otherwise use the Queen Elizabeth II hospital in Welwyn Garden City were expected instead to take their children 14 miles up the motorway to the Lister hospital in Stevenage. That might have been okay if, as we were promised, the paediatric assessment unit had remained open for the first 24 hours of stay. However, constituents learned with some surprise last year that the paediatric assessment unit would also be closed at night, leaving a PAU in place only in the daytime.

Far worse and much more specific, the deficit of some £49 million in Hertfordshire health care this year has compounded matters so that, in East and North Hertfordshire NHS Trust, a rescue plan has been put in place. It is always said that it is bad news when the experts are called in to talk about how to make further cuts, and so it was when PricewaterhouseCoopers came to the East and North Hertfordshire NHS Trust to explain how more money could be saved to try to right the deficit that had got out of control. A deficit amounting to £49 million over the next three years has been projected. As a result, in addition to losing the children's ward and the night-time operation of the paediatric assessment unit, we are now to lose all children's services during the day, all our blue-light accident and emergency services, and all our maternity services. My twins, Tabytha and Noa, who were born there just 20 months ago, will be among the last children to be born at that hospital because the maternity services are to close. That is not all. All operational activity is to cease. There will be no further operations if the restructuring plan is put in place.

The list goes on, and it is an extensive one. Similar situations are being experienced by my colleagues around the country. This is all in the name of recovering

from a financial deficit that is simply going to put lives at risk in Welwyn Hatfield and other parts of Hertfordshire.

Mike Penning (Hemel Hempstead) (Con): Does my hon. Friend agree that it is a disgrace that these cuts are being implemented for reasons not of clinical need, but of financial mismanagement?

Grant Shapps: My hon. Friend is right to pinpoint that issue. When the children's services were first being closed, the bosses of my NHS trust made it sound as though the cuts were all to do with clinical outcomes. Now, however, they do not even pretend that that is the case. They simply say, "We must cut this deficit." The carrot that they hold out in regard to these significant cuts to hospital services is that one day, somewhere along the line—perhaps in about 2013—we might get a hospital in Hatfield. A £550 million private finance initiative project has been on the cards for some years, yet as it supposedly gets nearer, the completion date gets further away. It is three years since the project was announced, yet its completion date is now three years further away.

We learned this morning from the front page of *The Times* that certain multi-billion pound PFI schemes are likely to be scrapped. When we put the Hatfield scheme into that context, we realise that it is worth more than £500 million and that, so far, PFI has paid for only £2 billion of investment in total, so this project represents a quarter of the entire PFI budget to date. This morning, we found out that projects worth a further £12 billion are among those that Ministers are reviewing. I ask the Minister this evening whether she can confirm that the Hatfield PFI project was included in those projects that might not now happen.

I understand, because I am in close contact with the health bosses in my local trust, that the problems there are systemic and that they go back many years. Every year for the past six years, there has been a need for interim funding to the tune of £15 million to £16 million, year on year. I put it to the Minister that that is not simply a question of a local health trust spending money badly, although there might well be some of that involved. This is the story of the county of Hertfordshire, which simply does not get the per capita spending that it requires.

Mr. David Gauke (South-West Hertfordshire) (Con): My hon. Friend has mentioned a systemic difficulty in his part of Hertfordshire, and I can confirm that we have similar problems in west Hertfordshire. I should like to elaborate on the point made by my hon. Friend the Member for Hemel Hempstead (Mike Penning) about the fact that the proposed cuts are driven purely by financial rather than clinical need. My hon. Friend the Member for Hemel Hempstead and I met the chief executive of the West Hertfordshire Hospitals NHS Trust shortly after the general election and made it absolutely clear that we believed that the cuts were being driven by financial need. I fear that my hon. Friend the Member for Welwyn Hatfield (Grant Shapps) faces the same problems.

Grant Shapps: My hon. Friend is exactly right. West Hertfordshire has similar problems driving similar, rather draconian solutions, which mean cuts in services to local people.

Let me ask the Minister a simple question. How will a trust that has run up such deficits over the past few years, that thinks that its problems are probably systemic—that additional funding is simply needed on a per capita basis—and that is in so much financial difficulty today, ever be able to afford a repayment on half a billion pounds of extra debt? I am sure that she will explain to me a list of facts of figures, and I understand and welcome the fact that more money has gone into health care. I do not welcome the fact that that money is not getting through to the front line, however. In our local health care economies, our hospitals are suffering cuts. My hospital is suffering really sharp, deep cuts that are making a horrendous difference to people's lives. It is no good listing how many extra doctors, nurses and consultants there are in Welwyn Hatfield and our part of Hertfordshire if there is no hospital for them to work in. That is the simple problem that we face.

I would wager that the money has gone into all manner of different areas. We know, for example, that the consultant and GP contracts have been expensive to fulfil. We know that the 1 per cent. on national insurance hit no organisation in this country harder, in an attempt to help the health service, than the health service itself, which paid that 1 per cent. We know that money has gone into various layers of bureaucracy. When constituents write to me to ask why they have not had an operation, I often have to refer to a ladder including the Secretary of State for Health herself, the regional health offices, the strategic health authorities, the primary care trusts, the NHS acute trusts—the list goes on. There are simply too many layers involved in the process.

If somebody has a heart attack in Hatfield, for example, and they are expected to be driven in, for whatever reason, a private car 17 miles up the motorway to Stevenage, they will find that the motorway is clogged at rush hours, as it is every single day. It is impossible to see how we will get emergency care to that constituent on time. We are reaching a life and death situation.

Mr. Graham Stuart (Beverley and Holderness) (Con): Is my hon. Friend aware that it is not just constituencies such as his that are affected? In extremely rural constituencies such as mine, the financial deficits in the NHS and the failure of money to reach the front line is leading to cuts and threats of closure to community hospitals on which the old, vulnerable and poor most depend. That crisis affects the whole NHS, across the whole country, not just Hertfordshire. Will he congratulate the more than 60 campaigners from across the country who attended the Community Hospitals Acting Nationally Together conference today, held jointly with the Community Hospitals Association, to work to change the Government's mind?

Grant Shapps: I concur completely with my hon. Friend's comments and I congratulate him on his work with the CHANT programme, which has been impressive. I have a word of reassurance for him—the Government are in the process, certainly in Hertfordshire, of turning acute, major, general hospitals into nothing more than community hospitals. I know that community hospitals do a wonderful job, but I am afraid that an extra hospital will be joining his CHANT group because of those closures. That is a huge worry—

[Grant Shapps]

I mean no disrespect to my hon. Friend and his organisation. We need an acute hospital in our area, and we have the pledge of a new hospital.

Given the way in which the situation is developing in our part of Hertfordshire, does the Minister think that the problem lies with the local health chiefs who are somehow spending the money inappropriately, or is it the fault of the Government? Who is to blame for what is going on? Will she give us a categorical assurance that the funding of the Hatfield hospital project will go ahead? Can she reassure us that it is not part of the cuts mentioned in today's newspaper—the go-slow on £12 billion of PFI projects? Is Hatfield caught up in that number? How many people will have to die on the way to hospital before the Government realise that we on this side of the House are not simply scaremongering about the dangers and risks faced by our constituents? This is for real, so will she tell us when the Government plan to get a grip on the situation?

10.15 pm

The Parliamentary Under-Secretary of State for Health (Caroline Flint): I congratulate the hon. Member for Welwyn Hatfield (Grant Shapps) on securing the debate and I will try to address the points that he has raised, which are clearly of concern to him and to other hon. Members. I would also like to pay tribute to all the NHS staff in his constituency and elsewhere in Hertfordshire who are committed to the improvement of the local NHS.

From what I understand, there has been a debate in recent years in the area about how services might be improved for the future, part of which has been about the hospitals and what they have provided and can provide in the future. I will go through some of the new provision that is available in a number of the different hospitals in Watford and elsewhere.

There has also been a debate about what services are needed outside of hospitals and closer to where people live, as part of a more community-based approach to providing health services. That debate is taking place in Hertfordshire and up and down the country in recognition of the quality that can follow those community-based services and of the fact that they can sometimes represent better value for money, efficiency and quality in terms of health care. As the Minister with responsibility for public health, I am keen on preventing people from going into hospital.

The NHS as a whole, as the hon. Gentleman is aware, is in receipt of record resources because of the Government's policy of funding the NHS. The 2003–04 to 2005–06 revenue allocations to primary care trusts represent £148 billion of investment in the NHS. Over the three years covered by the allocations, PCTs will receive an average increase of 30.8 per cent. The most recent round of revenue allocations, covering 2006–07 and 2007–08, represents £135 billion investment in the NHS, a huge amount. Over the two years covered by this allocation, PCTs will receive an average increase of 19.5 per cent.

Mr. Graham Stuart: The Minister, in the style of all Ministers of this Government, runs out the figures, but why are so many primary care trusts in deficit? Why are they expecting to go further into deficit this year while getting that increase?

Caroline Flint: The trusts in deficit are in a minority in the NHS. Most are balancing their books and achieving good quality outcomes from less money than is sometimes provided in areas that are in deficit. It is important to ask that question. We are addressing the issues in different ways—by payment by results and so forth—but there is a question about why, in some of our poorer neighbourhoods where the health inequalities are very clear, we are getting better value for money in delivery of health care than in other areas. As a direct result of the allocation, the hon. Member for Welwyn Hatfield's local PCT received £98.5 million in 2005–06 and will receive £119 million in 2006–07 and £129 million in 2007–08.

Grant Shapps: I am pleased to hear about those increases for the PCT, but does she accept that the problem in Hertfordshire is with the NHS acute trusts and not the PCTs, which are running in balance? The trusts are massively in deficit, by £43 million.

Caroline Flint: I appreciate that, but that is another reason why these trusts have to be brought into balance, as there can be knock-on effects in terms of primary care delivery. Therefore, primary care trusts who oversee this area in terms of spending obviously are mindful of what is provided in the hospitals, but are mindful also of what they want to fund in the community.

The hon. Gentleman will agree that, as I said earlier, a number of services could be provided outside of hospitals. Indeed, a number of services could help in the long, medium and short term to prevent people from turning up in hospital. There is accident and emergency provision in the hon. Gentleman's area, but decisions have been taken as to who should provide a blue-light service and who should not. But as I understand it, that does not mean that that there is no 24/7 accident and emergency coverage in his area.

Collectively, the eight Hertfordshire primary care trusts receive huge allocations. They received in excess of £858.5 million in 2005–06—a figure that will increase to £1.1 billion in 2007–08. Given such investment, all NHS bodies should be able to plan for, and achieve, financial balance each and every year. I should point out that the majority of NHS organisations are both delivering service improvements and living within their set budgets, but we recognise that a minority of organisations face challenging financial agendas. The Department and the strategic health authorities are trying to work with them to help restore financial balance.

Turnaround teams have been set up to support the NHS in identifying opportunities to deliver services with greater cost-effectiveness and to make financial savings. The teams consist of financial and management experts who are experienced in resolving financial problems and helping organisations to manage their resources better. West Hertfordshire Hospitals NHS Trust, and East and North Hertfordshire NHS Trust, have built on the work already commissioned by the SHA by undertaking

baseline assessments and by bringing in PricewaterhouseCoopers to help address some of the financial difficulties that they face. A meeting took place on 10 January. The SHA received feedback from the turnaround teams' work and it is reviewing the results.

Before I discuss efficiency savings and the recovery plans, I want to point out that, despite the issues raised by the hon. Gentleman, there have been some significant developments in the county in terms of supporting new ways of addressing the provision of health care. For example, the Watford health village project, which will lead to the redevelopment by early 2013 of Watford general hospital and the immediate surrounding area, is proceeding well. One partner, the East of England Development Agency, recently agreed to contribute £750,000 over the next two years to pre-planning work for this scheme. The Bedfordshire and Hertfordshire postgraduate medical school, based in Hatfield, opened in September and will enable local NHS organisations to attract support and to retain the best talent in the region.

Through the surgery centres project, most elective surgery in Hertfordshire will take place in new, dedicated centres on the Hemel Hempstead and Lister hospital sites. The project is progressing well. Lister's £2.3 million cardiac suite was funded through the national lottery New Opportunities Fund and through the local NHS funding that we provided. It opened to patients in September 2004, and in its first year alone it cared for some 1,500 people from throughout east and north Hertfordshire. There is a new combined breast cancer and magnetic resonance imaging unit at the QE2 hospital, and the revamped Hertford county hospital was officially opened on 9 September. It will provide a range of services and open its doors to local people to provide a range of treatments. The capacity being built through those developments is doubtless welcomed by MPs throughout the county.

Mike Penning: It is all well and good saying that new units are opening here and there, but the Government are closing units to fund them. They talk about opening a cardiac unit, but they are closing the cardiac unit in Hemel Hempstead. The brand new stroke unit will close to fund the developments to which the Minister refers. So you are not giving anything new to the people of Hertfordshire; you are taking it away and handing it out somewhere else.

Mr. Speaker: Order. The Speaker never takes funds away from anyone.

Caroline Flint: We have given many new opportunities to the people of Hertfordshire, which is why waiting lists are down. People used to wait years for operations; now, waiting lists are at record low levels, and there are more doctors and nurses in the county. Discussions have taken place as part of examining future health; indeed, there was a huge consultation on how hospitals could be redeveloped. I understand that there was widespread support for the proposals. They were supported by cross-party representatives, local people and local groups. Even the local media recognised how important is the opportunity of having a new hospital.

On the question about the private finance initiative, of course it is right that the Department should keep the hospital PFI programme under constant review to ensure that it delivers value for money. A number of PFI schemes are reaching a critical moment in the contracting process and are being subjected to the sort of detailed scrutiny that the public would expect of a major procurement project. That does not mean that there is a freeze on hospital PFI projects. We have just given two NHS trusts—Oxford Radcliffe and Portsmouth Hospitals—the go-ahead for construction. Obviously, the issue is kept under review, but we continue through the initiative to deliver the biggest hospital building programme in the history of the NHS.

Mr. Stewart Jackson (Peterborough) (Con): In my constituency, the difference between the outline business case and the current costs estimate for the PFI project is 82 per cent. Can the Minister give me a cast-iron guarantee that where an outline business case has been received for a new project, it will be honoured by the Government and the project will come to fruition, as my hon. Friend the Member for Welwyn Hatfield (Grant Shapps) also said?

Caroline Flint: As I said, we keep these areas under review to make sure that they are providing good value for money. The issues are also discussed in the local trusts and there is obviously huge discussion and liaison with the Department.

Mr. Oliver Heald (North-East Hertfordshire) (Con): In North-East Hertfordshire, we are putting up with a great deal on the basis that there is the prospect of the new hospital project coming on stream. Is the Minister saying that there is a question over that?

Caroline Flint: Not at all. I was asked directly whether a decision had been made about whether the PFI programme would go ahead. I think that I was quite clear. We keep the whole PFI programme under review. There is not a freeze on PFI hospital projects. We have just given two projects the go-ahead in different parts of England. Obviously, we are still keen to keep on track with the biggest hospital building programme in the history of the NHS. I have to say that, partly, the need to address the problems that we face, and to provide more doctors and nurses and better environments for health professionals to work in, is a legacy of previous Governments who failed to provide the sort of hospitals and health care that both treat illness and prevent people from getting sick in the first place.

Grant Shapps: Will the Minister give way?

Caroline Flint: I have three minutes left and would like to say something about efficiency savings and recovery plans as that was the main focus of the hon. Gentleman's debate.

Bedfordshire and Hertfordshire strategic health authority is working closely with the East and North Hertfordshire NHS Trust and the West Hertfordshire Hospitals NHS Trust to see how to deliver the efficiency savings needed to address the deficits incurred. They have to be addressed. It would be unfair to the those in the rest of the NHS who are achieving balance if we did

[Caroline Flint]

not ensure that that happens. West Hertfordshire plans efficiency savings of £12 million a year between now and 2008–09. I understand that it will consider issues around improving clinical efficiency, which is expected to deliver savings in the region of £4.3 million. There are examples of better ways of providing clinical services. In an Adjournment debate recently, for example, one of my colleagues described how one consultant was doing as many operations as two had done by addressing the turn-around in orthopaedic surgery.

Grant Shapps: Will the Minister give way?

Caroline Flint: I will let the hon. Gentleman intervene because it is his debate, but will he bear with me for a moment?

Non-clinical efficiency is expected to deliver savings in the region of £3.5 million. Organisational changes to make sure that people are fit for the jobs they do will deliver around £3.6 million. In addition, maximising income on work undertaken on both NHS and private patients is expected to generate income in the region of £600,000, which will help to offset the deficit.

Grant Shapps: In the short time that we have left, can the Minister tell me and my constituents, many of whom are here tonight, whether the so-called reconfigurations—cuts to us—will cost lives in Welwyn Hatfield?

Caroline Flint: It is important that health trusts manage a proper service that takes account of the finances, use the record investment that we have provided to invest in services and, importantly, look at how they can deliver a better health service, including preventing people from ending up in hospitals with sicknesses that could be dealt with outside and doing more to prevent them from becoming sick in the first place. In that sense, the debate that is happening in the hon. Gentleman's county is a way in which we can look to not only save lives in the future, but ensure that those who become ill receive the services that they need, sometimes in hospital, sometimes closer to home and sometimes through different service provision. That is an important part of how we create an NHS fit for the 21st century.

In terms of future investment and development in the area, the proposed changes and efficiency savings are linked to the reconfiguration of services. It is about looking at where we can save money to invest in the future, as well as dealing with the deficit. There are questions to be asked about how a minority of trusts have got into deficit and how they can contribute to getting themselves out of that situation. The Department and the strategic health authorities are working strongly with those organisations to help them to make changes and turn the situation around.

It is important to recognise that services are not only about hospitals, but about primary care and intermediate care. A range of services needs to be provided, both inside and outside hospitals, to meet the needs of local populations. I know that the SHA is committed to achieving financial balance across the whole of its health economy. It is preparing the outline business cases for its 10-year plan "Investing in Your Health" for health services in both counties. It is my understanding that the whole ethos of that project is to ensure that health services are made available to people in both counties. It is not about winners and losers. It is about ensuring that the NHS—

The motion having been made after Ten o'clock, and the debate having continued for half an hour, MR. SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at twenty-eight minutes to Eleven o'clock.

House of Commons

Tuesday 17 January 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TRANSPORT

The Secretary of State was asked—

M6 Toll Road

1. **Michael Fabricant** (Lichfield) (Con): If he will make a statement on the planned future link between the M6 toll motorway and the M54. [42342]

The Minister of State, Department for Transport (Dr. Stephen Ladyman): The Highways Agency is working with the local highway authority to consider the benefits and disadvantages of providing an upgraded link road between the M54 and the M6/M6 toll motorway. The study work is in its early stages and an initial assessment of the options will be complete by the autumn of 2006.

Michael Fabricant: The Minister is dead right in saying that the study is in its early stages because an inquiry under the Freedom of Information Act 2000 has revealed that the Highway Agency says:

"The current position regarding the M54 to M6 Toll Link is that development work has not proceeded as quickly as originally"

planned. He recognised the importance of that link road to strengthen not only the economy of mid-Wales, but those of my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) and greater Shropshire—

Mr. Owen Paterson (North Shropshire) (Con): And North Shropshire.

Michael Fabricant: And North Shropshire, as my hon. Friend points out. Indeed, the link would benefit everywhere west of the M6 toll, so when will it be ready?

Dr. Ladyman: We have already recognised that, in principle, we would be minded to support the scheme, but we must consider the details. In particular, one of the things that we must decide before we design such a scheme is where the new capacity between the midlands and the north-west will be provided—will the M6 be widened, or will there be a parallel toll road? Until we make that decision, we cannot decide on the design of the junction.

David Wright (Telford) (Lab): Does my hon. Friend know that the M54 was recently voted one of the most popular motorways in Britain? That is, of course, largely because it goes to and from Telford—

Daniel Kawczynski (Shrewsbury and Atcham) (Con): And Shropshire.

David Wright: And wider Shropshire, of course. However, one of the problems that the business community in particular complains about is the fact that people cannot go northbound directly off the M54 on to the M6, and there is no direct link, of course, to the M6 toll road. It would be particularly advantageous to local business in Telford and across Shropshire if those links could be made. Will the Minister look very seriously at the proposal?

Dr. Ladyman: I have no doubt that the quality of the drive experience on the M54 and the destinations that can be reached on it are responsible for its popularity. On paper, the case for the scheme looks very strong—I can certainly understand the benefits to the local economy—but we must consider it very carefully, and we must also consider the disadvantages and weigh the benefits against those disadvantages. In particular, we must know what we are going to do with the M6 before we can finalise the design scheme, so we cannot commit ourselves at this stage, although I repeat that it looks as though there is a strong case.

Sir Patrick Cormack (South Staffordshire) (Con): Does the hon. Gentleman realise that any such road will almost certainly go through my constituency, that there is great uncertainty in South Staffordshire, because of the doubtful outcome of the M6 inquiries, and that the sooner we can know precisely what the Government will propose, the better?

Dr. Ladyman: I quite understand the hon. Gentleman's concerns, and such things must be disconcerting for his constituents. This matter has been going on for many years, even before this Government came to power, so I certainly understand his concerns and realise that he wants as early a decision as possible. I undertake to provide as early a decision as I can. I understand that he has already met the Secretary of State for Transport to discuss the issue, and if I can be in any way helpful to the hon. Gentleman's constituents in the meantime, I will certainly try to do so.

Mr. David Kidney (Stafford) (Lab): The non-trunk roads that motorists are using in the absence of the link road are mostly in the Stafford constituency, so may I assure the Minister that there is a lot of public support locally for the link, that it would make rural roads safer and that it could solve the problem of the present bottleneck where the M6 toll road joins the M6 motorway? May I add my voice to that of those who are urging him to treat this matter with some urgency?

Dr. Ladyman: Once again, I can certainly understand the need for a degree of urgency in this matter, but my

hon. Friend has already been engaged in detailed discussions with me about the future of the M6, which is also a matter of great concern to him, so he will understand that there is also a lot of sensitivity about that. I cannot make assumptions about the design of the M6 until we have finished our consultation, so we cannot make assumptions about the design of the junction until we have made that decision. I will offer urgency proportionate to the complexity of the decisions that must be taken.

Daniel Kawczynski: I should like to echo the comments made by my hon. Friend the Member for Lichfield (Michael Fabricant) and the hon. Member for Telford (David Wright) about the importance of this road. As I have mentioned on many occasions, Shrewsbury is the only county town without a direct rail link to London.

Mr. Andrew Turner (Isle of Wight) (Con): Oh, no, it is not.

Daniel Kawczynski: It is. Does the Minister agree that the road will be vital to provide better communication for Shrewsbury, thus encouraging business investment?

Dr. Ladyman: All I can do is repeat again that the case for the scheme looks strong on paper. It looks strong on economic grounds and on the basis of its benefits for the hon. Gentleman's constituency, but we have to examine it carefully. We must consider the design carefully and weigh up the disadvantages before we can make a final decision. I heard what the hon. Gentleman said and I am happy to continue discussing the matter with him in the future.

Rail Services

2. **Julie Morgan** (Cardiff, North) (Lab): If he will take steps to make the train journey from Cardiff to London less costly for passengers. [42343]

The Parliamentary Under-Secretary of State for Transport (Derek Twigg): The saver return and season ticket fares from Cardiff to London are regulated and limited to an average annual increase of 1 per cent. above inflation. There is also a wide range of other unregulated fares. They are set by operators and will often offer cheaper travel, especially if booked in advance.

Julie Morgan: I thank the Minister for his reply. Is he aware that the first class return fare from Cardiff to Paddington is £199 and that one can fly to Athens and back for less? Is he also aware that the Apex return fare is £24.50? Is there anything that he can do to try to make Apex returns more widely available and less restricted so that many more of our constituents can travel up to London to visit us?

Derek Twigg: Fares must be competitive. Unregulated fares must compete with the fares of airlines and buses and the cost of using a car. However, regulated fares are lower in real terms than they were in 1995. There is a balance to be struck between what the taxpayer and the fare payer pay. As my hon. Friend says, there are quite a number of good deals on lower fares. It is important that they are publicised and that people are aware that they are available.

Mrs. Madeleine Moon (Bridgend) (Lab): Will the Minister assist people from my Bridgend constituency who are disabled and may wish to go to Cardiff to shop, or come to London to see their Member? They have to plan their journey at least 24 hours in advance so that they can access the platform without going over horrendous sets of steps. The railway station insists that it must be given a minimum of 24 hours' notice to open a side gate to give people access to the London and Cardiff-bound platform. Can the Department give any assistance?

Derek Twigg: I will have a look at that and get in touch with the operator. We have announced the £370 million access for all fund to make access to the railway better for disabled people and those with prams. We will make an announcement in the near future about the stations that will be part of the first stage of the programme.

Road Traffic Projections

3. **Mr. Mark Lancaster** (North-East Milton Keynes) (Con): What assessment he has made of the number of motorists who will be using roads in England by 2014. [42344]

The Secretary of State for Transport (Mr. Alistair Darling): The Department estimates that there will be about 36.4 million driving licence holders in Great Britain in 2014, compared with just over 32 million in 2004. Furthermore, 27 million cars were licensed in Great Britain in 2004 and we think that that will grow to 31.3 million by 2014.

Mr. Lancaster: The M1 is due to become even more congested due to the Government's plans to build 100,000 houses between junctions 13 and 16. Is the Minister aware of the special problems with junction 13? The much-needed dualling of the A421 to get people off the M1 into Milton Keynes appears to be going nowhere because the plan falls between two regions that have given it different priorities. May I simply ask the Secretary of State to knock some heads together and arrange a meeting of the planners from the two regions to try to ensure that the much-needed project moves forward?

Mr. Darling: I understand the point that the hon. Gentleman makes. We are about to receive from different parts of the country their views on priorities for transport. There will undoubtedly be roads that affect different regions, in which case the Department will have to reach a view. The Government have made additional money available for several projects in Milton Keynes. On public transport, we made about £24 million available for rebuilding the station, which we hope will help as well. I am aware of the point that he makes about roads. There are a lot of pressures on the road budget, but in some cases we will have to find out what we can do to enable traffic to flow better.

Sarah McCarthy-Fry (Portsmouth, North) (Lab): Before 2014, the Olympics will of course come to London, which will bring an enormous number of visitors and lead to additional traffic on the roads of this country. My constituency hopes to take advantage of the boost to tourism, but I am worried that visitors who wish to drive to Portsmouth will be deterred by the bottleneck at Hindhead. Does my right hon. Friend agree with me and the South East England regional assembly that the Hindhead tunnel is the top transport priority for the south-east region?

Mr. Darling: I am aware that the region attaches considerable importance to the Hindhead tunnel. I am also aware of considerable concern about the cost increase. Ministers will examine the matter in the fairly near future.

Peter Viggers (Gosport) (Con): I echo the concern expressed by the hon. Member for Portsmouth, North (Sarah McCarthy-Fry). There is concern in Hampshire and other parts of the south of England that major road projects are, in effect, parked on the hard shoulder while priority is given to infrastructure projects relating to the Olympic games. Will the Secretary of State give an assurance that projects such as the tunnelling of the A3 at Hindhead will continue to have priority?

Mr. Darling: I assure the hon. Gentleman that the Government's aim is to continue to spend increasing sums in parts of the country where road improvements are necessary. The money for projects that will be needed for the Olympics has already been allocated, so that has no bearing on decisions relating to Hindhead or any other area.

The hon. Gentleman and the House will accept that, as I have said before, our problem in relation to roads generally is that we have not spent as much as we should have over the years. Looking at the figures earlier today, I noticed that in 1990 the then Government had 500 schemes in their roads programme; by 1997, the number was down to 150 because of spending cuts. We have been able to increase the amount of money available and a number of projects are now possible, but inevitably it will take time to put in place all the projects that we want.

Kerry McCarthy (Bristol, East) (Lab): I welcome the Secretary of State's decision to consider road pricing as a way of tackling congestion on our roads, rather than building more roads. I also welcome last year's decision to include Bristol in one of the feasibility studies, but does he accept that our efforts to get motorists out of their cars and on to public transport will fail in the face of the situation in my constituency, where First Group, which runs the buses, has increased fares three times in the past year, most recently by up to 22 per cent.? Will he respond to that?

Mr. Darling: When tackling congestion in Bristol or any other city it is important to achieve the right mix of adequate public transport, including affordable bus services, and appropriate measures to restrict traffic growth. That is especially important in a city such as Bristol, which I visited just before Christmas and which is already quite severely congested. I welcome my hon. Friend's remark about road pricing. I agree that we need a sensible building programme—additional capacity is needed in some places—but we must be mindful of our environmental obligations. The key is to balance the two, which is not always easy, but I believe that it can be done.

Tony Baldry (Banbury) (Con): Another way to reduce pressure on the roads budget and on the roads is to invest more in railways. One way to reduce pressure on Milton Keynes would be to invest in the east-west rail link, which will eventually link Southampton and Felixstowe via Oxford, Bicester and Milton Keynes. The project has the comprehensive support of every local authority along the route and it has been the subject of more surveys and project reports than any other scheme that I can think of; all it requires is a Government funding commitment. It seems strange that Milton Keynes is expanding purely on the basis of increased road use. May we have some sustainable communities and investment in the railways, especially the east-west rail link?

Mr. Darling: I am glad that across the board the Conservative party is repenting the sins of the past. I recall that the hon. Gentleman was a Minister in the last Conservative Government, when Government spending on rail fell dramatically until 1996. One reason we have problems in some parts of the railways is that, as with roads, we did not spend money when we should have.

The hon. Gentleman is right to say that there have been a number of studies in respect of the east-west rail link, but even though we have doubled spending on railways since 1997, I am not convinced that that project is the right place to put our money. I believe that other areas where we need to increase capacity take priority over that scheme. If he and his colleagues are saying that we need to spend more on transport, they are absolutely right, and if they have changed their mind about the position that they have taken in the past few elections, that is very good as well.

Chris Grayling (Epsom and Ewell) (Con): It is all well and good for the Secretary of State to continue to blame the last Conservative Government for all the problems with our transport system. His Government have been in power for nearly 10 years now. Does he remember that five years ago the Government published a detailed strategy on transport and how all the problems would be solved during the current decade? It was called the 10-year plan for transport. Can he tell the House why so many of the commitments and promises made in that document have been abandoned?

Mr. Darling: In relation to the hon. Gentleman's first point, I have been very careful in the past four years not to lay all the problems of underfunding in transport on the Conservative Government. *[Interruption.]* True, they were in power for 18 years and one might have thought that something would be done during that period, but unfortunately the underinvestment goes back through successive Governments right back to the 1960s. The point that I was making to the hon. Member for Banbury (Tony Baldry) was that in 1992 Government support for the railways was about

£2 billion, but by 1995–96 it had plummeted to £431 million. It is not surprising, therefore, that in the years that followed there were severe difficulties in relation to the railway because of a backlog of maintenance and investment. Money is essential, not just on the railways but elsewhere.

In relation to the 10-year plan, the Government set out a spending programme for 10 years—one that was renewed and increased in the spending review in 2004. There is a key question that the hon. Gentleman must consider—I do not expect him to answer it today, but at some point he will have to tell us. It is all very well to say that his approach is changing and that he now understands that investment is necessary, but is he able to come up with the money to do so? He must know that his leader is committed to spending less on public expenditure than we are.

Chris Grayling: So let us look at the Government's real commitments on spending. For example, in the 10-year plan and in many of the things that the Secretary of State has said since, he has talked about solving the congestion problems on our roads, or at least contributing to solving those problems, by getting freight off the roads and on to the railways. Can he explain why his Department has cut funding for rail freight by nearly half in the past three years?

Mr. Darling: Rail freight has gone up 36 per cent. over the past few years. I have said before in the House on many occasions that I do not believe that the way to encourage freight is continually to subsidise it. We want to encourage the carriage of freight that is a commercial proposition. I am surprised that a Conservative Government—Conservative Opposition, rather—*[Interruption.]* It is worth reminding people of the threat that there might be a Conservative Government one day. We know what happened when there was a Conservative Government—investment in roads and in railways was cut, and we know the consequences of that. As the hon. Gentleman is in such a combative mood, can he tell me what the Tories' policy is on the railways? His leader said in December:

"Britain now needs a concerted programme of road building",

yet the right hon. Member for Suffolk, Coastal (Mr. Gummer) said that

"there must be an assumption against road building".

What is the Tory party policy on it?

Road Safety

4. **Anne Snelgrove** (South Swindon) (Lab): What steps he is taking to increase safety on the roads.

[42345]

The Minister of State, Department for Transport (Dr. Stephen Ladyman): We continue to develop and implement our wide-ranging road safety strategy. The 2004 casualty figures show that we are now over halfway towards our 2010 target of a 40 per cent. reduction in the number of people killed or seriously injured, and over three quarters of the way towards our 50 per cent. target for children.

Anne Snelgrove: The Minister may know that South Swindon is the home of the new Honda Civic, one of the safest cars in its class. Will he join me in congratulating the Honda Civic on being *Motor Trend* magazine's car of the year? Does he agree that even Swindon car-makers cannot build a car that stops the driver using a mobile phone while driving or ensures that the driver is licensed and insured? Those are still two of our most challenging road safety concerns. What is he doing to counteract them?

Dr. Ladyman: First, I am happy to congratulate Honda on the success of the Civic, and my hon. Friend's constituents on their work in producing it. Such improvements have to some extent come about because of changes that have been made, such as the Euro NCAP test. It is worth noting that that has its 10th anniversary this year, and the standard of safety of vehicles has gone from about two stars on average when it first came in to about four or five stars. The Honda Civic is a contributor to that.

When the Road Safety Bill returns to the House shortly, my hon. Friend will see that we propose to legislate to make it an endorsable offence to use a mobile phone while driving. People will get not only an increased fine, but three points on their licence. It is beyond me why people continue to use a mobile phone while driving when hands-free sets are so cheap. In addition, my hon. Friend will find that a new offence is introduced in the Road Safety Bill, which makes being the owner of an uninsured car an offence, if the Driver and Vehicle Licensing Agency has not been notified that it is off the road. That, alongside efforts to allow enforcement from the record, will mean that we can clamp down hard on uninsured driving. I hope to see some uninsured cars going straight into the crusher to teach people a lesson.

Mr. Mark Harper (Forest of Dean) (Con): The Minister and I have corresponded about my constituency, which has sadly experienced more than 20 fatal road casualties in the past year, many of whom were youngsters under 25. Nationally, 24 per cent. of convictions for causing death or bodily harm in road traffic accidents involve drivers under 21, who make up only 4 per cent. of drivers on the road. Clause 1 of the Road Safety Bill gives the Minister the power to award grants to local authorities to fund education and training. When the Bill is enacted, will he give guidance to local authorities to encourage them to implement such measures?

Dr. Ladyman: I will certainly review that possibility. Improved training and efforts to make young drivers in particular understand the dangers of the road and the need continuously to improve and not to try to exceed their skills are important parts of our campaign. Young drivers are clearly involved in a high level of accidents, so it is vital that we get those messages over to them. We should encourage peer pressure to get drivers to behave more sensibly. As well as working with local authorities, we must do more work with the insurance industry to encourage young drivers to do pass plus and other similar initiatives.

Anne Moffat (East Lothian) (Lab): Is my hon. Friend aware of the Scottish Executive's excellent campaign

against speeding on the roads, which is bold and depicts the consequence of speeding as a child's coffin? Will he examine that campaign and consider rolling it out across the whole of the UK?

Dr. Ladyman: I have been told about that particular campaign, which complements our own campaigns in England. Equally, the police have brought the very good campaigns in Northern Ireland to my attention. We will continue to review all those campaigns and learn from the best of them, because it is important that we get the messages over.

Mr. Gregory Campbell (East Londonderry) (DUP): I commend the excellent road safety scheme that the Minister has just mentioned. Some of us have campaigned inside and outside this House for many years about road safety on the approach roads to schools in rural areas. Does the Minister have any proposals to deal with that issue across the United Kingdom?

Dr. Ladyman: We have given local authorities powers to reduce speed around schools across England, and they can introduce 20 mph zones around schools. However, I have not instructed them to do so for all schools, because many schools in England are built on highways where it is not appropriate or sometimes even possible to reduce speed that much. In such areas, it might be better to use engineering solutions to separate the children from the road rather than automatically introducing 20 mph zones. Where reducing speed is an appropriate tactic, it is vital that local authorities use the powers that they have been given.

Mr. Stephen Hepburn (Jarrow) (Lab): Is the Minister aware that in the past 10 years there has been the equivalent of one casualty every week on the A1 between Newcastle and the Scottish border, which is mainly due to the fact that the full extent of the road has not been dualled? When will it be dualled?

Dr. Ladyman: There are all sorts of reasons why there are high levels of accidents on particular roads. In the case of the road that the hon. Gentleman mentions, I realise that he may be disappointed that it has not been dualled. That has been considered. Several schemes have been reviewed for dealing with that particular road, and they will continue to be considered as necessary. However, it is important that as well as considering capacity on that road, we look at other reasons why accidents may be happening and address them on a case-by-case basis. I certainly understand the hon. Gentleman's concern about the high level of accidents on that road.

Ann Winterton (Congleton) (Con): The Minister will be aware—in fact, everyone is aware—that drink-driving is a tremendous danger on the roads, but is he aware that the police are also very concerned about the increasing number of people who are taking drugs? Research has recently shown that even a small amount of cannabis can almost double the risk of a fatal accident. Will he join the RAC Foundation and others and mount a campaign so that people are aware of these increased dangers?

Dr. Ladyman: I will not just join it—we have already started it. Over the Christmas period, I did several interviews with the BBC, including Radio 1, to get over to young people the message that drugs are a serious problem, that their effect might last for much longer than they realise, and that someone who has taken drugs is probably not in the best position to be able to judge whether they are competent to drive. The hon. Lady highlights a very important campaign. We will certainly build up our efforts in that respect. We will also look at other ways of testing for the effects of drugs to see whether we can come up with more effective strategies for testing drivers to determine whether they have been using drugs.

Rail Fares

5. **Mr. Jim Cunningham** (Coventry, South) (Lab): What discussions he has had with the rail regulator regarding recent rail fare increases. [42346]

The Secretary of State for Transport (Mr. Alistair Darling): Fares are regulated by the Department for Transport, not the Office of Rail Regulation. Unregulated fares are of course for train operators to set.

Mr. Cunningham: I wonder whether my right hon. Friend is aware that a passenger travelling from Coventry to London will be expected to pay between £7 and £10 on a standard journey for the privilege, yet the rail companies have cancelled trains or have run overcrowded trains. Will he have a word with the rail companies about that?

Mr. Darling: I am aware that from time to time it can be extremely frustrating if trains are cancelled. My hon. Friend will know that over the past few years there has been a lot of engineering work on the west coast main line as part of the general upgrade to allow for high-speed tilting trains. In addition, a lot of work continues to be done at weekends, which can cause disruption.

In relation to fares generally, hon. Members are always concerned when fares increase. All that I would say is that there has to be a sensible balance between what the taxpayer pays and what the fare payer pays. By way of comparison, in 1995, 85 per cent. of passenger revenue came from the fare payer; today, the figure is 57 per cent.

Mrs. Maria Miller (Basingstoke) (Con): Rail travellers in my constituency are experiencing above-inflation rises in travel fares and a doubling in overcrowding on the trains that they use to come into London every day. Given the Government's increased support for railways in recent years, does not the Minister think that my constituents should be getting better value instead of having to stand every day on their journeys into work?

Mr. Darling: I would say this to the hon. Lady. Much of the rolling stock on South West Trains, including trains that her constituents will use, is new—it has been replaced over the past five years or so. That is due, to a large extent, to the additional support that the Government have made available to the railways.

The hon. Lady is right, though, that overcrowding is an increasing problem. A variety of things need to be done. Additional capacity needs to be provided. In addition, a number of railway companies are considering changing their pricing to encourage people who can travel at different times of the day to do so. That has been a highly successful model on the low-cost airlines, and railway companies are doing it as well.

In the longer term, we as a country have to address the fact that there are capacity constraints in different parts of the network, and that that will require increasing investment. As I said earlier, the test for both political parties at the next election will be how much they are prepared to spend on investing in Britain's railways and other transport infrastructure. In my view, that is absolutely essential if we are to enable people to get to work and enable our economy to continue to grow.

John McDonnell (Hayes and Harlington) (Lab): The increase in fares is compounded by the overly complex ticketing structures. When will the Government lead a review of ticketing structures and at least set a timetable for the introduction of a national rail card?

Mr. Darling: The Transport Committee is conducting a review of the structure of rail fares and we look forward to its findings. I readily accept that a wide range of fares is available, but there are an increasingly large number of pretty low fares—admittedly, there are restrictions on some. For example, it is possible to travel from London to Leeds and pay £128 for an open first class ticket, but the same rail company offers an advance ticket, which must be bought on the preceding day, for £9.50. In this day and age, most people are becoming more sophisticated about shopping around and looking for the tickets that they can best afford and that suit them best. I warn my hon. Friend and others that rationalisation or simplification sometimes results in less of a range of prices. There is therefore a trade-off between low fares and simplifying the system, which results in higher fares generally. I want to encourage more people to travel by train, and that means flexible train fares.

Susan Kramer (Richmond Park) (LD): The south-west main line route utilisation strategy, which Network Rail produced in draft, proposes differentiating fares at the peak of the peak between 6 and 7 am and 7 and 8 as one means of tackling overcrowding. Will the Secretary of State make it clear to Network Rail that that is acceptable if such differentiation derives from a reduction in fares between 6 and 7 am but not from an increase between 7 and 8 am, which will drive people off the railways and on to the roads?

Mr. Darling: I take the hon. Lady's point. South West Trains is an interesting example of a train company that is trying out very low fares. It is piloting a £1 fare at specific off-peak periods because experience on buses and airlines, which I mentioned earlier, has shown that some people who do not have to travel at peak time may find it attractive to change their work and travelling patterns and travel at off-peak periods. We are trying to encourage people to use the railways, not drive them off them, especially in the part of London that the hon. Lady represents. I hope that she accepts that giving railway companies that flexibility might result in more people using the railways and some people travelling for less than they have to pay at the moment.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): My right hon. Friend will accept that there is no point in having a wide selection of fares if no one can find out what they are. Will he encourage rail companies to use not obfuscation to keep the customers off the rail system but clarity to help them find the cheapest and the best tickets?

Mr. Darling: I agree. It is most important, no matter what product is being sold, that the travelling public—the customers—know what is on offer. In the past few months we have awarded new franchises and railway companies are paying more money into the railways than they did in the past, so it is in the companies' interest to ensure that more people travel by train. It is as much in their interest as it is in that of the travelling public. I repeat the point that a range of fares to suit different needs appears to be a good thing. If more of that occurs, more and more people will be carried by the railways. Indeed, last year I believe that more people were carried on the railways than at any time since just after the second world war, in the pre-Beeching era.

Stephen Hammond (Wimbledon) (Con): On 2 January this year, regulated rail fares, which are supposedly fixed at the rate of inflation plus 1 per cent., rose by an average of 3.9 per cent., despite the official figure for inflation in December being 2 per cent. Unregulated fares rose by 4.5 per cent. on average and some fares by more than 8 per cent. The Secretary of State will recall promising that the Government would seek real reductions in the cost of rail travel by continuing to cap increases in the most recently regulated fares below the rate of inflation. How does he believe that he has achieved that this year? Is it simply another abandoned promise?

Mr. Darling: No. I last set out our policy on regulated fares in 2003, when I changed the then policy, which was completely unsustainable. I said at the time that regulated fares ought to increase by RPI plus 1 per cent. I think that I am right in saying that regulated fares now account for about 43 per cent. of all fare income, so the majority of fares are not regulated and can therefore rise by more than RPI plus 1 per cent. As I said earlier, about 57 per cent. of spend on the railways now comes from passengers; in 1985, that figure was way up at 85 per cent. It is important that we strike the right balance, although it is a matter of judgment as to what the right balance should be. On any view, however, the railways have to be paid for one way or another, and that income can come from only two sources: fare payers or taxpayers. We are trying to strike the right balance between the two. To complete the point, and to reiterate what I said earlier, headline figures such as those that the hon. Gentleman has cited are sometimes not what most passengers pay. Recent figures relating to the London to Manchester route, for example, show that the majority of people buy either advance tickets or saver tickets.

Clive Efford (Eltham) (Lab): In addition to the fare increases, travellers in the Network SouthEast area who

use the pre-paid Oyster card face additional penalties because of the incompatibility of the Oyster system with that of the Integrated Transport Smartcard Organisation—ITSO—which does not seem very smart if it cannot accept the Oyster card. It is not an insurmountable problem, but negotiations between the Department for Transport, the train operating companies and Transport for London seem to have reached an impasse. In the meantime, a lot of Londoners are going to miss out. Can the Secretary of State assist in trying to resolve this problem?

Mr. Darling: Yes, and I agree with my hon. Friend. Of course there will be some difficulties when there are two different systems, but it is important that we try to bring the systems together, because we want more people across London and the south-east to use public transport.

Air Travel

6. **Mr. Mark Prisk** (Hertford and Stortford) (Con): If he will make a statement on the recent Civil Aviation Authority report on low-cost airlines and the growth in air travel. [42348]

The Secretary of State for Transport (Mr. Alistair Darling): The Civil Aviation Authority published its report, "Demand for Outbound Leisure Air Travel and its Key Drivers", in December last year. The report contains an analysis of how various factors, including changes in income, wealth and air fares, affect the demand for leisure air travel. The Government's policy on these issues is set out in the White Paper that I published in December 2003.

Mr. Prisk: In fact, the report shows that the boom in low-cost air travel has simply encouraged millions of Britons to spend more of their money abroad. The result is that our balance of payments deficit in tourism has mushroomed to £17 billion. In the light of that, and of the environmental impact of low-cost air travel, will the Secretary of State now stop claiming that all forms of air travel are automatically good for the UK economy? Will he also consider commissioning an independent study into the matter, to establish the full facts, both for and against?

Mr. Darling: I did not know that the Conservative party was in favour of exchange and travel controls. That seems quite a radical departure from its position over the past 30 years. The hon. Gentleman is right, however. It is worth bearing it in mind that, in 1998, about 8 million people travelled on low-cost airlines. The figure for 2004 was 54 million. I said before that, in relation to aviation generally, people travelling more for business and leisure was a good thing. I do not think that the Government are in a position to say to people, "You cannot go abroad. You must stay here."—*[Interruption.]* That is the logical extension of what the hon. Gentleman is arguing. I strongly believe that we should encourage people to use the railways, when that is a viable option. That is why we have put so much money into the channel tunnel rail link, for example. Its next phase will open at the end of 2007, and will cut journey times from London to Paris and Brussels.

We have also put a lot more money into improving the mainline rail services that compete with the airlines. For example, when work on the west coast main line is finally complete, people will be able to travel from London to Glasgow in four and a quarter hours, which is very competitive compared with the time spent travelling to the airport, and so on. The fact is, however, that people are choosing to travel more, and our job is to balance the need to enable them to do so with our very important environmental obligations. However, I do not accept the general proposition, which the hon. Gentleman appears to be advancing, that we should somehow force people to stay at home.

Tony Lloyd (Manchester, Central) (Lab): My right hon. Friend has just told the House of the significant number of passengers carried by the low-cost airlines. Those journeys take place mainly within Europe. In that context, Sir Roy McNulty of the Civil Aviation Authority recently told a Committee of the House that the fledgling European Aviation Safety Agency was both underfunded and understaffed, and that is was likely to run out of money quite soon in this financial year. Will the Secretary of State assure the House that travel within Europe under this fledgling agency will be safe, and that the problems in the agency will be put right?

Mr. Darling: First, for the sake of brevity, I should say that I have answered a series of questions tabled by my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) in relation to this matter, which my hon. Friend the Member for Manchester, Central (Tony Lloyd) might want to look at. Yes, the European Union safety agency has enough money. However, we are extremely concerned at the lack of progress it is making in doing its job.

I wrote to Commissioner Barrot to express the Government's extreme concern about the agency. I have also made it clear that I do not believe that there can be any question of it taking on any more responsibilities from existing national agencies until it sorts out some of the problems, which it has manifestly failed to do so far. In the meantime, however, I can assure my hon. Friend that our own safety regulator, the CAA, and National Air Traffic Services are keeping a close eye on the situation. We have made it very clear that we will not compromise safety.

Mr. Julian Brazier (Canterbury) (Con): Does the Secretary of State accept, in considering airport expansion, that low-cost airlines running low-cost passenger services with relatively small-capacity airliners in a business in which people pay per passenger, as airlines pay airports, do not produce a large return on extra flights? In considering expansion and, for example, the proposed runway at Stansted, does he accept that until Stansted attracts somebody other than low-cost airlines and establishes its first wide-bodied, regular service, it is difficult to see anybody being in favour of that new runway?

Mr. Darling: We seem to be getting more and more calls for state control from the Tory party; I am losing track of the movement that is taking place. No, I do not accept that proposition. The low-cost airlines, of which

there are principally two at Stansted, are growing, profitable businesses, and it is not for the Government to tell them how they ought to run things. When we set out our strategy for airport development over the next 30 years—it is a 30-year programme—we came to the view that the south-east of England, on any consideration, will need an additional two runways, the first of which is at Stansted. The fact that Stansted, at the moment, is predominantly used by low-cost airlines does not seem to me to be a reason for stopping it, although I know what the hon. Gentleman is saying, and no doubt others do as well.

Regional Airports

7. **Mr. Jim McGovern** (Dundee, West) (Lab): If he will make a statement on Government support for regional airports. [42349]

The Parliamentary Under-Secretary of State for Transport (Ms Karen Buck): The White Paper "The Future of Air Transport" acknowledged the important role played by regional airports and supported their growth to serve regional and local demand. Policy initiatives such as route development funds and fifth freedom rights are helping to attract new services and to promote better connectivity for passengers at regional airports.

Mr. McGovern: I thank my hon. Friend for that response. She will be aware of the massive contribution that Dundee airport makes to the local economy, providing vital links to London that enable and encourage businesses to locate in Dundee. I am aware that, strictly speaking, this might be regarded as a devolved issue—perhaps even a local government issue—but is there anything that the Government can do to help to secure the long-term interests of regional airports such as Dundee? Will the Government consider, for example, public service obligations—

Mr. Speaker: Order. One supplementary is fine. I ask the Minister to answer.

Ms Buck: I certainly accept the case that my hon. Friend and others have made about the importance of Dundee airport, and we support Dundee and many others. Indeed, it receives public funding from the Scottish Executive in recognition of that, and it is for Dundee to work with the Scottish Executive. We have recently published the guidance on public service obligations and we will consider specific proposals in that respect.

John Penrose (Weston-super-Mare) (Con): Will the Minister please consider carefully the potential growth of Bristol international airport, on the edge of my constituency of Weston-super-Mare? The growth plans it has outlined will inevitably result in significantly increased car traffic to and from the airport site. That will lead, inevitably, to greater road congestion in the area around the airport. Will she consider in particular potential expansion plans for junction 21 of the M5, which is the closest major junction to the airport?

Ms Buck: I visited Bristol in the summer, and the case for Bristol airport is well made. It is very much supported by the regional government. It is also recognised that growth will bring with it consequences for road transport and road transport access. I know that the local authorities concerned are considering the specific measures that they can introduce to ensure that airport growth does not inevitably bring with it an unacceptable rise in traffic congestion, and that there are specific proposals, which we will need to consider carefully.

Speed Cameras

Mr. David Jones (Clwyd, West) (Con): If he will make a statement on the use of speed cameras on roads. [42350]

The Secretary of State for Transport (Mr. Alistair Darling): I refer the hon. Gentleman to the written statement that I made on 15 December last year.

Mr. Jones: I am sure that the Secretary of State will agree that it is essential that motorists are satisfied that speed cameras are being operated as fairly and ethically as possible. Will he therefore please explain why magistrates courts committees are invariably part of speed camera partnerships? Does he not agree that that state of affairs can give rise to a perception of a conflict of interest, even if such a conflict of interest does not in fact exist?

Mr. Darling: I have had many representations on speed cameras, although that is not one of them so far. The hon. Gentleman will be aware that in December last year I announced change to the funding regime so that the system was not biased towards putting in speed cameras—at the moment, they are effectively free. We are also considering the constitution of the groups that consider whether speed cameras or other safety measures should be put in place, including the police, local authorities and magistrates. As we develop that policy, we will take his comments into account.

Tom Brake (Carshalton and Wallington) (LD): It is good news that safety camera partnerships can introduce road safety measures other than just speed cameras. The Secretary of State should, however, be a champion of speed cameras. He knows that the four-year evaluation report states clearly that in areas where there is a speed camera, the number of vehicles exceeding speed limits falls by 70 per cent., and the number of people killed or seriously injured falls by just over 40 per cent. Will he confirm that, according to the report's methodology, about an extra 100 people have either been killed or seriously injured on our roads as a result of his Department's delay of over six months in implementing up to 500 speed cameras?

Mr. Darling: No, I do not accept that at all. The reason that the Government decided to delay approving new schemes is that, first, we were waiting for the four-year report, and, secondly, we had it in mind to change the funding regime, about which we had to tell the various organisations. At just about every Question Time over the past four years, and on every other occasion, I have made the point that speed cameras work. On any view, they save lives. I want to make sure,

however, that we have the right funding regime and the right regime for operating them, and I believe that we are well on the way to achieving that.

DUCHY OF LANCASTER

The Chancellor of the Duchy of Lancaster was asked—

Civil Service

20. **Alistair Burt** (North-East Bedfordshire) (Con): What recent assessment he has made of the arrangements for the resolution of personnel disputes within the civil service. [42334]

The Parliamentary Under-Secretary of State for the Cabinet Office (Mr. Jim Murphy): The levels at which appeals are determined is a matter for the permanent head of the relevant department. That is in line with Advisory, Conciliation and Arbitration Service best practice guidance. I am not convinced that there are compelling reasons to change the arrangements, but I am happy to meet the hon. Gentleman to discuss the specific constituency matter.

Alistair Burt: I am grateful to the Minister for his answer and for taking the trouble to have an initial look at the case raised by my constituent, Mr. Paul Barford, who is currently under threat of dismissal from the Ministry of Defence. May I press him to consider specifically circumstances such as those in this case, in which an employee has complained that a Department has been perpetrator, judge and jury in personnel matters that might involve harassment, and in which the Department alone must determine the case? Will he examine changes to the civil service code and consider widening the scope of references to the Civil Service Commissioners?

Mr. Murphy: The hon. Gentleman is right that I have spent some days investigating this matter on his behalf, as I know that he has raised it on several occasions with previous Ministers. The process was introduced in 1996, is undergoing review and is currently in line with ACAS best guidance. The relevant staff trade unions have not raised a specific concern. I think that it is the first such case that has been brought to our attention by a Member of Parliament, and I wish to confirm that when there is a matter of conscience the Civil Service Commissioners can, of course, become involved. That is established in the civil service code. I am happy to discuss the specific constituency matter that he raises.

Rosemary McKenna (Cumbernauld, Kilsyth and Kirkintilloch, East) (Lab): Is my hon. Friend aware of the excellent development of mediation services throughout the country? Many of our departments have a very good record in that respect. I think we should consider using such services more, especially to deal with personnel issues and disputes in organisations. May I urge my hon. Friend to take a close look at what is happening in some civil service departments, and discuss with those who have an interest the best way of extending mediation services throughout the service?

Mr. Murphy: The Employment Act 2002 introduced a statutory grievance procedure to reduce the use of litigation as a first resort, and many Departments have established innovative processes and procedures to make that a reality. I should be happy to meet ministerial and parliamentary colleagues and those involved in extending those processes across Government, so that the Cabinet Office can share best practice throughout the civil service.

Administrative Burdens

21. **Andrew Rosindell** (Romford) (Con): If he will make a statement on the progress of the Government's administrative burdens reduction measurement exercise. [42335]

The Parliamentary Under-Secretary of State for the Cabinet Office (Mr. Jim Murphy): Since the Government launched the measurement exercise last September, a significant amount of work has been undertaken. This is the first time such an exercise has been tried in the United Kingdom. The results will enable us to focus on areas in which we can achieve significant reductions in the administrative burdens on business, charities and voluntary organisations.

Andrew Rosindell: The Minister will know that the Legislative and Regulatory Reform Bill, published last week, gives little or no indication of what resources the Government will commit to deregulation. Perhaps he would like to give us that information today.

Mr. Murphy: The Bill published last week, which I assume the hon. Gentleman welcomes—there is no commitment in that regard—is an ambitious model for delivery of a better-regulation agenda for UK business, voluntary sectors and others. It builds on what has already been done to ensure that, for the purposes of the World Bank and a number of other reputable organisations, the UK is one of the most supportive regulatory and economic environments in which businesses can prosper.

Dr. Tony Wright (Cannock Chase) (Lab): The people who know most about how to get rid of bureaucracy are those who suffer from it within public services. Would it not be a good idea for the Government to establish a "bureaucracy-buster"? People working in public services could tell such an organisation, on the basis of direct experience, how bureaucracy could be removed, and the Government could then do something about it.

Mr. Murphy: That is an interesting idea. Every month my hon. Friend comes up with another interesting and challenging suggestion. [HON. MEMBERS: "Every day."] Every day, I am informed.

We have already contacted more than 145,000 businesses to try to assess the extent of the administrative burden that they are experiencing. We are also communicating with the voluntary sector and others. Following my hon. Friend's question, however, I will raise the possibility of a red tape-buster in the public sector.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Rather than concentrating on reducing administrative burdens, in recent years the Department has been spending much more on Government information and communication. Is it not ironic that a Department that is responsible for cutting administrative burdens on organisations such as those of which we have heard has increased spending on just the running costs of the Government Information and Communication Service from £543,000 in 1998 to a whopping £2.38 million in the current year? How is the taxpayer expected to react to a fourfold increase in the cost of putting out the Government's message, when burdens on businesses and the other organisations of which we have heard have just gone through the roof?

Mr. Murphy: I am sad to see that the right hon. Member for Wokingham (Mr. Redwood) is on the Back Benches this afternoon. I have missed his monthly 30-second diatribe—a single transferable diatribe—on better regulation. Perhaps he will catch your eye later, Mr. Speaker.

As for the question of Government communications, it is important to communicate the fact that we have record levels of low unemployment, record levels of public investment and record levels of public service reform to support hard-working families. We should note the contrast between today's figures and those under the previous Government. They were probably not that interested in reporting to the public the millions who were unemployed, the generations stuck on incapacity benefit and the vast underinvestment in our public services.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): Local industrialists often tell me that there appears to be an ever-increasing flood of regulation coming from the European Union. What are the Government doing to ensure that such regulation is proportionate to the problems that it is designed to deal with?

Mr. Murphy: The UK Government are involved in the sixth presidency initiative, which, as the name suggests, involves six consecutive presidents of the EU in a sustained effort to reduce bureaucracy and the number of directives coming from Europe. We are heartened by the Commission's efforts in recent months. During our presidency, it announced that it would withdraw a third of all legislative proposals, and last October it announced ambitious simplification plans, involving the removal of 90 proposals. We have a lot more work to do, and this year it is absolutely crucial that both Europe and the UK deliver on the better regulation agenda that the business community supports so strongly.

Government IT Projects

22. **Dr. John Pugh** (Southport) (LD): What assessment he has made of the compensation payments paid by IT providers to Government Departments because software provided has not been found fit for purpose; and if he will make a statement. [42336]

The Parliamentary Under-Secretary of State for the Cabinet Office (Mr. Jim Murphy): The recently published transformational government IT strategy set out a concerted approach to managing IT procurement across government. Individual departments are of course responsible for procurement. If software is not fit for purpose, they may seek compensation on the basis of the contract that they have negotiated.

Dr. Pugh: I thank the Minister for that answer. Can the Government explain the public interest, and the commercial reasons why details of the compensation paid to EDS after the tax credit fiasco are not publicly available, given the apparent strength of the Treasury's case?

Mr. Murphy: Of course, the specifics on many individual procurement compensations are placed in the public domain. Revenue and Customs announced the details of the settlement with EDS, which was £71 million. I will investigate the issue that the hon. Gentleman raises, but I should re-emphasise that most IT procurements are successful; if compensation is an issue, it is for the individual Department concerned to negotiate it. There have been some good examples in recent months, such as the Secretaries of State for Defence and for Health negotiating specific contracts that are much more generous in terms of compensation.

Rob Marris (Wolverhampton, South-West) (Lab): The Minister refers to the compensation provided for in contracts. During the last Parliament, the Work and Pensions Committee, of which I was a member, looked at EDS, the Child Support Agency and computerisation in general within that department. It became clear that some contracts agreed with computer software and hardware suppliers were very poorly worded. Is his Department overseeing other departments to make sure that the wording of contracts is sufficiently tight, so that, if things break down, the taxpayer is properly compensated?

Mr. Murphy: My hon. Friend is correct in saying that there were weaknesses in previous contracts as negotiated, but the transformational government strategy, which has been widely welcomed, establishes a new way of dealing quickly with contracts, such as portfolio management across government and ensuring capacity and competition in the market. Importantly, it also provides for the recruitment to departments of chief information officers—experienced IT professionals who have first-hand knowledge of how to negotiate such contracts.

Mr. David Heath (Somerton and Frome) (LD): Returning to EDS, it is easy to blame IT contractors when, in fact, the commissioning department is at fault. Will the Minister confirm that the compressed time scale for introduction was set despite warnings from the supplier of a last-minute problem? Indeed, on 4 April 2003—the last day before the introduction of tax credits—the Government demanded a certificate of fitness for purpose, in anticipation of problems. Does not the eventual settlement contain what is described as a "significant confidentiality requirement" specifically

to avoid embarrassment? Is it not clear that that confidentiality requirement will not in any way inhibit proper investigation by the National Audit Office?

Mr. Murphy: I am not aware of the correspondence that the hon. Gentleman refers to, but I am happy to investigate the matter and report back to him. The fact is that the vast majority of Government IT projects, which are more complicated than projects in the private sector, are a success. Very high-profile examples are Directgov, the internet job bank, on which 4 million discrete job searches are made a week, and direct payment. More than 22 million individuals have had payments into their accounts enabled by successful Government IT projects and contracts.

Speaker's Statement

Mr. Speaker: Yesterday it was suggested to me in points of order that the name of the hon. Member for Bethnal Green and Bow (Mr. Galloway) had been added to a number of early-day motions when he was apparently not in a position to give the necessary authority. I undertook to look into the matter.

Anne Moffat (East Lothian) (Lab): Did you go into the house, Mr. Speaker?

Mr. Speaker: No, I watched it on the television. The motions were signed by the hon. Member and were sent in the post to the Table Office, which checked the signature, as is its usual practice. It is clear to me that the motions were signed before the hon. Member went out of contact and I am satisfied that the adding of his name was properly authorised. I have nothing more to say on this matter.

Opposition Day

[11TH ALLOTTED DAY]

Child Support Agency

[Relevant Documents: The Second Report of the Work and Pensions Committee, Session 2004–05, on The Performance of the Child Support Agency, HC 44-I, and the Government's response thereto, First Special Report of the Committee, Session 2004–05, HC 477.]

Mr. Speaker: We now come to the main business. I inform the House that I have selected the amendment in the name of the Prime Minister.

3.36 pm

Mr. David Laws (Yeovil) (LD): I beg to move,

That this House agrees with the Prime Minister that the Child Support Agency has lost the confidence of the public, that its basic structural problems remain and that it is not properly suited to carry out its task.

I am pleased that we have this opportunity today to debate the future of the Child Support Agency—and to do so before the long-awaited and, frankly, long-delayed statement that we have been expecting for some months from the Department for Work and Pensions.

All hon. Members have received many representations from constituents, usually over a period of years, about the ineffectiveness of the CSA. The concern that many of us have is that many of our constituents have now given up hope that the problems with the CSA will ever be resolved. We hope very much that when Ministers "come forward shortly", in the words of the Minister, with proposals, they will be radical and will go to the heart of the problems of the CSA. I hope that by having this debate today there will be an opportunity for Ministers to reflect on comments from both sides of the House and from Members with considerable expertise. I hope that it will not be too late to influence the shape and detail of the statement that is brought forward in a few days or weeks.

There is no doubt about the chaotic and crisis-type situation that the CSA has been in since 1993 when it was founded by a Conservative Government. I say that now to save the Minister making that point later on, because we need to focus on what we can do to tackle the problems of the CSA in the future. Clearly, it is common ground across the House that there is a major challenge to be addressed.

As far back as 1998, the Prime Minister acknowledged that the CSA had lost the confidence of the public and described it as "a mess" in need of "urgent reform". Yet seven years on, we still seem to have failed to address the fundamental problems that have been experienced from the founding of the agency until 1998 when the Prime Minister made that statement.

As has been drawn to the attention of hon. Members on the Order Paper today, we have the advantage of the Select Committee report on the subject, a very critical report from a year ago in which the Committee described the CSA as a "failing organisation" that is in crisis. In its indictment, the Committee concluded that it was difficult to exaggerate the agency's already low reputation with the public and the Committee

recommended that consideration be given to the option of winding up the CSA and plans being made for an alternative set of policies.

We know that the Prime Minister very much shares those concerns because he said so in the Chamber on 16 November last year. He said:

"I make no defence of the current situation. . . . The truth is that the agency is not properly suited to carry out that task."—[*Official Report*, 16 November 2005; Vol. 439, c. 964.]

Mr. Mike Weir (Angus) (SNP): Is the hon. Gentleman aware of this week's report in Scotland's *Sunday Mail* newspaper that the CSA's chief executive has also called for the agency to be abolished and for its functions to be transferred to other Government agencies?

Mr. Laws: I am grateful to the hon. Gentleman. I have not read the Scottish newspaper to which he refers. Judging by the looks on Ministers' faces, I would not conclude that what the report suggests will necessarily happen.

What did the Prime Minister's confusing remark in November mean? Many hon. Members left the Chamber that day hoping that it marked the beginning of fundamental reform of the CSA, but we later discovered that journalists who telephoned the Department for Work and Pensions found that people there knew nothing about what the Prime Minister had said. Indeed, they poured cold water on any idea that there would be fundamental reform.

The Under-Secretary of State for Work and Pensions, the hon. Member for Warwick and Leamington (Mr. Plaskitt), was asked about this matter at Question Time a week ago. He said that the Department's focus was on

"dealing with the problems in the agency so that we can get it on a stable footing."—[*Official Report*, 9 January 2006; Vol. 441, c. 10.]

That does not sound like a plan for dramatic change or for the abolition of the CSA.

Mr. John Redwood (Wokingham) (Con): Why did the hon. Gentleman table an entirely negative motion that contains no positive suggestions about how to reform the CSA? Is it because he does not have a clue about that, or because the acting headmaster—or acting leader—of the Liberal Democrats has not been able to make up his mind and cannot give him clearance for any positive suggestions? Would not it be more sensible to offer a solution?

Mr. Laws: I am grateful to the right hon. Gentleman for an example of the constructive approach offered by the modern Conservative party, and I look forward to hearing later what his Front-Bench team propose. However, he may be a little out of date and may not have seen the detailed paper that we have published on this matter today.

Mr. Redwood: I am talking about the motion.

Mr. Laws: Our aim with the motion is to persuade Ministers to support what the Prime Minister told the House in November. He made it clear then that he did not believe that the CSA was, in the language of the press, fit for its purpose.

Rob Marris (Wolverhampton, South-West) (Lab): Will the hon. Gentleman give way?

Mr. Laws: In a moment.

The right hon. Member for Wokingham (Mr. Redwood) will know that our motion is based on comments that the Prime Minister made on 16 November last year, and previously. We are inviting Ministers and Labour Members to do no more than agree with the Prime Minister that the CSA has "lost the confidence" of the public, that it has "basic structural problems", and that it "is not properly suited" to its task. We look forward to finding out whether Labour Members will support the Prime Minister's passionate denunciation of the CSA in its existing form, or whether they will vote against our motion.

Steve McCabe (Birmingham, Hall Green) (Lab): That is childish.

Mr. Laws: It is not childish, as we want to establish whether the Government are clear about the extent of the reforms that are needed. The Government's amendment uses most of the same text as our motion, although it omits the passage about the CSA having lost the confidence of the public. If the Minister believes that the agency still enjoys the confidence of the public, he is very out of touch.

Mr. Peter Bone (Wellingborough) (Con): The hon. Gentleman and I took part in a debate in Westminster Hall on this matter, but I was not sure from that whether his party ruled out ever scrapping the CSA. Will he clarify that now?

Mr. Laws: I should be happy to send the hon. Gentleman a copy of the document that we produced today, which makes it clear that we have believed for some time that the CSA in its existing form should be scrapped, with its functions folded into those of Her Majesty's Revenue and Customs. After I have set out some of the agency's problems, I shall go into detail about—

Steve McCabe: On a point of order, Mr. Speaker.

Mr. Speaker: I suspect that this is not a point of order, but I shall hear what the hon. Gentleman has to say.

Steve McCabe: I do not want to detain you, Mr. Speaker, but I seek clarification. If the hon. Member for

[Steve McCabe]

Yeovil (Mr. Laws) intends to refer to his party's document, should it not be made available in the Library?

Mr. Speaker: I knew that it was not going to be a point of order. What the hon. Member for Yeovil (Mr. Laws) wants to do with his document is up to him.

Mr. Laws: I think that we all anticipated the nature of that point of order. I will come back to the detailed proposals later, and the hon. Gentleman will have an opportunity then to make his views known.

Rob Marris: The hon. Gentleman refers to the report by the Work and Pensions Committee, on which I served, and I stand by that report. After reading the motion and the amendment, I want to ask the hon. Gentleman if he will support the amendment, because it agrees with the motion that the CSA has severe problems. Perhaps we should wrap up and go home.

Mr. Laws: Our judgment will be based on whether Ministers clearly indicate that they intend to scrap the agency or make fundamental reforms.

Will we find out what has happened since the Prime Minister made his grand statement, as though it was an announcement of policy that would later emerge? We have had the Minister's comments, which have made it clear that his intention is not fundamental reform or scrapping of the agency, but putting it on a stable footing. Then we had the briefings to the newspapers about the Government's great idea—the change that will make the CSA work—of tagging, which is a gimmick that nobody who is serious about dealing with the fundamental problems of the agency thinks will help to resolve them.

The National Association for Child Support Action wrote to the Secretary of State on 9 January on the Government's proposals to tag non-payers of child maintenance. The letter stated that

"it is difficult to see what benefits this . . . might bring, in view of all the enforcement powers already available. It is anticipated that current attempts"—

to fix the agency—

"will be much like the others and produce ghosts from the past to haunt the future".

Those hon. Members who are serious about reform of the CSA—and I include the hon. Member for Wolverhampton, South-West (Rob Marris) among them—will know that the detailed enforcement mechanisms form a small part of the serious problems of the agency, which were addressed in the report by the Work and Pensions Committee.

Mr. Frank Field (Birkenhead) (Lab): I am pleased that the hon. Gentleman does not support the tagging idea. A constituent who was tagged recently visited my surgery and took his tag off in front of me, and his middle name was not Houdini, so there are clearly problems with tagging. Given the hon. Gentleman's emphasis on civil liberties, would it not be a more effective punishment for people who do not pay maintenance to publish their photographs in local newspapers, alongside the amount of maintenance that taxpayers are paying on their behalf?

Mr. Laws: I agree with the right hon. Gentleman's first comment. I respect his experience in debating this issue and the commitment that he has shown to the reform of the CSA over many years. I am not entirely convinced that his proposal would work, because the low esteem in which the CSA is held by many of the people who do not pay means that they would be determined not to pay up regardless. We need to achieve a CSA that collects money, not one that focuses on a tiny number of people who are determined not to meet their obligations.

Bob Spink (Castle Point) (Con): While the hon. Gentleman is talking about extreme sanctions, can he tell us what the Liberal Democrats' policy is on the confiscation of driving licences from feckless fathers?

Mr. Laws: That sanction has been used on a very few occasions—they can be counted on the fingers of one hand—in recent years, so it has been totally ineffective in dealing with the 1.4 million cases that the CSA is handling. The hon. Gentleman will be aware that even Ministers have lost confidence in that measure. Journalists who had been briefed by the Department about the tagging proposals said that Ministers were selling those proposals on the basis that the removal of driving licences was potty because it stopped people working and therefore earning money to pay the maintenance that they owed. That highlights the problems with the Government's policy.

Before we consider some solutions, we should reflect on the manifest problems in the agency, of which there is no better summary than its obvious failure to collect money and its relation to its administration costs. At present, as the Prime Minister acknowledged in November, for every £1 in administration costs, the CSA collects only £1.85 from absent parents, and the figure has fallen over the past five years. That compares with a ratio of 1:8.5 in Australia; in other words, the Australian system is more than four times as effective as our own—*[Interruption.]* If the hon. Member for Rhondda (Chris Bryant) wants to indicate that the CSA's position is even worse than it is, I shall be happy to take an intervention. Ministers owe it to us to let us know whether they are aware of any child support system in the world that is less effective than ours in collecting money from absent parents. I am certainly not aware of one.

A second measure of how bad the CSA is at collecting the money due to it is the position on arrears. Ministers have told us on numerous occasions that arrears would be stabilised or that arrears would be paid down. When the Government came to power in 1997, the arrears owed by absent parents were £1.1 billion, but that figure has tripled to £3.3 billion, so it is no surprise that the agency's client fund accounts have been qualified by the National Audit Office in every year since the CSA began.

Mr. Russell Brown (Dumfries and Galloway) (Lab): The hon. Gentleman suggested that we could probably count on one hand the number of occasions when the

power to remove driving licences had been used. Although that may be the case, does he have any indication of the number of cases where something has come about after nothing more than the threat of the removal of a licence? In other words, people threatened with the removal of their licence soon pay up, and the vast majority are self-employed.

Mr. Laws: There are figures showing how many people have been threatened with that sanction and my recollection is that the number is in the 10s or 20s; it is certainly not huge. As I am sure the hon. Gentleman realises from his constituency, the fundamental problem with the CSA is not the absence of enforcement mechanisms, but the inability to make assessments quickly and accurately and then to collect the money efficiently.

Several hon. Members *rose—*

Mr. Laws: I shall give way in a moment, but I want to make a further point about one of the major problems with which the CSA is struggling—the backlog that has built up over a long period due to the ineffectiveness of the mechanism for considering assessments. Despite the move to the new system of child support maintenance a few years ago, the agency has a backlog of 333,000 cases—a third of a million—and of those 73,000 are more than two and a half years old. That is wholly unacceptable, as is the fact that a third of the new scheme cases that have not yet been processed have experienced waiting times of 448 days. When we consider that when the new scheme was introduced the Government were talking about waiting times of six weeks—yet it is now six months—we realise what an enormous problem the CSA is experiencing.

Mr. Mark Francois (Rayleigh) (Con): I am no defender of the CSA, but the hon. Gentleman's proposed solution is to give the problem to Her Majesty's Revenue and Customs, despite the fact that it experienced a fiasco in its own right in the maladministration of tax credits—a problem that continues ad nauseam. Given that the hon. Gentleman, like me, has often been critical of HMRC and the Treasury because of that maladministration, how can it make sense to give HMRC this problem when it cannot even deal with its own fiasco?

Mr. Laws: Precisely because it was absurd in the first place to put, for entirely political reasons, means-tested benefits into the tax Department, which is used to collecting money, when in fact the CSA, which is about raising money, should be part of the Inland Revenue. The two are in the wrong position. To think of that simply as a managerial problem is totally to misunderstand the problems with both tax credits and the CSA.

Tim Farron (Westmorland and Lonsdale) (LD): I thank my hon. Friend for bringing to the House's attention this very important issue. He rightly talks about the amount of money that the CSA fails to recoup from absent fathers, but I am sure that he is also aware that much of the money that the CSA recoups is wrongly recouped. For example, one of my constituents—an ex-husband—dutifully made his maintenance payments, but found that they were going to the wrong person because the CSA had the wrong national insurance number. Having cleared up that matter for him, the same thing happened again three months later. So even if one in five absent fathers is paying, many of them are paying the wrong person.

Mr. Laws: My hon. Friend is exactly right. Sadly, the CSA's story is one not only of a deficient structure, but of gross incompetence that seems unrelated simply to the structural issues.

Lembit Öpik (Montgomeryshire) (LD): Does my hon. Friend nevertheless agree that many of the CSA's staff are doing their best to work in a terribly flawed system and that their position is being made even more difficult by the Government's attempt to remove key workers who can go out and meet individuals on a one-to-one basis, thus making it even more difficult for those who are charged and those who are paid to correct mistakes—a problem that is particularly acute in Wales?

Mr. Laws: Not only do I agree with my hon. Friend, but he brings me precisely to the next issue that I want to raise with the Minister: the CSA's work force. At an agency with the appalling record of mismanagement and underperformance that the CSA has had since 1993, we would expect the Government either not to cut staff numbers or to increase them. Indeed, when the Select Committee on Work and Pensions reported in January 2005, it said:

> "Cutting the work force of the Child Support Agency at this critical time is the major concern of the Committee. It's a massive breach of trust for the thousands of staff who've worked hard to improve the service. It makes no sense to implement job cuts when the Agency is already struggling."

I thought that Ministers had accepted that point, because in the Government's response to the Select Committee report in March 2005, they said:

> "The Secretary of State. . . announced on 26 January that there would be no further reductions in front line staffing until the new computer system is working effectively. . . The Agency is now recruiting staff to meet current and anticipated needs."

Anyone would conclude that, at the very least, the CSA's staffing numbers would be stable, and the final sentence suggests that they could even be on the rise.

Mr. Weir: Will the hon. Gentleman give way?

Mr. Laws: I shall give way to the hon. Gentleman in a moment.

When we look at the statistics, we discover that in March 2004 the CSA had about 10,800 staff, and that by the time the Government's response to the report came out, the number had fallen by about 1,000 to 9,784. We now discover that the figure will be even lower this March—down to 9,400—and the Minister owes us an explanation as to why it has been right to cut staff numbers by one in eight at an agency that is failing some of the poorest people in the Britain and why it appears from those figures that, frankly, the Government have gone back on the clear undertakings that they made to the House about the CSA's staffing.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): As my hon. Friend has said, the Government's reply talks about a time when the IT system is working. It is clear from recent casework that the IT system is still failing badly. Many cases are being transferred on to a manual handling system, because the IT system cannot be repaired to deal with individuals' casework. Clearly, that will put even greater burdens on the staff and create even more problems for our constituents.

Mr. Laws: My hon. Friend is exactly right. We were discussing earlier the IT problems that have plagued the tax credit system, and they are obviously endemic in the child support system, too.

We could commit a large part of this relatively short debate simply to examining the deficiencies of the agency. I want to reflect briefly on the fundamental problems of the agency, and then examine possible solutions.

Mr. Adrian Sanders (Torbay) (LD): Fathers are not obliged to tell the agency when they change jobs, which contributes to enormous problems in the CSA. If the scheme were managed through the Inland Revenue, surely that would no longer be a problem.

Mr. Laws: My hon. Friend is exactly right. When I was told by an expert in the Child Support Agency that absent parents had no duty to notify the agency of a change in job or residence, I was amazed. It was only when I tabled a question to Ministers that I discovered not only that that was true, but that the Select Committee had made recommendations on the matter in its report a year ago. It also recommended that there should be a mechanism through which it could be ensured that an individual's deduction of earnings order could be transferred, because such orders are currently lost if people lose their job or decide to resign, which is bizarre.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): Will the hon. Gentleman give way?

Mr. Laws: I shall give way one last time and then I must move on.

Mr. McFadden: Will the hon. Gentleman give us a little more detail about his point on staffing? If he is proposing to transfer the CSA's functions to the Inland Revenue, is he guaranteeing that all the current staff of the agency would be able to keep their jobs? If he thinks that the current staff numbers are too low, how many more staff would he hire when transferring the functions to the Inland Revenue, and what might be the cost of that?

Mr. Laws: I am happy to say that I am making the point that it is absolutely potty—I hope that the hon. Gentleman agrees—that one in eight of the CSA's staff should be taken out over two years when the agency has a backlog of a third of a million cases, 73,000 of which have been in place for more than two and a half years. I should have thought that that would be absolutely clear to every hon. Member.

Jenny Willott (Cardiff, Central) (LD): Will my hon. Friend give way?

Mr. Laws: My hon. Friend tempts me into taking one further intervention, and then I must move on.

Jenny Willott: Does my hon. Friend agree that the combination of a heavy work load and reducing staff numbers has led to the CSA not investigating cases properly? Two of my constituents have told me that they notified possible benefit fraud relating to their cases to the CSA, but neither matter was investigated. Does he agree that that is yet another example of how an overworked CSA is unable to function properly?

Mr. Laws: I would be very surprised indeed if every Member of the House did not recognise the problem to which my hon. Friend draws attention. Many people whom I have seen in my constituency advice centre in recent months have had precisely that problem.

I shall touch briefly on the fundamental problems of the Child Support Agency before I examine some of the solutions. It is clear that the CSA is not an agency that commands respect. Many people see it not as an agency that is primarily about getting money to children, but as a means of saving money for the Exchequer. Its case load is not only heavy, but often bogged down by complex cases that might be better dealt with in the courts because of associated matters that are related to them. It is clear that the CSA cannot cope with its work load and that it is unable to link in with other agencies, including the Inland Revenue, to share information that is critical to not only making assessments, but ensuring that the money that is due is collected.

As my hon. Friend the Member for Torbay (Mr. Sanders) said, it is clear that non-resident parents should have the duty to notify changes of job and of address. It is clear to every hon. Member that there is too little emphasis in the agency on compliance and an unwillingness to use middle-order sanctions, including immediate deduction from earnings, to deal with problems. In the United Kingdom, some 19 per cent. of the CSA's cases involve a deduction of earnings order. The figure is about double that in Australia, which has a far more effective system. If we were to deal with that problem, it would have far more impact on the money raised for child support than some of the gimmicks that the Government have trailed.

Steve McCabe: I am interested in the hon. Gentleman's point about not making effective use of middle-order sanctions. Can he tell me what his hon. Friend meant when he referred to existing enforcement powers being "draconian attacks on liberties"? Are not such powers middle-order sanctions?

Mr. Laws: The hon. Gentleman has not made it clear what comments he is referring to. My point, which I am sure he is wise enough to take, is that the CSA's objective is to raise money to help to tackle child poverty and it is the agency's failure to do that—not implementing enforcement mechanisms except in a desperate

last-ditch attempt to get the money—that we really need to address. Although the agency already possesses tough enforcement powers, it rarely uses them.

Mr. Weir: Will the hon. Gentleman give way?

Mr. Laws: I must make some progress.

We believe that the CSA should be scrapped and its functions transferred to Her Majesty's Revenue and Customs. We are pleased that the right hon. Member for Birkenhead (Mr. Field) has adopted a similar position—in fact, he advised the Prime Minister to do that as long ago as 1998, unfortunately without effect so far.

Chris Bryant (Rhondda) (Lab): Will the hon. Gentleman give way?

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the hon. Gentleman give way?

Mr. Laws: I shall make some progress, then take more interventions.

Transferring the CSA's functions to HMRC would be a dramatic and fundamental change, but there comes a point where a failing agency can no longer be patched up. That is surely the conclusion that the Prime Minister has reached, which would explain his comments in November. The switch to HMRC is not only about securing a new culture and better management—although, my goodness, we need both after the past 13 years. It is about making sure that there is effective transfer of information on the incomes of absent parents who are not willing to pay, and about making sure that we can more effectively deduct money from those absent parents' earnings when they show determination not to pay. HMRC is in a far better position than the CSA to gather that information and to deduct money at source.

The CSA must retain a simple tax-like formula for assessing maintenance and we give the Government some credit for their efforts to simplify the formula since 1997. Simplicity is vital if maintenance calculations are to be made quickly and reliably.

Miss Anne Begg (Aberdeen, South) (Lab): I have not had a chance to read the Liberal Democrat document that sets out their proposals—it might have been better to state them in the motion. Will the hon. Gentleman clarify his party's position? Responding to the National Audit Office report on the complexity of benefits, his hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) said that it was their party's policy to separate the benefits system from the tax system, yet today the hon. Member for Yeovil (Mr. Laws) appears to be arguing that the element of the benefits system administered by the CSA should be part of the income tax system. I am confused.

Mr. Laws: I am happy to enlighten the hon. Lady by showing her a copy of the documents, but I suspect that she has got her wires slightly crossed. I believe that she has in mind the comments that my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) rightly made pointing out that Her Majesty's Treasury is precisely the wrong place for the administration of means-tested benefits—which is what tax credits are, after all. I am sure that the hon. Member for Aberdeen, South (Miss Begg), as a member of the Select Committee on Work and Pensions that produced the excellent report a year ago and signed up to fundamental changes, including scrapping the CSA if it was not sorted out, understands the point that I am making today.

Several hon. Members *rose*—

Mr. Laws: I shall take one more intervention, but then I must press on so that others have time to speak.

Chris Bryant: By giving way to me, the hon. Gentleman has disappointed many of his colleagues. He has made some fair points this afternoon and is right to say that all hon. Members know from their own casework the problems of the CSA, but I counsel him against using the term "scrapping the CSA". The feedback that I get from my constituency is that every time there is talk of scrapping the agency, some of the feckless parents to whom the hon. Member for Castle Point (Bob Spink) referred suddenly think that they no longer have to pay anything or make any sort of contribution. Although some of his suggestions may be good ones, I suggest that he lay off the populist rhetoric.

Mr. Laws: The hon. Gentleman is an expert on populist rhetoric, but I shall take that as one of his more measured and constructive interventions. I accept the point that he makes. We are not suggesting that absent parents should not have an obligation to make payments. We are suggesting that we should put a Government body in charge, with the powers, ability and effectiveness to do the job an awful lot better than it has been done for the past 13 years.

There are a number of other issues that ought to be part of a reform of the Child Support Agency. It is clear that we can no longer tolerate a situation where not only does it take an enormous amount of time to make the maintenance calculations, but where these are often not implemented for lengthy periods, so massive arrears build up. There must be a determined time limit within which the maintenance deductions can start. There should also be a new statutory requirement on non-resident parents to report change of address or change of job so that they are not able to get away unnecessarily with dodging their maintenance liabilities. As we said earlier, there must be a halt to the reduction of staff numbers, which is inconsistent with the failed state of the agency. There must be a more effective enforcement arm.

I hope also that the Minister will acknowledge that when we get a statement and possibly legislation, the reform will be fundamental. I hope that he and his colleagues will seek to bring in the considerable expertise that exists in this place and on the Select Committee, as well as in outside bodies. We are discussing an incredibly detailed area. I hope the Minister will consider the idea, which was recommended by the Select Committee in 1999, of a child support advisory committee that could comment on any new measures, to make sure that we get the new child support arrangements right.

[Mr. Laws]

We strongly agree with the Prime Minister that the time has come to stop patching up a system that has failed for the past 13 years. We want to see fundamental reform, not gimmickry or incremental change. We hope the Minister will give us a signal of that intent on behalf of the Government today.

4.12 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"agrees with the Prime Minister that the Child Support Agency suffers from basic structural problems and is not properly suited to carrying out its current tasks; accepts the importance of ensuring that more families with children receive the maintenance payments to which they are entitled; and notes that the Government will shortly set out its conclusions on the right way forward following the Chief Executive's review of the operation of the Child Support Agency."

I am grateful to the hon. Member for Yeovil (Mr. Laws) for giving the House the opportunity to discuss a range of child support issues. I listened carefully to his speech, which I would characterise as a great many words marching across the paper in search of a new idea. I waited to hear one, but it was absent.

Let me correct the hon. Gentleman on two key parts of the argument that he advanced. First, he made great play of enforcement, yet when he was quite reasonably challenged by my hon. Friend the Member for Birmingham, Hall Green (Steve McCabe) on what his party had previously said about that, he carefully ducked the question. I remind him that his party's previous spokesperson on the issue described the existing sanctions at the agency's disposal as "draconian attacks on liberties". I therefore doubt the veracity of the hon. Gentleman's calls for greater enforcement, because those do not match what his party has hitherto said on the subject.

Secondly, the hon. Gentleman set great store by staffing. I am anxious to correct the information that he gave to the House. In March 2005 the agency employed 9,784 staff. The latest headcount on 30 September 2005 was 10,027. The agency is recruiting, and on present trends it is anticipated that by March this year there could be 11,000 staff in the agency. As part of the recovery plans that are being put in place, additional staff are being recruited to tackle the problems in the agency. Far from his giving the impression that the number of staff is declining, the fact is that the figure is already several hundred higher than the March 2005 level and is still rising.

Mr. Laws: I am keen to establish the facts. The figures that I cited came from a parliamentary answer provided by the Secretary of State in the past month. If they are inaccurate or distorted, I want to hear about it, so we can all understand the real situation.

Mr. Plaskitt: I have seen almost all of the 158 parliamentary questions tabled by the hon. Gentleman on the subject in the past eight months, because I signed almost all the answers. I assure him that the figures that I have given him are consistent with the printed information in parliamentary answers.

Mr. Laws: Will the Minister give way?

Mr. Plaskitt: No; let me make some progress.

The third part of the hon. Gentleman's pitch concerned his party's document, which sets out what he thinks his party could do with the agency. The document seems to be highly secret, because it is not in the Library, and we cannot even obtain it from the Liberal Democrat press office.

Notwithstanding those matters, I am genuinely grateful to the hon. Member for Yeovil for giving the House the opportunity this afternoon to discuss a range of child support issues. I entirely understand his concern and that of all other hon. Members about the performance of the Child Support Agency, which is clearly unacceptable. Since the agency was set up nearly 13 years ago, it has accumulated more than £3 billion in debt. It has more than 300,000 cases awaiting an initial maintenance assessment, and 30 per cent. of non-resident parents who are assessed to pay maintenance fail to do so. That situation cannot be allowed to persist. Although the problems facing the CSA are huge, we should not forget that the primary responsibility for non-resident parents to contribute to the upbringing of their children lies with the parents themselves.

I want to describe the circumstances in which staff in the CSA are expected to operate. Many clients come to the agency when their relationship has broken down, when they have lost their job or even when private maintenance arrangements have failed. It will never be easy for the state to be involved in the difficult and emotional circumstances that often surround parents when child support becomes an issue. The circumstances are often extremely fraught, and Government intervention in relationships, money or caring for children may inflame parents who are already in a tense situation, but we expect staff in the agency who sort out child support maintenance to become involved in a mixture of all three issues.

Anne Main (St. Albans) (Con): In my constituency—I am sure this is true of many other hon. Members' constituencies, too—one unfortunate absent parent, as he is deemed, has been paying under the old system since 2003, which has caused him hardship. When I wrote to the Minister about the case, he referred me to a parliamentary answer:

"We will only make a decision on the transfer of old scheme cases once we are confident that the system and business processes are robust:"[*Official Report*, 20 June 2005; Vol. 435, c. 705W.]

Which systems and business processes require improvement, and what is the time scale? Can the Minister provide any hope for people such as my constituent, who is waiting for those business processes and who is desperate to leave the old system?

Mr. Plaskitt: The issue concerns converting cases from the old scheme to the new scheme, which has been a fundamental problem in the agency. I will go into the matter in more detail, but the summary answer to

the hon. Lady's question is that hundreds of thousands of cases are at issue. It is clearly sensible to contemplate convergence from the old scheme to the new scheme only when the IT is robust enough to support it. The problem has been that the system on which the agency depended for some time, which was thought to have some short-term faults, has turned out to have faults of a much more structural nature. It must of course be stable before we even contemplate the conversion of cases that are on the old system.

Let me say to the hon. Lady, and to other Members who may be tempted to intervene on the same point, that this issue is central to the analysis that the new chief executive has been carrying out, and we will have more to say about it shortly when we make our statement on the future of the agency.

Malcolm Bruce (Gordon) (LD): This is related, but not directly, to the same issue. The CSA's standard response to inquiries is to say that the matter has been resolved and to provide a letter that one can send to one's constituent saying that it will be cleared up. Two or three months later, one gets a letter from the constituent saying that absolutely nothing has happened, and the correspondence, which was closed, has to be reopened. Would it help the CSA if it could deal with those cases and not extend the correspondence, and the problems facing the constituent, unnecessarily?

Mr. Plaskitt: We are all able to cite examples from our constituency case files—I can do that just as well as any other Member. I completely understand the hon. Gentleman's point. The situation is symptomatic of performance issues inside the agency that are not acceptable and clearly must improve. He cites one form of the problem—correspondence that purports to have done something but has not, which means that the case has subsequently to be reopened. That creates one of the problems that the recovery scheme for the agency must address.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): Before those interventions, my hon. Friend was beginning to set out the complexity of many of the cases that people at the CSA have to deal with. When I visited the agency in Plymouth, I learned that as many as one in 10 of those cases involve multiple partners, some with as many as five to 10 partners to try to sort out. Would my hon. Friend consider isolating those complex cases so that they can be dealt with separately from the others? That might improve the performance on the other nine out of 10 cases that we all want to be dealt with more efficiently.

Mr. Plaskitt: My hon. Friend makes an interesting and pertinent point. I, too, have seen flow charts that the agency has produced showing the extraordinary interlinking between different cases. I take on board my hon. Friend's point about separating such cases. Cases in which the administration is extremely faulty and which come to us as constituency MPs often tend to be those that relate to very complex arrangements. It is in the nature of things that we do not get to see the relatively straightforward cases that the CSA handles, which are quickly processed and stay in payment without much problem for the lifetime of the maintenance agreement. However, we should bear the complex cases in mind when we are contemplating how to deal with the agency and the problems that arise, of which there are far too many in such cases. My hon. Friend makes a valid point.

Mr. Weir *rose—*

Mr. Plaskitt: I need to make a bit of progress, but I am happy to give way again.

Mr. Weir: I am interested in what the Minister is saying about the complexity of cases. Does not that go back to the original resourcing of the agency? Before coming to this House I was a solicitor, and I have dealt with the CSA, in both capacities, for some 13 years now. I well remember the naivety of those who set it up. They did not understand the lengths to which some absent parents would go to avoid paying anything for their children—the feckless parents to whom the hon. Member for Castle Point (Bob Spink) referred. That is the root of the problem, and only by proper staffing and resources will we ever get round it.

Mr. Plaskitt: The hon. Gentleman is right again to emphasise the complexity of cases and the extraordinary lengths to which some people will go to try to evade their responsibilities. We are asking the agency to deal with people who are of that frame of mind, will not face up to their responsibilities as a parent, and will go to the most extraordinary lengths to avoid doing so. That is why, as part of this debate, we have to think about the agency's enforcement powers. I will say more about that shortly.

Several hon. Members *rose—*

Mr. Plaskitt: I want to make some progress, because I have hardly started yet. I promise to give way to other hon. Members in a moment.

Before I took that group of interventions, I had started to explain the difficulties with which the agency has to deal. The provision of child support is an especially difficult aspect of welfare reform. We have struggled with it in the UK for some time, even before the CSA was established. We are not alone in that. Other countries find it difficult as well.

It is worth reminding the House, especially in the light of the previous intervention, of the position before the agency was founded. It was well described in the 1990 White Paper, from which I shall quote a paragraph. It states:

> "The present system of maintenance is unnecessarily fragmented, uncertain in its results, slow and ineffective. It is based largely on discretion. The system is operated through the High and county courts, the magistrates' courts, the Court of Session and the Sheriff Courts in Scotland and the offices of the Department of Social Security. The cumulative effect is uncertainty and inconsistent decisions about how much maintenance should be paid. In a great many instances, the maintenance awarded is not paid or the payments fall into arrears and take weeks to re-establish".

Sometimes an impression is created of a golden age of child maintenance before the CSA was set up. It is worth reminding ourselves that it never existed.

Miss Begg: My hon. Friend the Under-Secretary has highlighted the personal cost and the difficulty of getting money from absent parents when relationships have broken down. Has he any evidence that the culture of the Inland Revenue means that the people who would do the job under the Liberals' scheme have any understanding of that complexity in an already complex part of the benefits system, and of the human cost that could ensue from a system of faceless bureaucrats simply getting money out of people? The matter is far more complex than that.

Mr. Plaskitt: My hon. Friend is right. The matter is complex and there is a certain simplicity about the Liberal Democrats' repeated suggestion. They used to propose giving it all back to the courts but have recently switched to giving the system to the Inland Revenue. The courts found the complexity difficult to tackle and the results were unsatisfactory. The agency has found it difficult to deal with complex cases and, again, the results are not entirely satisfactory. Simply handing the process to the Inland Revenue would not remove complexity and difficulty. I cannot accept that somehow there is something about the Inland Revenue's administration that would not trip up over the complex relationships that lie at the heart of many difficult CSA cases. My hon. Friend is right: it is much more complicated than that.

Mr. Andrew Turner (Isle of Wight) (Con): I congratulate the Under-Secretary on finding the quote from the White Paper. Does he recall that, before 1990, the taxpayer paid for many more absent parents than is the case now? Getting rid of that inequity was the fundamental benefit of setting up the CSA. Sadly, there is now a different inequity. Two families in identical circumstances can pay very different amounts because of the disparity between the two schemes. The Under-Secretary suggests that he can foresee no date by which those two schemes will be rolled out together. Is he genuinely telling the House that?

Mr. Plaskitt: The hon. Gentleman makes two points. He is right about the cost to the taxpayer before the agency was set up. That is one of the reasons for the previous Government's decision to introduce the agency and move away from the court-based system.

The hon. Gentleman is not entirely right about the two schemes. I understand his point—I have made the same criticism of the position before today. Two schemes are running in parallel—in some ways, the position is even more complex because there are sub-divisions in the schemes. However, if he can await the statement that my right hon. Friend the Secretary of State will make shortly on the agency, he will find an answer to his point.

Before the agency was introduced in April 1993, there were two main routes for cases in which couples could not make their child maintenance arrangements. Maintenance was determined by the courts, which enforced it only on application to do so and with limited facility to trace non-paying parents. When the parent with care was on benefit, maintenance was secured through the then Department of Social Security's liable relative scheme. That involved benefits staff negotiating an amount of maintenance with the non-resident parent, who was generally paid only while the parent with care stayed on benefit. That resulted in massive inconsistency in the amounts paid, and did not support parents who wanted to return to work.

The original child support scheme introduced with the CSA was meant to address those problems. In the event, however, we had an initial formula that parents, their advisers and even agency staff just did not understand. The agency therefore hit problems from day one, but the Government's approach at the time was to introduce a whole range of legislative changes that served only to add to the complexity of the scheme, until they reached the point under the old scheme at which some cases needed up to 100 separate pieces of information to make an assessment. That had the effect of drawing staff away from enforcement and into information gathering, meanwhile leaving many more children in poverty.

Paul Rowen (Rochdale) (LD): Notwithstanding what the Minister said earlier about the use of the courts, does he accept that, in complex cases in which child care orders might already be before the court, it might speed matters up if the ability to make court orders were returned to the courts while they were already dealing with other family-related issues?

Mr. Plaskitt: I am not sure whether that was, is or will be part of Liberal policy. Perhaps when we have found the secret document that no one can lay their hands on at the moment, we will discover what lies behind that comment.

The agency has been grappling with performance issues almost from day one. Indeed, initially it cost more to run the agency than it collected in maintenance. That situation was reversed only after 1997.

As well as examining matters internally, we have looked abroad to see whether we can learn anything from schemes elsewhere. The simple answer is that no one country has completely cracked the problem of creating an effective child support system. People often quote Australia as the benchmark to which we should aspire—the hon. Member for Yeovil did so earlier. However, we are not comparing like with like—indeed, the hon. Gentleman did not do so in his speech—and I shall explain why. The Australian estimate of maintenance includes all money paid directly by non-resident parents to parents with care, whereas the UK comparison includes only the maintenance paid through the Child Support Agency. Furthermore, the Australian link to the tax system is critically dependent on the different way in which the tax system there is structured. The comparisons with Australia are not as straightforward as the hon. Gentleman might like to suggest.

Mr. Laws: I quite accept that the comparisons need to reflect the differences between the two countries. However, can the Minister cite a single child support agency in any developed country that has a worse record of collection per pound of administration than we do in Britain?

Mr. Plaskitt: I accept that point. The hon. Gentleman is entirely correct to say that our CSA comes out poorly in international comparisons of the cost per unit collected. That is precisely why we are now addressing some of the fundamental issues in the agency. We have been looking carefully at the systems that operate in other countries and feeding our findings into our recent root-and-branch review of the agency's operations.

It is not my intention to downplay or minimise the problems in the agency. As many hon. Members will know, I have been a regular critic of it myself. In this debate, however, it is important that we try to maintain an overall perspective of the situation. Despite all the well documented problems, there are nevertheless signs of improvement in the agency's performance. Last year, it collected more than £600 million from non-resident parents, and nearly 400,000 parents with care received maintenance, either via the agency, or arranged by the agency but paid directly. This equates to 529,600 children who now have maintenance as a result of the agency's intervention, and since its inception the agency has collected £4.5 billion of maintenance payments.

Over the last calendar year, 2005, case and cash compliance, accuracy, enforcement and the telephony improved. Between January and September, the number of outstanding, uncleared potential applications across both schemes fell by 8 per cent. from 362,000 to 333,000. That is still far too high, but from the trend over the year we begin to see a reduction in that number. In September, the last month for which we have accurate figures, 25 per cent. of new cases coming to the agency were cleared in less than six weeks, although the average clearance time—this is not acceptable—was 26 weeks.

Tony Baldry (Banbury) (Con): I am sure the Minister fairly accepts that the cases that tend to come to us are the difficult ones, but one thing that seems to be grossly unfair is the fact that, even in those cases where the ombudsman accepts that there has been maladministration or a claimant has been seriously let down—the worst of the worst—there seems to be no process of compensation. People can lose out really badly, and neither the parliamentary commissioner nor the independent case reviewer seems to be in any position to award decent compensation. This may involve minimal stuff such as inconvenience, but there seems to be no provision in the system for compensation to be made for losses incurred.

Mr. Plaskitt: As a matter of fact, there is the facility for compensation payments. There are payments for inconvenience—the hon. Gentleman might be thinking of those—which tend to involve small amounts, such as £100 or £200.

Tony Baldry: I am talking about real compensation.

Mr. Plaskitt: The agency can make compensation payments, some of which can be quite sizeable. We are talking about payments of thousands of pounds. If the hon. Gentleman wants more information on that, I urge him to get in touch with my Department and we will happily explain it to him.

Bob Spink: I am grateful to the Minister, who is being generous in giving way. While he is talking about improvements to the CSA, may I try to be constructive? The residence of the child may change between parents, and the new parent with residence may previously have been a feckless parent who withheld payments to the previous parent. The CSA will chase the good parent and force them to make payments to the feckless parent, but will not enable the good parent, who did not receive the money from the feckless parent, to net off the amount that they have to pay. Will he make that simple change so he can remove that injustice?

Mr. Plaskitt: The hon. Gentleman might describe that as a simple change, but I suspect that it would turn out to be nothing like so simple in the application. After all, what we must put at the centre of all this is the child. The objective is to ensure a flow of maintenance to support the child. Whatever changes we make to the scheme, it must be based on the central tenet that the purpose of having the agency is to ensure support for children who would otherwise be vulnerable.

Although enforcement is too low, it is improving. For example, in 2002–03, 2,300 liability orders were granted by the courts. Last year, the figure more than doubled to 5,600. In the first eight months of this year, the total was already 6,300.

Rosie Cooper (West Lancashire) (Lab): Like many other hon. Members, I have constituents and their children who are living in unnecessary poverty and who rely on the CSA to collect the arrears. I am interested in what the Minister has just said because I am dealing with what is patently a straightforward case, but the father is a barrister who is leading the CSA a merry dance, thwarting at every opportunity its right to collect the money. If non-paying parents, especially those who know the law, are using the system and feel that nothing will be done to enforce their responsibility towards their children, that just adds to the CSA's difficulties. What more can be done to encourage the CSA to take action against those who are wilfully doing that and what can the courts do to help?

Mr. Plaskitt: I am grateful to my hon. Friend for making that point. She is right to say that some non-resident parents will try to play the system for all it is worth and exploit every available opportunity. Many of us have come across such instances at our advice surgeries.

The agency is now taking much more action on enforcement. I have given my hon. Friend the figures on the sharp increase in the number of orders placed before the court, but may I also point out the effectiveness of the liability orders? Let us consider the case of a non-resident parent who was self-employed—often the category who are effective at playing the system—and whose debts, accumulated over four years, had grown to nearly £9,000. When the agency went to the court to take a liability order, that was enough to make that non-resident parent pay up in full. We have plenty of examples of how stepping up action on the liability

[Mr. Plaskitt]

orders, as we are doing, has the desired effect on some of those non-resident parents who have been trying to duck the system, in some cases for quite a long time.

Mr. Weir *rose—*

Mr. Plaskitt: I shall make a little progress, as I have taken a lot of interventions and I know that there are Members who wish to make speeches.

While the number of complaints about the agency is too high, it has also stabilised. In September 2005, 88 per cent. of initial complaints were resolved by the agency—or a resolution plan was agreed with the client—within three weeks. That figure is up from 74 per cent. in the previous year. I am pointing out those improving trends in order to dispel the view sometimes put about that every aspect of the agency is completely beyond hope. The truth is that the problems are sizeable, and some are chronic. The performance is not what it should be. There is a platform on which to build, however, which is in large part thanks to a dedicated staff grappling with the challenges.

I hope that the House will agree that it is essential to incorporate arrangements for delivering child support in a modern welfare system.

Natascha Engel (North-East Derbyshire) (Lab): This might be a good opportunity to emphasise that there is a distinction to be made between the performance of the CSA and the performance of its staff. I and other members of the Select Committee on Work and Pensions visited the CSA office in Hastings and were struck by the incredible dedication of its hard-working staff and the stressful nature of their work. Such people are at the front line, receiving phone calls and dealing with distressing cases involving children from broken homes. The House should recognise that when we talk about the performance of the CSA, we are talking about it as an organisation, and not about the people who work there.

Mr. Plaskitt: I am grateful to my hon. Friend for making that point. Like her, I have had the opportunity to visit some CSA offices up and down the country and to talk to staff at first hand. I wanted to do that as part of our review of the agency's workings. I share her interpretation of those meetings. The staff inside the agency are being asked to do a very difficult, stressful job. They are being asked to work with a difficult system and with IT that does not always support what they are trying to achieve. As I said, they are dealing with people whose circumstances are difficult and whose lives are quite fraught. It is not a situation in which many of us would like to find ourselves on a regular, day-to-day basis, and yet the agency's staff are doing that, coping with very difficult circumstances, sticking by the agency and sharing our determination to achieve in due course a system of child maintenance in this country that works effectively. In recognition of their efforts, we should focus on fixing the problems with the agency, not only, crucially, in respect of the children whom we are trying to support, but in respect of those whom we ask to carry out that task on behalf of the community.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD) *rose—*

Mr. Plaskitt: I will give way once more, and then I must make some progress.

Danny Alexander: I am struck that the Minister argues in the CSA's defence that its record is improving, while the amendment in the name of the Prime Minister makes clear the view that the agency is not fit for its current purpose? Which is it to be?

Mr. Plaskitt: We were doing quite well, but now the hon. Gentleman is trying to be mischievous in deliberately misinterpreting what I am saying. I moved the amendment in the name of my right hon. Friend the Prime Minister, and my argument is absolutely clear. If the hon. Gentleman will allow me to make a little more progress, he will realise that I fully support my right hon. Friend's amendment.

This is the point. While there have been some small signs of improvement, that is not good enough. As my right hon. Friend the Prime Minister said,

> "the task that we are asking the agency to perform is an extremely difficult one . . . we cannot discuss sensibly the Child Support Agency unless we are prepared to look urgently at the fundamental nature of the task that it performs".—[*Official Report*, 16 November 2005; Vol. 439, c. 964.]

So what are the fundamental issues? The difficulties that the CSA faces have been well documented in a range of areas, particularly backlogs and the building up of debt, and some of the information technology issues that we thought were teething problems turned out to be major defects.

It was because we recognised the deep-seated nature of the problems that the agency faced that we asked Stephen Geraghty, following his appointment as the new chief executive in April last year, to undertake a root-and-branch review of the agency's operations. He has given us an extremely thorough and candid assessment of where the agency stands at present. Armed with that, we need to take a sensible look at how we can get the agency on to a stable footing; but it is important to remember that, in child support, going for quick fixes has a long history of not succeeding. Our imperative is to improve the service delivered to CSA clients, so that children receive the maintenance that they deserve and non-compliant parents take responsibility for their children; but whatever we do in the future should not be allowed to disrupt the maintenance that already supports half a million children.

Mr. Frank Field: The hon. Gentleman says that Ministers have received that damning document from the new chief executive. Will we be able to see it before the Government present the House with their proposals for reform, or will access be restricted, as with the Liberal Democrats' reform programme?

Mr. Plaskitt: The difference in this case is that the report we received from the chief executive has led to, or

will shortly lead to, a statement to the House setting out in detail the Government's proposals for dealing with the CSA. That is in marked contrast with the Liberal Democrats' invisible document, which does not seem to contain any ideas—although we do not know, because we cannot find it.

Stephen Geraghty has given us his views on how we can address the agency's operational problems, and how significant improvements can be secured for its clients. Given the difficulties that I have described, it is right for us to take a proper and considered look at his conclusions—and, as I have said, my right hon. Friend the Secretary of State will make a statement to the House shortly.

We need to find a solution to the agency's problems, because in many cases parents are just not facing up to their responsibilities to their children. Worse still, a significant number of parents actively avoid paying maintenance. Some go to extraordinary lengths to do so, leaving their jobs, constantly changing address or leaving the country as soon as the agency gets close. Whatever we do in the future, the fact remains that it is the overriding responsibility of non-resident parents to support their children financially. We need to revisit the fundamental questions of what we are trying to achieve and whether we have the right tools with which to do it. Where we do not have the right tools, or they are not in the right place, we need to put together a robust plan to fix the problem—and that is exactly what we are doing.

4.48 pm

Miss Anne McIntosh (Vale of York) (Con): I congratulate the hon. Member for Yeovil (Mr. Laws) on securing the debate at such a timely point. I also congratulate the Minister, who spoke with heartfelt honesty.

I should begin by declaring an interest. I began my professional life in Edinburgh, at the Scottish Bar, when the old system so aptly described by the Minister was in place—so I benefited financially and economically under that former system, but also in terms of being paid in arrears.

We Conservatives remain vigorously in favour of the principle that absent parents should contribute to the maintenance of their children. I want also to associate myself with the remarks of my predecessor, my hon. Friend the Member for Wycombe (Mr. Goodman)—the Minister was good enough to quote him during recent parliamentary questions—who said that there is no easy solution. We are not looking for easy solutions, but I was mildly surprised to discover that we did not have the benefit of in-depth solutions from the Liberal Democrats, who have called this debate, a point to which I shall return.

I want also to record my personal gratitude to the staff of my local CSA. They are always at the end of a telephone line, but in one very disturbing case they met the absent father in question at my surgery. It was appropriate for the Minister to record his appreciation of the circumstances in which CSA staff have to work—an appreciation that the whole House will share. We must not lose sight of that point, because all too often they are exposed to criticism. I will not go over ground that has already been covered in this regard, but there are a number of issues that the Minister might want to comment on later. We remain wedded, as I said, to the principle that absent parents should contribute, but as the Minister identified, we need to improve on current practice.

The Government's amendment to the motion states that

"the Government will shortly set out its conclusions on the right way forward following the Chief Executive's review of the operation of the Child Support Agency."

We know, because the Minister was good enough to tell us, that that review has been with his Department for a matter of weeks—perhaps a little over a month. It would assist today's debate if a date were put on its publication. Will it be published before the end of this month? As the right hon. Member for Birkenhead (Mr. Field) said, it might help if we took a two-stage approach—if the House had the benefit of seeing the review before the Minister and his Department produced their proposals. Here, I will tease the Liberal Democrats by asking that their document be made available on their website. We visited it as recently as yesterday, but we were disappointed to discover—given the spirit of open government in which the Liberal Democrats want to operate, and given that they are on record as saying that they want to be a party of government—that they do not want to share their proposals with us in time for this debate.

Why was the CSA's chief executive felt to be the most appropriate person, working through the heads of the Minister's Department, to conduct this review? We agree with the Minister that it was right to conduct a root-and-branch review, but we also agree with the right hon. Member for Birkenhead that it should have been conducted less secretively, so that the House could have had the benefit of seeing the proposals. It should have been independent, more impartial and external to the Department—in the long term, the Department and the House would have benefited from such an approach.

Mr. Laws: The hon. Lady is making some extremely important points about airing the review. Does she agree that it would have helped if the Government had told us whether the review examined seriously other options for the agency, instead of simply improving it as it stands?

Miss McIntosh: That is not for me to say, but I should be very surprised to discover that the Department did not produce other options. There has been some talk of the Australian model, but I should point out that I do not entirely associate myself with the proposals of the hon. Member for Yeovil concerning the Inland Revenue scheme. One thing that the Revenue and the CSA share is that their computer systems have had not just teething problems, but major defects. I should be loth to switch from an agency with such problems to another with similar ones. However, there are parts of the Australian model that commend themselves to the House, and if the Government were to introduce such proposals they would enjoy a lot of support. One example is having one caseworker per couple or per family. Together with tax credits, this is the issue that arises most frequently with hon. Members, and it touches not just on families across the country but on many employers, and causes them considerable concern.

Mr. Field: The hon. Lady should not think that there will be substantial structural reform by establishing

[Mr. Field]

caseworkers. We want to get away from a system that treats individuals as though they are receiving, and we are computing, a benefit. The non-payment of maintenance ought to be met by imposing a tax. That would be crude, but surely we want to move to a system where, for one child, there is an additional X pence on the standard rate of tax, for two children, two times X and for three children, three times X. We should not take into account any circumstances such as how far one travels to work. We do not do that when computing tax rates, nor should we do so for the failure to pay maintenance, which is about paying tax. Before the hon. Lady dismisses the Inland Revenue, she should be aware that we are asking it not to run a social service, but to impose an additional tax rate on those who refuse to pay maintenance.

Miss McIntosh: I consider myself castigated in terms of calling the person a caseworker. I agree with the right hon. Gentleman. However, the CSA's quarterly summary for September 2005 states that the CSA received 5 million telephone calls and answered only 4.2 million, which is where much of the frustration arises. We often telephone on behalf of constituents, but they generally do the telephoning and it is a source of enormous frustration that there is not the same person dealing with the same family each time.

The Minister will appreciate our fundamental concern that it costs £12 million to run the enforcement unit, yet it is recovering only £8 million. This is an area that the Government will wish to address in the immediate future with their reforms. The Minister was admirably honest in explaining the administrative chaos and the failure to enforce maintenance payments. All of us will be able to speak with much more authority when we see the fruits of the chief executive's review.

Mr. Weir: My experience of enforcement suggests that the figures might be misleading. In many cases the enforcement procedure starts and the parent subject to the procedure makes a couple of payments and then stops. There seems to be a huge delay in restarting the enforcement procedure, and the parent who should be receiving the money gets no benefit from it.

Miss McIntosh: I have some sympathy with the hon. Gentleman's point. That may be the problem, but the Liberal Democrats have not come up with the solution. To pass the whole assessment and collection process to the Inland Revenue is flawed in one fundamental way, and that concerns the self-employed. I will take them out of the equation for the purposes of this argument, but even if an absent parent were in full-time employment, it will only be at the end of the year—particularly if he or she is in seasonal work or there are fluctuations in income—when the P35, and not, we hope, the P45, is issued that the Inland Revenue will be in a position to know what that person's income is before an assessment can be made. That is a fundamental flaw that I believe cannot be overcome.

Mr. John MacDougall (Glenrothes) (Lab): Does the hon. Lady agree that the CSA's goals were not clear when it was set up and that there was confusion about who should be targeted? In my constituency, the people who do not get caught are those who are on the move all the time. Agency staff try to build a case to catch a person, only to find that the person has moved on. They have to start all over again, and that is very frustrating. One case in my area has lasted four years. That is not the norm, but when we talk about improvements we must remember where we started from. The Government have made significant improvements in the CSA, but the trouble is that such a poor start was made that they are not catching up with the problems.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The hon. Gentleman is making a speech. Interventions should be brief.

Miss McIntosh: I am sure that we would all like to give some thought to what the hon. Member for Glenrothes (Mr. MacDougall) said, but the Minister was refreshingly honest about the problems to do with the assessment. He said that the computer problems were not teething problems, but resulted from fundamental defects in the system.

Collection management is another problem, as the hon. Member for Glenrothes noted. Still another is enforcement: inevitably, some people cannot pay, while others will not. At Work and Pensions questions last week, I made the point that the CSA is extremely good at chasing those absent parents who had been identified and who were making payments, but that difficulties arose when such people had to be reassessed as a result of changing circumstances. The CSA was set up with all-party support. I am not convinced that it is meeting its targets in respect of finding absent parents who do not wish to be found. I am sure that the Prime Minister and the Minister will agree that there is much room for improvement in that regard.

Mr. Philip Dunne (Ludlow) (Con): My hon. Friend may be about to deal with the question of enforcement, which is the key to improving the CSA's performance. Absent parents who refuse to pay often go underground and become part of the black economy. HMRC is unlikely to be the solution to that problem, as it is unlikely to capture such people anyway.

I do not want to make a speech, Mr. Deputy Speaker, but a case in my constituency has gone on for six years. The sum involved is £18,000 and the person who should pay it was the cheque writer in the company for which he worked. He refused to authorise the payments, turned self-employed and then went into the black economy. Many hon. Members will be aware of similar stories. My argument is that the Minister must deal with improving the CSA's powers of enforcement.

Miss McIntosh: I am grateful to my hon. Friend, who makes his point very well. The CSA's failure, or inability, in respect of enforcement is the key problem, and the Government must tackle it. The agency's failure to enforce maintenance payments from defaulting absent parents has left parents with care unable to support their children.

There have also been administrative errors, as the Minister rightly noted. About 25 per cent. of parents with care are not getting the moneys to which they are

entitled, and thus depend on benefits such as the absent parent payment. The Minister also mentioned the problem of uncollected payments, but other difficulties include incorrect payments and the failed audit. The independent case examiner has alerted the House to the massive increase in the number of complaints in that regard.

Stewart Hosie (Dundee, East) (SNP): Many hon. Members have set out the various complex issues that can arise in any case, but does the hon. Lady agree that the rise in the number of complaints might also result from the straightforward cases that appear to go wrong? I have constituency cases in which absent parents have made their maintenance payments diligently and on time, often for several years. However, CSA assessments have not taken account of those payments, with the result that the figure set for arrears is entirely wrong and the complaints start rolling in. Does she agree that at the heart of the problem is the fact that the CSA is failing with simple cases as well as complex ones?

Miss McIntosh: The hon. Gentleman makes a good point and I hope that it will be acted on. Sometimes the simplest cases can turn into the most complicated.

Danny Alexander: The hon. Lady has set out clearly some of the problems of the CSA. Does she agree that

"it is not properly suited to carry out its task."?

If so, what alternative proposals does the Conservative party have for its replacement?

Miss McIntosh: If the hon. Gentleman will bear with me, I shall conclude with a four-point Conservative plan—[HON. MEMBERS: "Ooh!"] That promise may come back to haunt me. Our plan is much punchier than the rather short motion, which sets out the problem in inane terms. The motion states that the House

"agrees with the Prime Minister"—

although I find it very difficult to do that—

"that the Child Support Agency has lost the confidence of the public, that its basic structural problems remain and that it is not properly suited to carry out its task."

The Minister has identified the task ahead, and key to delivering on that task is the computer system. Where we part company from the Liberal Democrats—it is why they will remain the minor third party for some substantial time to come—is on the point that if the computer system provided by a company, in this case EDS, is not working for one agency, it is unlikely to transfer to another without problems. I also have reservations because assessments of maintenance payments cannot be made if one has to wait for the P35 at the end of the year. That will cause further delays.

Mr. Laws: Does the hon. Lady accept the point that we are making in recommending that HM Revenue and Customs take over the CSA, which is the point that others, such as Resolution, have made? It is that the siting of the agency within HMRC will remove duplication and improve the flow of data about income between the agency and HMRC. Is not that the essential point?

Miss McIntosh: There is another approach that I shall come to in a moment, if I may test the hon. Gentleman's patience.

The Minister was right to say that the agency had had more than just teething problems with the computer system. It was delivered late, some 18 months after the original date. It continues to fail families and, as recently as January 2005, 250,000 cases were stuck in the system. Indeed, the hon. Gentleman said that the figure was now 300,000. The computer system was described by the Work and Pensions Committee as "defective" and the then Committee Chairman said that such systems

"are an appalling waste of public money and cause distress to thousands of people".

I agree with the Minister that we are where we are, and we must now move forward. In addition to the problems caused by the computer system are those caused by migration. Indeed, the Committee's report asked the Minister to put a date on migration, but I think that we are still waiting. Perhaps the Under-Secretary of State for Work and Pensions, the hon. Member for Stirling (Mrs. McGuire), can give us a date when she winds up. The transfer of customers from the old to the present computer base is also causing delay and concern. Figures from the CSA September quarterly statistics show that the current case load is enormous—I will not even mention the number—and that 65 per cent. of cases are in the old scheme, with 35 per cent. in the new scheme, while 306,000, or 21 per cent., have not yet even progressed to the point of calculation and assessment; and that 261,000 applications in the new scheme have not been cleared.

Mr. Jim McGovern (Dundee, West) (Lab): I, too, am intrigued by the old system versus the new one. I have many constituents sitting impatiently in the old system waiting to go over to the new one. Does the hon. Lady agree that once the new system is up and running it will ease the burden and that far fewer cases will go through the clerical route? That was originally intended to be the fallback position, but has become the norm. Pressure on the system would be eased, as would pressure on the hard-pressed staff about whom we have heard.

Miss McIntosh: I do not know whether the Minister will agree but I am rapidly coming to the view that I should advise constituents to stay on the old system until substantial progress has been made under the new one. Perhaps the Minister would like to give a date for migration during this debate, because false hopes have been raised for constituents of all Members. Short of a date, remarkable improvements need to be made in handling the computer system. I hope, too, that the Minister responding to the debate will at least mention the 0.8 million telephone calls that have not been returned. There may be a good reason for that, but House should know what it is.

Mr. Weir: There is much misinformation among the agency's clients about migration. Even for people who migrate from the old to the new system there are tapering payments, and as it takes so long to migrate, many who do so will never obtain the payments that they would have received under the new system due to the age of their children.

Miss McIntosh: The hon. Gentleman raises an interesting point, and I hope that the Minister will take the opportunity to respond to it.

[Miss McIntosh]

The Minister told us about the catalogue of missed targets. The Select Committee report showed that not one of the targets had been reached. Paragraph 31 stated:

"The Committee believes that the failure to achieve any of the Ministerial targets for the new scheme is totally unacceptable and in the opinions expressed forcefully by One Parent Families represents nothing less than a severe breach of trust."

The Committee related that failure to the increasing incidence of complaints to the independent case examiner.

As I said, we do not expect that the solution will be easy or that there can be a quick fix, but we are not convinced that the Inland Revenue is the answer. Its computer system shares many of the faults and defects of the CSA system and the Revenue has the disadvantage of not knowing a person's total income until the year end.

The Conservatives want to help parents with care and to set people free, thereby saving money for the benefits system, and thus the state, while making parents live up to their responsibilities. Obviously, two parents are always better than one, but the CSA has to deal with the situation to the best of its ability and I am sure that the House agrees that the system should be improved. The question is what those improvements should be, and I should like to go through them.

The case for the CSA was agreed with all-party support when it was set up in 1993. Wherever possible, children should be supported financially by both parents, rather than by the taxpayer, and the agency should play a key role in providing financial support to enable lone parents to get out of the benefit trap and into work.

I should like to place on record the reason we believe that the Liberal Democrat policy, in so far as it was set out—

Mr. Laws: What about the four-point plan?

Miss McIntosh: I am coming to that, if the hon. Gentleman will just be patient.

We obviously look forward—I am sure that all hon. Members who have contributed to the debate will do so enthusiastically—to visiting the Liberal Democrat website to find out when the document might be in place. However, we believe that changing the responsible Department is not the answer. It is not enough simply to point out that the Australian child support system operates under the Taxation Office and works well for reasons that the Minister correctly identified. The Australian Child Support Agency owes its success to a number of other factors that are lacking in the UK system, including continuity of case management. I hope that the right hon. Member for Birkenhead will accept that, rather than the point about caseworkers, the continuity of case management and having access to one person who is in charge of the case are the important factors.

As I said earlier, we already know that the CSA is seriously struggling. The Government are struggling to administer the tax credit system, but I will not go there today because we are all as familiar with the tax credits scenario as we are with the child support system. The well-publicised IT system failure led to 1.9 million people being overpaid and a further 700,000 were unpaid. The Inland Revenue already has collection problems, and the National Audit Office has commented that the need for more hands to sort out the tax credit problem has left the PAYE system understaffed.

The hon. Member for Yeovil has criticised the Inland Revenue's performance and, as recently as yesterday—I know that a day is a long time in politics—called for an independent investigation into tax credit fraud. We are slightly bemused about how he can support giving more responsibility to that Department when he questioned its performance as recently as yesterday.

Mr. Laws: Is the hon. Lady really saying that she has a fundamental objection to the collection of child maintenance resting with Her Majesty's Revenue and Customs, or is she simply saying that, because that Department has problems at present, now is not the time to make the transition?

Miss McIntosh: I personally have a fundamental problem with transferring responsibility from the Department, for the reasons that I have spent the past few minutes setting out. Computer problems are common to both Departments, so nothing would be gained by such a transfer—one set of harassed staff would be swapped for another. Another fundamental issue is that we cannot expect the person who is awaiting an assessment for payment from the absent parent—that is, the parent with care—to wait until the year end before the Inland Revenue can work out what the absent parent's total income was in that year. For those reasons—the computer issue and the income issue—such a transfer is simply not the way to proceed.

Martin Horwood (Cheltenham) (LD): I wish to comment quickly on two points that the hon. Lady has made. She compares the tax credit system with the CSA's problems, but surely the problem with tax credits is that underpayment and overpayment are built into the system. That is not a matter of organisational failure in the way that we suggest is the case with the CSA. She implies that the computer problems are comparable to those in the Inland Revenue. However, the Inland Revenue deals with an enormously larger number of cases and I receive almost no complaints about its systems, certainly not from my surgery case load.

Miss McIntosh: I should be very happy to share with the hon. Gentleman the complaints that are made to me about the system. I have personally dealt with a number of cases in which the absent parent's assessment of what he is due to pay has changed, but the CSA has simply not been able to react quickly enough to change the assessment and the parent has been overpaying. It is incredibly difficult to recover that money, particularly when the absent parent's income fluctuates.

In a spirit of helpfulness and co-operation and in the consensual nature of the debate, I wish to set out what we believe the policies must focus on. First, resolving chronic IT problems must be a priority, but it is difficult to do that for the reasons that the right hon. Member for Birkenhead and others have set out. It is difficult for the

House to have a full understanding of the situation, especially because it has not had sight of the Child Support Agency IT contract and hon. Members are thus not aware of the full nature of the problem. I make a plea to the Minister and the Department to give us sight of the contract so that we can find out whether the problems are more contractual, or related to delivery.

Secondly, we would like to improve management. We should rely heavily on the conclusions of the Select Committee report from January 2005. The report focuses on the lack of monitoring, supervision and training of management, and we owe it to the CSA staff to give them all those three things. I think that the Minister would not disagree that the agency lacks leadership, direction and an ethos that would allow the problems to be resolved. The Government need to address the problem, and then the new management must sort out the internal administrative mayhem that is causing so much confusion for parents and staff alike.

There should be greater focus on compliance and enforcement. I disassociate myself from the gimmick of tagging. I believe that there have been only eight cases in which a driving licence has been suspended and only five cases in the past year in which a driving licence has been physically removed. Why have the Government been so slow to use the clear enforcement procedures—the punishments—that are already in place?

Natascha Engel: On enforcement, what is the Conservative party's position on cherry-picking? That is inevitable when there is a huge backlog of cases, because a case manager will choose those that are easiest to deal with. I know of two cases that highlight the situation. I can trump the hon. Member for Ludlow (Mr. Dunne) because I know of a case that has been going on for 11 years. The woman is owed the huge amount of £20,000—I do not know whether anyone can top that—and the man is self-employed. He is in and out of the labour market, moves house a lot and has a lot of different partners, so it is difficult to find him and the agency is not prepared to make much of an effort. However, the CSA is still chasing a man who is voluntarily overpaying his ex-partner, even though it has evidence that he is paying the money, so there is an administrative error that is not being dealt with. How would the Conservatives deal with very easy and very hard cases?

Miss McIntosh: We will not flinch from making difficult choices. When I read last year's excellent Work and Pensions Committee report, I was struck by the fact , as the Minister set out, that we are asking agency staff and officers to work in difficult conditions. Two ladies from the CSA who came along to my surgery were virtually threatened by an otherwise mild-mannered gentleman—he was mild mannered when he came into the surgery, but certainly not when he went out. Training, monitoring and supervision are of key importance.

Mr. Brian Binley (Northampton, South) (Con): It seems to me that although we can talk about changing systems, we often forget that the thing works at a minute level. Our caseworkers require a great deal of sensitivity and finesse. We often forget to put training in place to allow that sensitivity and finesse to be displayed for our benefit, as taxpayers. Will my hon. Friend urge the Government to address the matter because we have not spent the necessary time on that delicate area?

Miss McIntosh: I could not agree with my hon. Friend more. He speaks with great passion and with his experience in business, so I hope that the Government will act on what he says.

Thirdly, we should foster better relationships between agency staff and both parents—the parent with care and the absent parent. The agency must allow assigned staff members to establish continuity of contact with both parents, instead of having a situation in which parents deal with a new member of staff each time they contact the agency. In its January 2005 report, the Select Committee rightly identified that approach as the one that works so well in the Australian system.

Fourthly, we would identify the functions that could be better provided by the private sector. That idea has not yet been mentioned in the debate, but I hope that it will find support on both sides of the House. Key public services should be free at the point of delivery, but there is no reason why they should not be provided by the private sector. We must consider whether some of the agency's work could be carried out by others more suited to the task—for example, the enforcement function.

We have had a good start to the debate and I look forward to hearing other speakers. I hope that the Minister will see fit to share the conclusions of the review with the House as soon as possible, perhaps even before we are told the nature of the Government's proposed solutions.

5.25 pm

Mr. Frank Field (Birkenhead) (Lab): I, like other hon. Members, congratulate the Liberal Democrats on choosing for today's debate a subject that affects too many of our constituents, who will be following the debate with considerable interest.

It was a pleasure to sit on the Government Benches listening to the Minister treat the House of Commons as though it is composed of grown-ups rather than children. His speech was serious and considered.

I congratulate the hon. Member for Vale of York (Miss McIntosh); this is the first time that I have heard her open a debate for the official Opposition and I am a great admirer of her skills. I fear, however, that she wrote her speech before she had heard how careful the Minister was in what he said and did not say. The way in which she committed the Conservative party to the Child Support Agency reminds me of a comment made by David Steel, now Lord Steel, when a prominent Liberal supporter left the Liberals to join another party: he said that he thought it was the first time in history that a rat had a joined a sinking ship. That may well be the position in which the Conservatives find themselves when they read the Minister's speech carefully.

Like other hon. Members, I pay tribute to the staff of the CSA. I have not seen the figures that the Minister has showing an increase, and a planned increase, in the number of staff working for the CSA, but I was going to suggest a reason why their number was falling. When the agency was created, people from the private sector and the public sector joined it with huge enthusiasm

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because they thought it had a desirable objective—to ensure that people pay maintenance when maintenance is due—and that they would get considerable job satisfaction from working for it. Given that we have provided them with a broken-backed IT system, it is hugely to their credit that so many of them continue to try to provide a first-class service and turn up each day to do probably the most stressful job in the public sector.

I was heartened by the Minister's speech. The Government now have the chief executive's report, although the Minister has wisely decided not to let us see it before the Government have come up with their proposals. I would be very surprised if the chief executive did not accept that his agency has deep-seated problems, which the Minister set out in a serious way, and if he did not accompany his acceptance of that analysis with a request for more money. I hope that the Government do not follow the line that the Opposition have advocated. I hope that they do not believe that the service can be patched up and that another huge tranche of taxpayers' money should be directed to an end that I believe is unachievable.

If the chief executive wants another £500 million of taxpayers' money, I would prefer it to be given to the mothers and children who do not get their maintenance. We should not try to find the end of the rainbow and think that EDS—if only we feed the company more money—will come up with an IT system that is fit for purpose.

So when we hear the Government statement, I hope that we will get two things from them. First, how can we improve this broken-backed system to provide a better service for claimants in the foreseeable future? There is no way in which long-term reform can be introduced at a moment's notice. Secondly, how do we turn our attention to that serious long-term reform?

Some of the contributions have already suggested to the Minister short-term measures that might help the agency perform better. My hon. Friend the Member for Plymouth, Sutton (Linda Gilroy) suggested taking out of the day-to-day management of the system—or attempt to manage the system—what she euphemistically called complicated cases. Birkenhead constituents would have another name for fathers with multiple cases before the CSA. If those cases were dealt with by a special unit, that might help the running of the rest of the agency. My constituents might also suggest some sanctions that should be applied to such gentlemen, who might have up to 10 children by different partners, but parliamentary protocol prevents me from suggesting what that solution might be.

As a further suggestion, is it possible to move over from the old system to the new system all those who, under the old system, have nil assessments? Most of those would be people who were on benefit when the assessment was made. Under the new system, all of them will be required to make a small contribution. Could not they as a group be moved over, or is the agency's IT system such that it cannot talk to the IT system of Jobcentre Plus? Is that the real reason why some of the obvious ways of immediately and significantly improving the performance of such a broken-backed agency are not encouraged?

When the hon. Member for Vale of York was advocating the private sector, I thought that she would roll up her sleeves and make some suggestions. As she failed to do so, let me come to her aid. We should look to the private sector to help the agency trace parents for whom we have no addresses. Perhaps foolishly, I suggested in the House that we should call such personnel bounty hunters. I did not realise that the then Secretary of State would find that too shocking a suggestion. In this country we usually speak of bailiffs. Surely there is nothing to be lost by telling the private sector, "If you can find these people, you get paid. If you don't find them, there is no fee. Finding them and getting the first payments made will attract a very substantial sum indeed."

Those are three suggestions that Ministers might consider when trying to patch up what is recognised in two parts of the House, if not the third, to be a broken-backed system that will not be made to work and is not for fit for purpose.

When I read the Order Paper this morning, I had considerable sympathy for the position in which Balfour found himself when he led the Tory party, which was riven asunder by the issue of tariff reform—so much so that one Liberal Member of the day, hearing the then Prime Minister again trying to appease both sides of his party, said that the Prime Minister had once again come to the House and nailed his colours to the fence.

Looking at the Order Paper, I wondered how anybody could not vote for the Liberal Democrat motion. I then read our amendment and wondered how anybody could not vote for that. It is the first time that our side has responded with a degree of wit when tabling amendments to the main motion. I hope that the Liberal Democrats will vote for the amendment, and that our side will pay the compliment of voting for the substantive motion.

Mr. Laws: Is the right hon. Gentleman encouraging Labour Members to support our motion when it is put to the House?

Mr. Field: Labour Members should support the Government amendment, but if it is not carried we should support the Liberal Democrat motion.

The serious message that we want the Government to take away from this debate is that the problems with the CSA are so deep-seated that radical solutions are required when the Government introduce their programme of reform. Although the number of people coming to my constituency surgery to complain about the CSA has dropped, it is not because the CSA is working better—it is because those people have given up hope of obtaining redress.

I approach this debate with sadness and shame. I am sad that I did not persuade my side to embrace radical reform in 1998 and accept that we could not patch up the system and that all new money would be wasted. I am ashamed because when I walk around the market in my constituency, people who came to me with CSA cases when their children were young no longer talk to me—in many cases, those children have left school, but their mothers have not received a penny from the CSA. I am ashamed that I have not been more effective in this place in achieving the radical reform of the CSA, because we

could have brought hope to those families. After the Government announce their programme of reform, I hope that we will not have to hang our heads in shame at how the service performs, but it is only by thinking outside the box that that might become a possibility.

When the Government make their announcement, I hope that they say that they are seriously considering using the Inland Revenue rather than adopting the casework approach favoured by the Opposition of taking complicated cases with all their details over to the Inland Revenue system. If we move to an Inland Revenue system for enforcing maintenance, we must realise that it will be crude. We cannot build in all sorts of circumstances for the Revenue to take into account before it computes maintenance, because we will move from working out a benefit to working out a tax rate.

The Government should examine converting maintenance payments to x pence in addition to the standard rate of tax for each single child, 2x pence for two children, 3x pence for three children and so on, in which case we would not have to lobby the agency about special circumstances that it should take into account before our constituents pay maintenance. Such a system would be crude, but it would be more effective, because more money would be delivered. It would also allow CSA staff to get on with what I thought they would spend the vast majority of their time doing when we first debated the agency—trying to ensure that the will of this House is enforced when it comes to supporting children.

I want to say again how impressed I was by my hon. Friend the Minister's contribution, which it would pay the Opposition a huge dividend to read carefully tomorrow. From what the Minister has said, the Government have clearly moved on from the bunker mentality that they must defend the agency at all costs—the staff know that the Government are sympathetic given their task. The shame that I feel when I greet constituents who are yet to receive a penny in support is not because the staff have failed, but because this House of Commons has failed to set up an agency that at least has a chance of success, which is what I will look for when the Government introduce their big reform programme.

5.39 pm

John Barrett (Edinburgh, West) (LD): I am sure that I am not the only Member in the Chamber to be experiencing a sense of déjà vu. With the possible exception of newly elected Members, many of us have been here before. We have heard different Members stand up and speak on behalf of their constituents and seen different faces fielding questions at the Dispatch Box.

Sadly, however, things have not improved. The Child Support Agency is still failing in its principal aim—to ensure that children whose parents do not live together are financially supported in a fair and just manner. The last time we debated the issue in this place, the CSA was failing to meet that aim. I would have liked nothing better than to come here today to congratulate the Minister, on behalf of my constituents, on achieving real progress and improvements in the system. However, the Minister will not be shocked to learn that I am unable to do so. The CSA has been a constant source of pain and misery for my constituents from the day on which I was elected in 2001 right up to my most recent surgery appointment last Friday. I would be hard pushed to say that I have noticed any real improvement in the system in the past five years. For as long as the CSA remains, hon. Members will continue to see problem cases in their surgeries and Ministers should expect to respond time and again to debates such as this.

I compliment my hon. Friend the Member for Yeovil (Mr. Laws) on his excellent introductory speech. In the Liberal Democrat 10-point plan that he mentioned, it is all summed up in the first sentence, which, under the heading, "Proposed Solutions", says that we believe that the existing agency should be scrapped. There are nine more detailed points, which I am sure that the Minister will mention when winding up.

Hon. Members on both sides of the House will recall the cross-party support that greeted the Child Support Act 1991 and the subsequent creation of the CSA. When it was established, it was supposed to be a mechanism for fairness and justice; in reality, it has proved to be a failing organisation that is ill-suited to its task and unable to help those who need it most. The unavoidable fact is that not only is it not working as well as it should, but that for many people it has never worked well, and for others it has been a complete disaster. The figures tell their own story. In the past four years, there have been 35,000 cases of maladministration. Unpaid maintenance is running at £1.7 billion. However, I will not concentrate too much on the figures, because we will become embroiled in squabbles about their authenticity, partly because we have heard them all before. The more important reason why we must not allow quarrels over statistics to hide the real stories lies in the details of those stories of hardship and misery caused to those dependent on the CSA.

Perhaps the most extraordinary case that I have come across was that of one of my constituents, whose case is rumbling on five years after her original application. In 2000, she gave the CSA all the necessary documents. After hearing nothing for several weeks, she contacted it again, only to be told that it had no documents about her and she should send them off again. A few days later, she received a letter from the CSA returning the very documents that it had told her that it did not have and asking for more information. She phoned the Hastings office to be told that it was dealt with at Falkirk; Falkirk told her that it was being dealt with at Hastings. Such stories do little to inspire confidence in the system. Eventually, my constituent's papers were found in the Hastings office and a maintenance calculation was made, but no payments were ever forthcoming. The CSA kept on adding the missed payments on to arrears. Unsurprisingly, those payments were not made either.

Two years after the original application was made, the CSA got round to making a liability order to the sheriff's office. It took another year for a public auction of the ex-partner's office goods to be organised. At that auction, he handed over a £1,000 cheque to the CSA, but it was no surprise to hear later that it bounced.

While all this was taking place, my constituent rightly queried the exact amount of child maintenance awarded by the agency. She advised the CSA that her former husband had a variety of properties for which he received income and that he was in full-time work. Yet

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those figures were not included in the CSA's calculation. To this day, it appears that it never carried out proper investigations to verify the former wife's claims.

Such delays are bad enough but the case highlights two further systemic problems with the CSA that I wish to raise. First, the agency often takes the former partner's declaration of income at face value. That is often a particular problem—to which the Under-Secretary referred—when the former partner is self-employed and it is difficult to verify the profits and income independently.

I came across another case that involved a former husband who claimed that his income was £100 a week, on which the CSA calculated maintenance. Yet he had a new car, had recently been on holiday and had bought a new house. Is it possible that the CSA accepts the figures too easily and does not conduct proper investigations, which would find that no one who lives on £100 a week could have that lifestyle?

That leads to the second problem: the former partners—the women—often have to become detectives. Lack of action by the agency means that the parents with the care of their children must sometimes turn into private investigators. They have to prove that the income of the non-resident parent is higher than is declared, rather than the non-resident parent having to prove that their income is as low as they claim. That simply cannot be right.

Last Friday, I met a constituent, Jacqueline Peterson, to discuss her continuing problems with the CSA. Mrs. Peterson was divorced in 2003 and has had to follow up her former husband's activity. He is now remarried to a Russian internet bride, has bought a brand new hotel and a new house and runs around in a Mercedes, yet his CSA calculations are based on his income of less than £5 a week. Mrs. Peterson has been given no award. Perhaps the least that could be done is the withdrawal of his driving licence to stop him running about in his Mercedes.

In my experience, that is not an isolated incident. In too many cases, the CSA has taken the word of one parent—often the father—as gospel and left the other, who is inevitably the mother, to chase up further details. She has to fight effectively to clear her name and is guilty until proven innocent. The CSA was not supposed to be about that. The fact that those women do not go screaming from roof tops, crane tops or Buckingham palace does not mean that they do not suffer or are any less deserving of justice for themselves and their children.

I appreciate that other hon. Members are keen to speak and I shall therefore watch the time. Let me briefly mention IT. Other hon. Members have referred to the Work and Pensions Committee report, which was fairly damning about the new computer system. The costs and the cases have been well documented. Like other hon. Members, I do not believe that the problem is due to the front-line staff. Last year, I visited the CSA call centre in Falkirk and it was clear to me that the staff are not the villains in the story. Staff turnover and sickness rates are testament to the pressures under which they operate. Unfortunately, the price of the excess pressure is paid by people who rely on the system.

What is the latest position regarding staffing levels at the CSA? The Under-Secretary's figures do not compute exactly with those given in written parliamentary answers to my hon. Friend the Member for Yeovil.

Last year, I was given information about the company behind the much-maligned IT system. I am sure that the Under-Secretary will understand my concern at being told that the bottleneck of cases, which clogs up the computer system, was not caused purely by the system but by the Government's unwillingness to employ the necessary number of staff because of their fixation with reducing the number of civil servants. I was informed that IT suppliers were more than willing to take the rap for the CSA failings in order to secure far more lucrative contracts in future, including providing the IT system for the proposed identity card scheme.

Although it is right to understand why the CSA has failed and to apportion blame if necessary, that does not change the fact that the system fails those whose well-being it is supposed to safeguard. It does not matter whether the Under-Secretary decides to blame staff management or the previous Conservative Government. The harsh reality is that the CSA is riddled with failings. There is little point in giving a building a new lick of paint if the foundations have been poorly laid. The system makes life worse for people who are already in difficult circumstances. Indeed, I have heard claims that the CSA may be the biggest administrative disaster in the history of the welfare state.

The Minister will know of my party's long-standing policy to abolish the CSA and to move its assessment and enforcement functions to the Inland Revenue. Given the amount of cross-checking with the Inland Revenue that the CSA needs to do—but does not always carry out—that would seem an entirely practical and sensible solution. I accept that the situation will not be remedied overnight. However, this is a serious proposition and could provide the kind of government that this Labour Administration are so fond of. The fact is that far too many children are not getting the money that they need and deserve. Clearly, that is often the fault of the absent parent, but the Minister must nevertheless accept that, in too many cases—tens of thousands of them—children are not getting the help that they need because of the direct failure of the CSA to act quickly, effectively or at all. I keep hearing about the Prime Minister's eagerness to secure a political legacy. If he is looking for ideas, might I suggest that putting the CSA out of its misery would be a good place to start?

5.50 pm

Ms Dari Taylor (Stockton, South) (Lab): I am pleased to have the opportunity to speak in this debate. I should like to remind the House that more than 600,000 children are benefiting from child maintenance payments today as a result of the Child Support Agency's work. We should not drop the agency as carelessly and indifferently as has been proposed by the Liberal Democrats. I should like to put it on the record that I have worked with many CSA officers over nearly nine years. They have visited my office in Stockton from Falkirk, and delivered in a careful and considered way to many of my constituents. They have resolved many of their problems, and it is important to remember that if we carelessly underestimate and undermine their profession, we will reap the reward.

My first real statement to the House this afternoon is about the effect of family breakdowns on children. The CSA does not cause those breakdowns, and I am well aware that it cannot mend them. I chair the all-party group on adoption and fostering and I take a keen interest in children's policy. I should like to remind the House of some of the most hideous situations that can arise when a father walks out. Children are left, suddenly and without explanation, and they do not understand why. They feel totally unloved. That situation becomes infinitely worse when the child begins to realise not only that their father has walked out—95 per cent. of non-resident parents who have walked out are men—but that he is now deliberately going to evade his responsibilities. Such situations have a marked effect on children, not only at the time but throughout their life.

Children often have to come to terms with the fact that their father is still living in the same town while claiming not to. He might actually be avoiding meeting them, yet they know that he is there. I have evidence of cases in which the father works abroad for a period of time then comes back, yet, as far as his responsibilities to his children are concerned, his family are invisible to him. This is a serious and significant problem, but we should not forget that more than 600,000 children are now being supported by the CSA.

David Taylor: Does my hon. Friend agree that the Liberal Democrats demonstrate a touching faith in suggesting that the obligation for the non-resident parent—usually the father—to notify changes of employment and residence would have a significant effect? Does that not underestimate the ingenuity and deviousness of many non-resident parents? Does it not also fail to recognise the nature of the economy—self-employment, agency work, casual or freelance work—in which many of them work? They often lack the kind of permanent employment that could provide the necessary links to the CSA.

Ms Taylor: I could not agree with my hon. Friend more. One of the most difficult issues is that some men are capable of becoming completely invisible to those who would ensure that they fulfil their responsibilities.

I speak from experience this afternoon. We have heard it said time and again that the CSA—which, implicitly, means its officers—is totally failing. However, I suggest that it is the determinedly clever men—who know all the tricks in the book and who will evade whatever system we introduce—who are the problem. We have given the CSA's officers an impossibly difficult task to perform. The Minister spoke earlier with great care, and I was pleased to hear the cautious and careful way in which he was prepared to suggest reforms to the CSA. I want to suggest to him that the agency should separate the families in which the men are deliberately evading their responsibilities, and take them out of the system altogether. Let us then look at a system that could specifically respond to those circumstances.

Alternatively, we should give the CSA investigatory powers to ensure that it can authorise surveillance to produce the evidence to stop the evasion. I want to persuade my hon. Friend the Minister that such an approach is essential.

Jo Swinson (East Dunbartonshire) (LD): The hon. Lady says that part of the problem is the determination of some non-resident parents to evade making payments. One way of forcing such parents to pay is to issue a liability order. However, a key problem with the system is that, while a liability order is progressing and someone is paying off their arrears, they cannot be made to pay their regular monthly payments. Arrears therefore continue to build up, and further applications have to be made for liability orders. Does the hon. Lady accept that non-resident parents are not the only problem, and that these basic flaws in the system also play a part?

Ms Taylor: I agree with the hon. Lady. I would not for a minute want to stand here and say that the system had integrity. It has many problems. However, CSA officers are handling 1.4 million cases. That figure grows exponentially every year, yet everyone wants their own case to be handled immediately. The system does not have integrity, but I am delighted that my Government are reviewing it and I hope that we shall come up with solutions that all of us can live with.

It is crucial that we all speak from our own experience, and I have had nearly nine years' experience of handling problems with the CSA, in different ways at different times. I must stress to the Minister that investigatory powers and significant resources should be given to the CSA. It should have the right to pay for surveillance activity. It should have the ability to follow up leads, for example, and to access people's mobile phone records.

Many of the women I speak to have expressed their enormous distress at being hounded on their mobile phones because their former partner has their number. I tell them to change their SIM card, but that is easy for me to say. I have an income, so I can afford to do that. Most of these women are stuck, and cannot afford the cost of changing their number. They are therefore resistant to the idea of getting rid of their phone, even though the former partners are hounding them. We ask the police to check a mobile phone's records, but they say that they need to be paid to do so. The CSA has no ability to pay the police to check mobile phone records. I want it to be able to say to the Inland Revenue, "We want this information now. We want this person to be tracked." But it does not have the power to authorise that. The Minister has stated today that there are problems of enforcement, and of course I agree with him. However, we cannot talk about enforcement in a vacuum. We must examine the way in which investigations should proceed.

Mr. Frank Field: May I make a plea to my hon. Friend, whose argument I am following carefully? Will she make a comparison between what happens in our local authorities when people do not pay their council tax and what happens with the CSA? In Wirral, people who do not pay their council tax go before the court. Even if they do not turn up, a charge is made against them, and the bailiffs are then sent in to recover the

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money. Why should we expect CSA staff to take on the role of bailiff? There is a service there; surely we want to embrace it.

Ms Taylor: My right hon. Friend makes an excellent point.

I want to move on. Many people speak as though the old system, which is extremely complex and dysfunctional, is the problem and the new system will, somewhere along the line, give us opportunities. I do not think that anyone has said that in the Chamber this afternoon. Of course, many fathers say it to me because they think they will be paying less, but the people involved in only 12 of my cases under the old system want to be on the new one. I have a multitude of new cases that remain up in the air because we are struggling to get the appropriate evidence to make the errant father pay up.

I want carefully and without naming names to outline two cases that are so valuable in terms of what I believe we need to be doing. Mrs. X was married for eight and a half years. Her husband left her; she had a son of six. The child is now 16 and she is owed £50,000 in arrears. This is an abysmal situation. The husband, Mr. X, claims to earn £22,000. The fact is that he works for an American company in Dubai and earns £52,000. He lives in a house worth £300,000 and has a mortgage for £215,000. That is evidence, but we cannot get it on paper. Because we cannot present that evidence on paper, we cannot get that man to pay up. In two years, Mr. X will have worked it brilliantly. The child will be 18 and there will be no more responsibility. It is highly likely that the child will go to university, and it will be the taxpayer who pays.

I have another case, which I will describe to the House because I am so thrilled. It involves Mrs. Y, who took on Mr. Y with great support from the CSA. However, its investigatory powers are poor. This man claimed not to be working, but he works for an American company abroad and moves around a lot. She found out where he was living and checked on him. How she got the information I do not know, but she managed to produce concrete evidence of this person's income. She found that out; the CSA does not have the investigatory powers to do so.

Mrs. Y discovered where Mr. Y was living, produced a marriage certificate and obtained his mobile phone records. This woman should be employed by the CSA. She is one serious bit of kit.

Mr. Field: She should run it.

Ms Taylor: Mrs. Y now has sufficient evidence and the CSA has brought a case against Mr. Y. Enforcement action has been successful. I have a multitude of such cases, and I ask the Minister to consider investigatory powers.

No wonder CSA officers feel stressed; if they have heard much of what has been said in the debate, they will be feeling even more stressed. I meet them each month at my Stockton office. They have a clear sense of professionalism and they are determined to deliver, wherever and however, for the families, most particularly the children. I say to the House, please remember that CSA officers are handling 1.4 million cases, and that figure is growing. They are supporting more than 600,000 children and have collected £4.5 billion in maintenance.

I have pleaded for the Minister to consider investigation. I also suggest that he take out of the system the multi-difficulty cases involving those who are deliberately avoiding and evading, and who will continue to do so. Equally, let us put in the system people who want to pay—those who have a responsibility and who feel it appropriate—but properly, through the organisation. We must remember that when marriages break down, speaking to each other decently becomes more and more difficult. We should not think that having two families to care for is easy.

We need a system whereby the decent parent can feel reassured that his payments are appropriate and are going to the children. This is the plea of all pleas: if Mrs. Y is not to be employed by the CSA—

Mr. Field: As chief executive.

Ms Taylor: As chief executive, as my right hon. Friend says. If Mrs. Y is not to be employed by the CSA, let us hope that we can get the IT system working, because we are putting too many children and vulnerable youngsters in too many unstable families due to a situation that they should never have to face. Frankly, we as a society will rue the day if we are unable to put this right.

6.5 pm

Mr. Mike Weir (Angus) (SNP): As I said in an intervention, I have dealt with the Child Support Agency for some 13 years, first as a solicitor and then as a Member of Parliament. I remember as a solicitor dealing with many cases relating to child maintenance and divorce. I found them the most emotionally draining to deal with, although I dealt with lots of other things as well. I cannot imagine what it is like to go into a CSA office day after day to deal with nothing but such cases. It must be a terribly stressful job, and I have a great deal of respect for the staff who do that.

I reiterate what was said by the hon. Member for Stockton, South (Ms Taylor): the staff should not be attacked, as it is not their fault that there is a problem with the agency. They are dealing with a very difficult situation. I understand that there is quite a large turnover of staff at the Falkirk office. That is partly because of the stress of the job—it is not surprising. I must also say to the Minister that these are probably not the best paid jobs in the civil service. We all know what is wrong with the agency.

I also mentioned earlier a report in Scotland's *Sunday Mail*, which describes the famous report from Stephen Geraghty, which we have not seen, as a

"damning report"

that

"calls for the agency's work to be shared between other Government departments."

The article is headed, "We Don't Deserve Any More Support, Boss Says CSA Must Be Axed". I do not know whether he is saying that and the Minister will not tell

us, but it is interesting that the counsel of despair has perhaps gone so far that the CSA's own boss does not see any great future for the agency. Having said that, I have some sympathy with the Minister's comments because, whatever we do, we have to have the CSA or something like it.

Every constituency MP will have filing cabinets full of cases involving the agency. Those are certainly the biggest component of my case load, although complaints about tax credits are fast catching up. That is my objection to the Liberal Democrat proposal: to transfer the agency's functions to the Inland Revenue seems to me to be the equivalent of wilfully leaping out of the frying pan directly into the fire.

The tax credit system is also failing those whom it is supposed to help. Indeed, several constituents have told me that they are so sickened by their treatment that they will no longer claim tax credits. That is a terrible indictment of the system. Adding to that chaos the chaos of the CSA would be insane. It should not be done.

There is also a practical problem: the CSA works with one computer system while the Inland Revenue works with another. Are those systems at all compatible? Can we transfer, one between the other, or are we to pay the famous EDS another massive sum for a computer system that can run both together?

As I also said earlier, the agency's problems go back to its very foundation. When the agency was established, there seemed to be no appreciation among those involved in setting it up of the lengths to which some parents will go to avoid taking responsibility for their children. In many cases and in many ways, it seemed that the agency almost tried to disguise that problem by concentrating on those who would pay, or at least pay something. That led to hundreds of cases in which huge arrears grew up, with little or nothing being done, although other parents were harassed by the agency. In my view, the agency has never got over that initial problem. What is in principle a good idea was undermined from the outset by its rushed introduction.

I asked some parliamentary questions about the number of cases of arrears in my relatively small rural constituency. I was told that 600 cases had been outstanding for more than three months in Angus alone, and 26,000 across Scotland as a whole. That is an appalling situation. One case, in which the problems are compounded by various appeals and reassessments, has been going on for 10 years and continues. The parent with care is at the end of her tether, and who can blame her? Another case, which is far from unique, was sent for enforcement and reached the stage at which the agency threatened the absent parent with imprisonment. He paid a little, and a schedule of payments was agreed. He paid for a couple of months and then stopped. Nothing was done. When action was eventually taken, the process started from scratch. Why on earth are such cases not rigorously monitored to ensure compliance? The answer in part, of course, is that there are not the staff to do it. Monitoring of compliance, however, is important.

It is not just the agency that is at fault. One of the problems is that the agency has the ability to take people to court for failing to provide information or providing false information, which is a criminal offence that can go to the sheriff court in Scotland. I understand from those working in the agency, however, that many such cases that are reported to the court are not proceeded with by the fiscals. There is an urgent need for a multi-agency approach to link up the agency with the court and to make sure that the court plays its part.

The Minister might think that it is my favourite reading, but there was another story in last Sunday's *Sunday Mail*—*[Interruption.]* I am trying hard. The case that it narrates is of someone who is owed £15,000 for a 14-year-old child. The case was taken to the court, but the sheriff decided that the father was

"a drinker and a gambler and did not have the money to pay her."

Again, that is a terrible indictment of what happens. If cases go from the CSA to the court, the court must play its part.

There are numerous cases with large outstanding arrears. When the Scottish Affairs Committee examined the agency a couple of years ago we were assured that the collection of arrears was a priority. It seems that nothing has changed in the interim, however. I still have constituents who are chasing huge arrears, and worse still, in one recent case, a constituent who had been chasing substantial arrears for two years was suddenly told, "Sorry, it's a mistake; no arrears are actually due." The information given by the agency to parents is often at fault. As has been pointed out, there is contradictory information in letters, saying that things are being done that are not done. The case might come back a couple of months later, questions are asked about why nothing is being done, and the chase starts again.

It is not just parents with care who have legitimate cause for complaint—there is the question of absent parents, not all of whom are trying to avoid payment. Indeed, in my experience, an awful lot of them accept that they must pay, but there are now at least two different systems, and in some cases there seem to be up to six operating in different areas. At least two are operating side by side, and people in identical situations can pay hugely different amounts. One constituent who contacted me recently pointed out that he was on the old system and was paying around £500 per month, while a work colleague in an identical situation who was on what I suppose we could still call a new system—although it is some three years since it should have been introduced—is paying less than £200. Such glaring and obvious inequalities fuel discontent and undermine the agency still further.

A steady stream of constituents have that complaint, and there is little that MPs can do. If we contact the Minister—I am sure that most of us have done it—we get the formulaic reply that it would be irresponsible to transfer old cases on to the new system until such time as there is certainty that the computer system is robust. That is fair enough, but how long does it take to get a robust computer system? It is now three years since the new system was introduced, and yet few cases have been transferred.

As I also pointed out earlier, it is worth noting to constituents that even being transferred to the new system might not necessarily help. There is a common misconception that many men, when they are transferred from the old to the new system, will immediately have a large fall in payments. That is not the case. There is a taper, and because of the delay in

[Mr. Mike Weir]

introducing the system many who have children in their teens will get no benefit from a transfer now. Even under the new system, one fifth of cases contain errors.

As I said, I have some sympathy with the Minister. I do not blame the Government for all the problems of the agency. They inherited a mess, but they have now had eight years and the mess does not seem to be getting much better. Urgent action is now needed. A fundamental root-and-branch reform of the agency is required. I do not have all the answers—I wish that I did, as perhaps I would be made chief executive, which I am sure is worth a lot more than standing here. When the new system was introduced, there was real hope that the mess would be tackled, but nothing seems to have improved.

I do not support the abolition of the agency, because, as I said, something would have to be put in its place—if not the agency, then something similar. We cannot go back to the old courts system. I cannot speak for the courts in England, but the courts in Scotland could not cope with a massive influx of child support cases. It would overwhelm the system and lead to utter collapse. The one point that the old system had in its favour, which struck me when the Minister outlined it, was an ability to have a quick interim assessment made on ex parte statements. If 300,000 cases are awaiting even the initial assessment, it seems to me that one way to get some speed into the system would be to reintroduce the interim assessment, either through the courts or some other agency, that will at least give a quick decision that will allow enforcement while a full investigation is made of the facts.

In a previous debate in Westminster Hall, the Minister gave an assurance that there would be no job cuts in the CSA until the problems had been sorted out. There have been various comings and goings about the numbers in the CSA, and I do not intend to enter into that argument. There is, however, a question of resources—we need people who can do the investigation, the calculation and the enforcement.

To ensure fairness, all cases need to be treated in the same way, to ensure that the pubic have confidence in the agency's methods. That means that we must go forward and move everybody on to the same system. To cut the Gordian knot, that must be done. We cannot continue with the complexity of different systems—an old computer system, a new computer system, a manual system and a part-manual system. I cannot understand why there are so many systems. The case of one constituent on the new system, for some reason that I could not understand, would not work on the computer, so it went back to a manual system, but she was told that she had to phone the agency every month to remind it to take the money and pay it into her bank account. That seems a bizarre way to proceed.

The agency has lost public confidence. Root-and-branch reform is necessary. I do not support a transfer to the Inland Revenue, which would be going from bad to worse. I can happily support the Liberal Democrat motion, because it does not provide a specific solution, and I can also happily support the Government's amendment, which recognises the difficulties with the agency. While it mentions Stephen Geraghty's report, however, it does not tell us what is in it and what the Government will do. Until we get that information, all that we can say—*[Interruption.]* The Minister says that we will get it soon, but how soon is soon? In this place, soon seems to be anything from tomorrow to next year. If there is a date for an announcement, let us hear what the Government have to say. Reform is urgently required, and I think that the Minister accepts that it must be a root-and-branch reform and a real cleaning out of the agency.

6.19 pm

Martin Horwood (Cheltenham) (LD): I join other Members in praising the dedication of the staff of the Child Support Agency. I agree with the right hon. Member for Birkenhead (Mr. Field), who is no longer present, that it takes some dedication to work day after day for an organisation that faces such problems. A late friend of mine who was a management consultant for the agency said as long ago as the 1990s that it had failed the dinner-party test: its staff were not prepared to admit that they worked for it when they met people for the first time over dinner. The problems seem to have continued and multiplied since then. I shall cite two constituency cases, which demonstrate that the scale of evasion is not the only cause of those problems. Systematic inefficiencies, poor systems and the poor quality of decision making in the agency cannot be overlooked.

A constituent of mine first made a claim on 15 October 2004. Rather unusually—because, as she rather charmingly said, she had heard that the CSA was not a very efficient organisation—she kept a log of what followed. After 11 months, 22 telephone calls and two faxes, her log contained a litany of computer problems, calls, complaints and information that had not been acted on, promised updates that had not been given, and failure to act on payment defaults on which she had been told that action had been taken. No effective work was done on her case for month after month and, inexplicably, the whole case was transferred from Dudley to Plymouth halfway through. It all culminated on 6 September 2005 with a call from a CSA caseworker, who offered to help her with her new claim—11 months after the original claim had been submitted. As any manager knows, such inefficiency increases not just the queue but the burden. It complicates the position and makes it worse.

In the second case, a couple separated and the child stayed with the woman. She made a claim through the CSA and a payment assessment was made. The amount was not paid by her ex-partner, who was self-employed. The extent of the arrears is a matter of dispute between her and the agency, but there certainly were arrears. At that stage, the child moved house from one parent to the other. The woman's self-employed ex-partner then made a claim against her for payment. Because she was a salaried public employee, she automatically had to pay. She was therefore paying twice—she was paying for the period during which the child had stayed with her and also for the period during which the child was staying with her ex-partner. When we asked whether the arrears could be offset against the payments, we were inexplicably told that they could not. Apparently, it was beyond the competence of the agency even to entertain the idea.

I feel that that case constitutes an argument for some separation, or a degree of escape, from absolute dependence on the receipt of payments from one partner

before payments are made to the other. Surely the reputation, at least, of the Inland Revenue might give people pause before they evaded payments in such a systematic way. While certain schemes may have caused problems, that reputation, and the Revenue's general efficiency, suggest that it should be given responsibility.

Would tagging have helped in either case? Of course not. The CSA is an organisation that has been in crisis for many years. The platform on which the Minister wanted to build is broken. The agency is not fit for its purpose and it is time to return to the drawing board, preferably with cross-party support if it can be mustered. I see no ideological divide; I simply see a very serious problem, the victims of which are children and families in my constituency and across the country. That problem has been allowed to drag on for far too long.

6.23 pm

Paul Rowen (Rochdale) (LD): I am grateful to my hon. Friend the Member for Yeovil (Mr. Laws) for initiating the debate, and to the many Members who have made such thoughtful contributions to it. I think that the welfare of the child is at the heart of all our concerns. Notwithstanding what was said by the hon. Member for Stockton, South (Ms Taylor), many thousands of young people are still not receiving the support that they so richly deserve. Like many other Members, I look forward to hearing from the Minister how the Government propose to restore confidence in a process that—as the right hon. Member for Birkenhead (Mr. Field) rightly said—is half broken.

The fundamental issue, as was eloquently pointed out by the hon. Member for Angus (Mr. Weir), is the lack of public confidence in the CSA. That was brought home to me forcefully during the summer recess when a friend told me about his two daughters, both divorced and both with children, neither of whom was bothering to chase up support from the children's fathers through the CSA. They had been so put off by the experiences of friends that they decided to go on bringing up their children on their own.

The Minister made much of the need for more enforcement. How does he propose to make that work? I am currently dealing with the case of a grandfather who is bringing up three children on his old age pension because their mother has died. A court order was issued last March, and in November the police were still refusing to enforce it and take the father to court. Last week, I received a letter from the police saying that as the father had had an accident and been taken to hospital, they would not pursue the case further. That is unacceptable. If we are to have enforcement, we must have enforcement all along the line. All the agencies involved must ensure that those who refuse to pay are brought to book.

In his answer to the question that he was asked in November, the Prime Minister said that he felt that the CSA was trying to do too much—that it was taking on too much. What is it being asked to do? It must carry out assessments; then there must be the collection; then there must be enforcement in the cases of the all too many fathers who will not pay up readily.

Mine is the only party that has today suggested ways in which the system could be reformed. If the Minister will not consider wholesale transfer of responsibility to the Inland Revenue, will he accept the view of the right hon. Member for Birkenhead that the Revenue could be used effectively to enforce collection? Nothing focuses the mind more strongly than an effect on the pay packet. The root of the problem is the lack of clear enforcement procedures, which enables so many people not to own up to what they earn and not to make regular payments. Whatever may be said about tax credits, the Inland Revenue is an excellent collection agency. A system to enforce some form of collection—albeit rather crude—would bring people to book.

Miss Begg: Much has been made of enforcement, but it has all been about enforcement by the CSA to ensure that the non-resident parent pays. There is a different enforcement issue for, in particular, fathers' groups who have been paying child maintenance. They are concerned about enforcement of the court order that allows them access. That is why we often see very angry fathers who feel that one side of the system—ironically, the CSA—is being enforced sufficiently, but the court orders are not. What is the Liberal Democrat solution to that?

Paul Rowen: In an intervention earlier, I pointed out that there was a role for the courts as well as for the Revenue. Many cases are ongoing, whether they involve access or other matters. I would not advocate returning to the old system, but why cannot the courts play a greater role in ensuring that issues concerning the child are dealt with concurrently, rather than separately and through various agencies?

This has been an excellent debate and I hope that, in her concluding remarks, the Minister will agree to release the chief executive's report before the Government's proposals are published, so that Members can read the report and then perhaps respond more positively to the Government's proposals. I look forward to their finally restoring public confidence in a failing organisation.

6.30 pm

Mark Hunter (Cheadle) (LD): Thank you, Madam Deputy Speaker, for giving me the opportunity to contribute briefly to this debate. I speak in support of the points made by my hon. Friend the Member for Yeovil (Mr. Laws), and of the motion before the House. I know that I am not the only Member whose constituency mailbag amply demonstrates the somewhat chaotic nature of the Child Support Agency in its current form. Fathers and mothers approach me daily in large numbers with tales—the vast majority of which are subsequently proved to be correct—of incompetence, misunderstanding, contempt and despair.

I do not suggest for one minute that CSA staff are not dealing with sensitive and difficult issues as best they can, or that the organisation does not have a tough job on its hands. However, far from achieving positive outcomes in difficult circumstances, the CSA has in my view all too often contributed to a further breakdown in relationships that were already broken. The end result is that children are missing out on the financial support that they deserve, and their chances of enjoying a positive relationship with both parents are being jeopardised. In my experience, it is not just a question of the wastefulness of the system, which was highlighted

[Mark Hunter]

in recent months, and the incompetence that led to thousands of fathers being wrongly named as absent parents; the CSA also has a seriously bad image problem. It is structurally unsound, and the tragedy is that it has lost the confidence of so many of those whom it is designed to help.

Every week, I am presented with correspondence from the CSA, written in language that is highly unlikely to elicit co-operation from parents. Many parents face a CSA that acts as judge, jury and executioner in its dealings with them. In many cases, such correspondence is directed to parents who are more than willing to co-operate. Is it any wonder that so many children are not getting their fair share of maintenance, when the system treats parents in this way?

It is clear that the structural complexities of the CSA in its current form have led to administrative difficulties. We are all familiar with the backlog in processing claims, and with the headline figure on how much it costs to collect maintenance, compared with the amount that children actually get. Those complexities have filtered through in the CSA's dealings with families. This unholy alliance of complexity and hostility is costing thousands, if not millions, of children every day. Without a modicum of confidence in the system, the CSA simply cannot operate.

The strategic review of the CSA has to be one of the most overdue reviews in any part of government. I urge Ministers to take into consideration the reasoned and reasonable proposals that my colleagues have outlined this afternoon. Nobody wants a return to the old system, but we do need to move forward with a new one.

6.33 pm

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): This has been an excellent debate with well-informed contributions from all parts of the House, including from my hon. Friends the Members for Edinburgh, West (John Barrett), for Cheltenham (Martin Horwood), for Rochdale (Paul Rowen) and for Cheadle (Mark Hunter). I am grateful to all those who made very useful points during the debate. Of course, I should not forget to thank my hon. Friend the Member for Yeovil (Mr. Laws), who opened the debate.

In opening for the Conservatives, the hon. Member for Vale of York (Miss McIntosh) referred to their four-point plan. I do not intend to comment on that today—perhaps the Minister will not be so careful—except to note her reference to the potential privatising of parts of the Child Support Agency. I am not convinced that that is a particularly useful contribution to this debate. Overall, the Conservative approach is one of tinkering—perhaps understandably, given that it was a Conservative Government who set up the CSA—rather than the fundamental reform that we Liberal Democrats want to see. It is perhaps indicative of the challenge facing the supposedly new, modern, compassionate Conservative party that none of its Back Benchers chose to make a speech today on an issue of overwhelming social importance.

I was particularly gratified to hear the comments of the right hon. Member for Birkenhead (Mr. Field), who shares our desire to see radical solutions to the CSA's problems. He also rightly shares our view that full and active consideration should be given to handing over the CSA's functions to the Inland Revenue.

Mark Pritchard (The Wrekin) (Con): Will the hon. Gentleman clarify the Liberal Democrats' position on this issue? We have heard today about the idea of transferring the CSA's functions to the Revenue, but have there not been rumblings in the hon. Gentleman's party about privatising the CSA? Which is it to be?

Danny Alexander: My hon. Friend the Member for Yeovil spelt out in some detail our policy—indeed, so far, ours is the only party to do so—of transferring functions to Her Majesty's Revenue and Customs. That is a clear, sensible and forward-looking policy, and I hope that it will commend itself to the House when we come to vote.

I hope that the hon. Member for Angus (Mr. Weir) is successful in his bid to get into the *Sunday Mail*. Having pointed that out, I shall press on, as we are short of time and the Minister has a number of points that she wishes to make.

For reasons that have been outlined, the CSA has been in a state of almost perpetual crisis since it was established by the Conservatives in 1993, and it is still in crisis today. The Select Committee on Work and Pensions report of January last year described it as

"a failing organisation which is currently in crisis",

and suggested that

"consideration be given to the option of winding it up".

In November 2005, during Prime Minister's questions, the Prime Minister said:

"I make no defence of the current situation . . . The truth is that the agency is not properly suited to carry out that task."—[*Official Report*, 16 November 2005; Vol. 439, c. 964.]

He may have decided that it was appropriate to make no defence of the current situation, but the Minister who opened for the Government was not entirely sure whether to bury the agency or to praise it. On the one hand, he called for a fundamental review; on the other, he described the Government's policy as one of trying to get the agency on to a stable footing, with no quick fixes. Given that it is 13 years since the CSA's establishment, quick fixes are hardly what we are contemplating.

The Minister referred to the CSA chief executive's report, and I echo the call of several Members for that report to be published. The Government asked for a copy of our proposals earlier today, and I furnished them with one within minutes. I hope that they will show similar alacrity in publishing the chief executive's report. As was pointed out, that would be a fair exchange. It has to be said that the Minister's approach sounds like tinkering, rather than the fundamental reform that we Liberal Democrats hope will form the substance of the Government's policy, when it is finally published. The central question of this debate is, should we have fundamental reform, or will there be yet more tinkering? In that context, it is worth noting one of the substantive differences between our motion and the Government's amendment to it. Our motion refers to the loss of public confidence in the CSA—a point that was neither echoed in the Government's amendment nor tackled by the Minister. After 13 wasted years, the time has come for fundamental reform of the CSA.

Reference has been made to the various problems associated with the CSA. It collects just £1.85 in maintenance for every £1 it spends on administration, and the amount of uncollected maintenance has tripled since 1997—from £1.1 billion to £3.3 billion in 2004–05. I should be grateful if the Minister would address in her winding-up speech the issue of the number of staff. We were told today that there are 10,027 members of staff, and that that figure should rise to 11,000 by the end of March. But in a written answer of 9 January—only a week ago—the Minister herself said that the target figure for the number of staff by the end of March 2006 was 9,400. I should be grateful if she would explain why there has been such a rapid transformation in the objectives. It may be because of this debate being called, but perhaps the written answer was referring to full-time equivalents while the Minister was referring to a head-count. Will she clarify that and, if necessary, correct the record?

Reference has been made to the CSA's high staff turnover rate of 17 per cent. Increasing the number of members of staff may be part of the answer, but ensuring that they stay in their jobs and can build up the experience needed, which has been rightly urged by hon. Members, is important.

Hon. Members have said that, in many cases, the CSA is there to serve the poorest in society and is fundamental to the tackling of child poverty, which I know is of concern to hon. Members on both sides. Maintenance is received in only 25 per cent. of cases where a lone parent is on benefit; that is down from 28 per cent. when Labour came to power and no better than in 1989 when the agency was set up, despite a public service agreement target to raise the level by March 2006. Underlying those statistics are thousands upon thousands of individuals with experience of repeated failure, and many hon. Members have mentioned such cases.

We need a fundamental reform based on clear principles. The first is that parents have a moral responsibility to maintain their children whenever they can afford to do so. The child's well-being must be paramount in everything that we do. The fact that, earlier this year, only one in five cases was having maintenance collected shows that whatever the successes in some cases—hon. Members have mentioned some successes—in the vast majority of cases maintenance is not collected and the agency is failing.

Families should have the right to determine their own level of support where they are fully informed about all aspects of the matter and where the interests of the taxpayer are not affected. The organisation responsible for arranging and enforcing child support must command the respect of the public, and it is fair to say that the CSA does not. The assessment of maintenance liabilities must be administratively straightforward, efficient, transparent and relatively predictable, which is one of the advantages of transferring the CSA's functions to Her Majesty's Revenue and Customs, an organisation with a good reputation in dealing efficiently with its business.

Miss Begg: Will the hon. Gentleman give way?

Danny Alexander: No, I will press on.

I have been highly critical of the operation of the tax credits policy, but that is the fault of the policy as much as anything else. One of the major problems with tax credits is that the computer system has been far too effective in taking money out of bank accounts before appropriate appeals and assessments have been carried out. That efficiency, while inappropriate in the case of tax credits, would be an asset in dealing with the collection of money from absent or feckless parents and the passing on of that money to the children who, after all, should be the main beneficiaries of the policy.

Where individuals believe that justice has not been done because of exceptional individual circumstances, a process of arbitration must be available to look at the case and come to a judgment that is swift, fair and final. We propose that a new child support arbiter be set up. Once the functions were transferred to Her Majesty's Revenue and Customs, the arbiter would be there to deal with those difficult cases in a way that is fair, swift and final.

A truly child-centred policy must look beyond merely enforcing the financial obligations of non-resident parents and do more to encourage the involvement of both parents in their children's upbringing. The CSA was set up under a Conservative Government and the failings began then; it has not been improved under Labour—indeed, the problems of the new system highlight that. As we know from our constituents, parents have no confidence in the CSA; the Select Committee has no confidence in the agency; and it is clear from answers in this House last year that the Prime Minister has no confidence in the agency, either.

An alternative proposal that is simpler, fairer and effective does exist. It is to transfer the functions of the CSA to Her Majesty's Revenue and Customs. I have heard no other proposals. I know the Government are holding their breath, as we all are, for their own proposals to be published in due course. It would be helpful if the Minister gave the House some idea of when the Government's proposals will be published. Will it be a few days, weeks or months? The Government have had eight years to look at this and I hope they will give us some idea of when they will make their proposals for reform.

Parliament today should give hope to the hundreds of thousands of parents whose lives have been made a misery and in some cases wrecked by the CSA and to the children it is failing to help by recognising that the agency has utterly failed beyond any possibility of reform. Lack of confidence and respect for the CSA will translate into a lack of respect for Parliament, and rightly so, if we do not finally act to deal with the problem as we have proposed.

I conclude by commending the motion to the House and urging the Government to embrace a policy of fundamental reform of the CSA, rather than tinkering at the edges.

6.46 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): I thank all right hon. and hon. Members for what has been a mature and deliberative debate on a difficult issue. It is important to recognise the areas where there is agreement, regardless of which political perspective we come from. We all

[Mrs. Anne McGuire]

agree that it is right that parents, whether or not they have care of the child, should take financial responsibility for the child; that financial support should be reasonable and accurately reflect the true cost of bringing up a child; that, for the most part, support responsibilities work best when they are undertaken as a voluntary agreement between two adult parents, even if the administration has to be carried out by a third party such as the CSA through maintenance direct; and that where that cannot or does not happen, there should be the involvement of a statutory intermediary, previously mainly the courts and now the CSA.

There is agreement on both sides that for a variety of reasons, many of which we have heard explained today—some of which I hope to cover in the next few minutes—collectively as parliamentarians and legislators, we have not yet cracked how best to provide that intermediary support so that it can carry out its functions in the best interests primarily of the children, while recognising that it is a parent's primary responsibility to provide for their child and not that of taxpayers.

I want to thank the Liberal Democrats who have now published their weighty tome on their website. I was lucky enough to get a copy; Liberal Members had a wee conflab and decided that it was safe to give it to me. I must say that I would not miss "The Bill" tonight reading it. Most of the information it contains is already in the public domain, provided by the 158 parliamentary questions asked by the hon. Member for Yeovil (Mr. Laws). It is extremely light on analysis.

Mr. David Heath (Somerton and Frome) (LD): Will the Minister give way?

Mrs. McGuire: Not at the moment: I do not want to interrupt my train of thought as I deal with the one thought in the Liberal Democrats' 10-point plan. They want to scrap the CSA, but they do not seem to have considered what that would mean in terms of legislation or implementation.

There is no quick fix to this issue, as the complexity of the problems highlighted in the debate shows. We cannot let children down, or allow my right hon. Friend the Member for Birkenhead (Mr. Field) to continue to feel the shame that he said was part of his daily life. We must accept some collective responsibility for what has gone wrong with the CSA.

Normally, I do not give adverts for the Liberal Democrats, but their new document has been passed on to me. In my forthright, Scottish way I must tell the House that it contains just one, lonely, idea.

Mr. Heath: Clearly, the Minister has come to the end of her thought processes. She mentioned that the evidence supporting our contentions about the CSA were in the public domain, but the one piece of evidence not in the public domain is the report by the CSA's chief executive, Mr. Geraghty. That report will colour all our thoughts about the agency's future. Will the Minister say when she intends to publish it, and does she intend to place it in the Library?

Mrs. McGuire: I love the depth of the questions that are sometimes put to Ministers. I shall deal with the report in a few seconds.

Today's debate has highlighted yet again the breadth and complexity of the problems facing the CSA. Many of those problems stem from the way in which the agency was set up originally, as even some Conservative Members agree. The CSA was established with strong cross-party support, and it is fair to say that the complexity of the issues that it had to deal with was recognised only slowly by the Government of the day.

The principles underlying the CSA were correct, although some people suspected that the priority might have been saving benefits rather than helping children. However, a process in which up to 100 separate pieces of information could be demanded from parents was almost impossible to implement efficiently. Often, those parents no longer communicated with each other and were reluctant to deal with a third party. A forest must have been sacrificed to provide the paper for the continual stream of assessments that were sent out.

I was elected in 1997, and I remember dealing with my first CSA complaint. It was a bit like going on my first date. *[Interruption.]* The emotions and issues were complex—

Rob Marris: Tell us more about the date.

Mrs. McGuire: I led a very boring life, but I remember the amount and complexity of the paperwork involved, and the number of calculations that had to be made.

Mr. Heath: I want to hear about the CSA.

Mrs. McGuire: I think that we should just let my date remark lie. Scottish solicitors are good, but it really needed a Philadelphia lawyer to understand the complexity of that first case, which involved a young man who earned £175 a week but whose accumulated debt amounted to £11,500. He would never have paid it off in a month of Sundays.

Many of the problems highlighted in the debate do not concern errors made in the past few months, or even the past couple of years. They have their roots in things that have gone wrong over the entire period of the CSA's existence.

In 2003, a recognition of those problems compelled the Government, with the support of all parties in the House, to move to a better system. However, it is fair to say that we did not fully appreciate the major difficulties involved in simplifying matters and in trying to superimpose new procedures on such a deeply flawed system.

Mr. Laws: May we move away from the Minister's previous experiences, and focus on the reduction in the number of CSA staff? Last week, she signed off an answer to a parliamentary question that included information about staff reductions, but her colleague the Under-Secretary of State for Work and Pensions, the hon. Member for Warwick and Leamington (Mr. Plaskitt), said earlier that staff numbers were rising. Which is it?

Mrs. McGuire: The hon. Gentleman anticipated my next sentence, as I want to echo the comments made by many hon. Members to the effect that CSA staff are dedicated but working under extreme pressure. To

clarify the question about staff numbers: the hon. Gentleman asked a parliamentary question a month ago—

Mr. Laws: It has been answered.

Mrs. McGuire: That question has been answered, but he should by now have received from the CSA chief executive the actual figures, rather than the planned ones. My hon. Friend the Under-Secretary was right to say that by September 2005 there had been an increase in full-time equivalent staff in the CSA—

Mr. Laws *indicated dissent.*

Mrs. McGuire: The hon. Gentleman may huff and puff, but the chief executive's letter should have reached his tray either yesterday or today. If it has not done so, it should arrive tomorrow, but I have a copy.

Mr. Laws: My information is that the CSA employed 10,779 staff on 31 March 2004 and that, by last March, that figure had fallen by 1,000. Those figures cannot have changed, as the dates to which they apply have passed.

Mrs. McGuire: I am dealing with the most recent figures, which are for 30 September 2005. As part of the recovery plan, we increased the number of full-time equivalent staff in the CSA. That is my clarification of the matter, and if the hon. Gentleman still has a major difficulty, we can come back to it at another time.

In the debate, we heard about the experiences of many hon. Members, including Ministers. As my hon. Friend the Under-Secretary said in his opening remarks, extraordinary measures have been taken by people—mainly by men, as my hon. Friend the Member for Stockton, South (Ms Taylor) said—to avoid paying child maintenance. Every trick in the book has been used. Constituents of mine tell me—even the ones who earn reasonable salaries and admit that they have a financial responsibility for their children—that their payment assessment is too high because they have a car to pay for, a holiday to go on, or a social life to lead. That is what we are dealing with—people who do not want to accept their personal responsibilities.

I could have come to the House and highlighted some of the areas where there has been improvement. Enforcement is one them, and I hope that that reassures those hon. Members who asked about that in the debate. In 2002–03, 2,383 enforcement orders were issued, but more than 6,300 were issued between April and November last year.

As for compliance, I could have told the House that the CSA collects £600 million from absent parents every year. I could have asked the House to accept that our contact with parents means that more than 400,000 now receive maintenance, either arranged through the agency or paid to them directly or indirectly. I could have asked the House to accept that, when it comes to supporting children, we are doing much better than anyone could have anticipated, with more than 529,000 children now receiving money because of the CSA's intervention. I could have said to the House that these are the improvements we have made and asked it to agree that we are moving forward. However, we are not asking the House to do that. We asked the new chief executive to commission a root and branch review of the agency when he took up his post. We have asked him to look at the agency's operations in the round to ensure that his findings, when they are eventually put before the House, give a strategic view of the situation.

Mr. Laws: When?

Mrs. McGuire: Well, the hon. Gentleman knows that I will not give him a specific date, but I will give him an assurance that when my right hon. Friend the Secretary of State makes a statement to the House, he will also indicate what documents will be put in the public domain and what information will be seen by the House.

The amendment in the name of my right hon. Friend the Prime Minister does not ask the House to ignore the difficulties that the agency faces in carrying out the duties set for it by Parliament. It recognises that the agency is not properly suited to carrying out its current task. Our amendment also makes it clear that once we have considered our conclusions, we will present them to the House. Given that the Liberal Democrat motion asks us only to note the obvious, like some school debating motion, I ask them to withdraw it.

The House has been patient on this matter, and I also thank those parents caring for children for whom the system has not delivered for their patience. My right hon. Friend the Secretary of State will ensure in due course that the House is fully informed of the solutions that we think we can put in place for the reform of the agency.

Question put, That the original words stand part of the Question:—

The House proceeded to a Division.

Madam Deputy Speaker (Sylvia Heal): Order. I ask the Serjeant at Arms to investigate the delay in the No Lobby.

The House having divided: Ayes 69, Noes 306.

Division No. 125] **[7.1 pm**

AYES

Alexander, Danny	Gidley, Sandra
Baker, Norman	Goldsworthy, Julia
Barrett, John	Hancock, Mr. Mike
Beith, rh Mr. Alan	Harris, Dr. Evan
Brake, Tom	Harvey, Nick
Breed, Mr. Colin	Heath, Mr. David
Brooke, Annette	Hemming, John
Browne, Mr. Jeremy	Hermon, Lady
Bruce, Malcolm	Holmes, Paul
Burstow, Mr. Paul	Horwood, Martin
Burt, Lorely	Hosie, Stewart
Cable, Dr. Vincent	Howarth, David
Campbell, Mr. Gregory	Hughes, Simon
Campbell, rh Sir Menzies	Huhne, Chris
Carmichael, Mr. Alistair	Hunter, Mark
Clegg, Mr. Nick	Kramer, Susan
Davey, Mr. Edward	Lamb, Norman
Dodds, Mr. Nigel	Laws, Mr. David
Donaldson, Mr. Jeffrey M.	Leech, Mr. John
Farron, Tim	Llwyd, Mr. Elfyn
Featherstone, Lynne	MacNeil, Mr. Angus
Foster, Mr. Don	Moore, Mr. Michael
George, Andrew	Mulholland, Greg

Oaten, Mr. Mark
Öpik, Lembit
Price, Adam
Pugh, Dr. John
Reid, Mr. Alan
Robertson, Angus
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rowen, Paul
Sanders, Mr. Adrian
Spink, Bob
Stunell, Andrew
Swinson, Jo
Taylor, Matthew
Teather, Sarah
Thurso, John
Webb, Steve
Weir, Mr. Mike
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wishart, Pete

Tellers for the Ayes:
Sir Robert Smith and
Bob Russell

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Patrick
Hamilton, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Lloyd, Tony
Lucas, Ian
MacDougall, Mr. John
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham

Stuart, Ms Gisela	Waltho, Lynda
Sutcliffe, Mr. Gerry	Wareing, Mr. Robert N.
Tami, Mark	Watson, Mr. Tom
Taylor, Ms Dari	Watts, Mr. Dave
Taylor, David	Whitehead, Dr. Alan
Taylor, Dr. Richard	Wicks, Malcolm
Thomas, Mr. Gareth	Williams, rh Mr. Alan
Thornberry, Emily	Williams, Mrs. Betty
Timms, Mr. Stephen	Wills, Mr. Michael
Tipping, Paddy	Winnick, Mr. David
Touhig, Mr. Don	Woolas, Mr. Phil
Trickett, Jon	Wright, Mr. Anthony
Truswell, Mr. Paul	Wright, David
Turner, Dr. Desmond	Wright, Mr. Iain
Turner, Mr. Neil	Wright, Dr. Tony
Twigg, Derek	Wyatt, Derek
Ussher, Kitty	
Vaz, Keith	**Tellers for the Noes:**
Vis, Dr. Rudi	**Claire Ward and**
Walley, Joan	**Tony Cunningham**

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MADAM DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House agrees with the Prime Minister that the Child Support Agency suffers from basic structural problems and is not properly suited to carrying out its current tasks; accepts the importance of ensuring that more families with children receive the maintenance payments to which they are entitled; and notes that the Government will shortly set out its conclusions on the right way forward following the Chief Executive's review of the operation of the Child Support Agency.

Civil Nuclear Power

Madam Deputy Speaker (Sylvia Heal): We now come to the second debate. Mr. Speaker has selected the amendment in the name of the Prime Minister. I advise all Members that Mr. Speaker has imposed a time limit of eight minutes on Back-Bench speeches.

7.19 pm

Norman Baker (Lewes) (LD): I beg to move,

That this House opposes the construction of a new generation of civil nuclear power plants.

The idea that we might build a new generation of such plants is on the agenda for the first time in about 15 years. We have been told by the Prime Minister and others that the process will require no primary legislation, perhaps not even a vote in the House. The Liberal Democrats are thus happy to provide an opportunity for the House to discuss this important issue—as we did with climate change throughout the last Parliament, when the Government failed to provide opportunities to discuss that important issue, too.

Hon. Members may ask why nuclear power is back on the agenda. The first reason is clearly the concern about climate change and the belief—erroneous, as I hope to demonstrate—that nuclear power is an answer to that problem. The second reason is security of supply. I will deal with those points later.

Let me refer to the poll on nuclear power that was published today and reported by the media. Those who have been desperate for some good news have been keen to point out that a narrow, wafer-thin majority of people have said that, under certain circumstances and if it dealt with climate change, they would reluctantly embrace nuclear power. It is also worth pointing out that, notwithstanding the fact that nuclear power does not deal with climate change, 80 per cent. of those polled thought that renewable technologies and energy efficiency were better ways of tackling global warming. So that poll and the one from the BBC last year, which showed overwhelming opposition to nuclear power, show that the country understands these issues very well indeed.

Mr. Mike Weir (Angus) (SNP): I thank the hon. Gentleman for giving way so early. As he is talking about polls, is he aware of the online poll on the *Sunday Herald* website, which shows that 65 per cent. of Scots oppose nuclear power and that only 35 per cent. are in favour?

Norman Baker: That does not surprise me, and the Scottish Executive are taking a rather different position, of course, from the Government in London.

Before I come to the case for new build, such as it is, let me deal with the nuclear legacy and explain why many hon. Members are sceptical about the merits of nuclear power. Let us remember that we have just passed the Energy Act 2004, which has written off a bill of £48 billion—subsequently revised upwards, of course, as they always are, to £56 billion—to clear up the mess that we already have. About £933 for every man, woman and child in the country is needed to deal with the existing mess. The nuclear industry is effectively bankrupt, or it would be if it were not for state subsidy.

[Norman Baker]

Of course, British Energy had to be bailed out to the tune of €6 billion by the Government to stop it going bankrupt, with all the European Union involvement in that. The nuclear industry presents massive security hazards—not least with the legacy at Sellafield, which is very serious indeed, as the Minister for Energy recognises.

Mr. Kevan Jones (North Durham) (Lab): I note that the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) is not in the Chamber, but what would the hon. Gentleman say in response to the point that his hon. Friend made in the *Sunday Herald* on 11 December, when the party spokesman on Scotland said:

"New reactors could be the least worst option for maintaining security of supply"?

He dismissed as emotional arguments about the controversial policy of building new nuclear power stations and commented that the waste issue would be solved. Does the hon. Gentleman fundamentally disagree with his hon. Friend?

Norman Baker: My hon. Friend the Member for Caithness, Sutherland and Easter Ross (John Thurso) said before he left the Chamber that Labour Members would raise that issue, because they are desperate to find anything to divide the Liberal Democrats—*[Interruption]*—and he asked me to make it clear that he is no advocate of nuclear power. Those are the words that he asked me to pass on to the House, so I thank the hon. Gentleman for giving me the opportunity to do so. I wait to hear whether there is unanimity among Labour Members or, indeed, Conservative Members.

Mr. John Spellar (Warley) (Lab): It is a question of unity not among Members, but among Front Benchers. As far as I am aware, the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) is the Scottish spokesman on behalf of the Liberal Democrat party. Will he stay as part of the Front-Bench team if he does not agree with the policy of his own party? Who speaks on behalf of the Liberal Democrats—or, as usual, are they saying one thing in one area and another thing in another?

Norman Baker: I have already answered that question, but it will be interesting to find out, as the matter unfolds and as we debate it today and later on, whether the Minister for Energy and the Minister for Climate Change and the Environment, who are sitting very close to each other on the Front Bench, share the same view or, indeed, whether the hon. Member for East Surrey (Mr. Ainsworth) shares the same view as the Conservative trade and industry spokesman. So we will have a fascinating three hours and more, as the debate unfolds.

I want to deal with the waste issue, as part of the nuclear legacy. In fact, 18 million cu m of contaminated soil and rubble have been produced from 30 sites over a period of 60 years. The nuclear industry has been incapable of clearing up after itself; it has simply accumulated waste and hoped that a solution will arrive. We now have the Nuclear Decommissioning Authority, which I support, but it has taken a long time to get there. The fact of the matter is that the nuclear industry cannot be trusted to deal with its own waste.

Mr. Tobias Ellwood (Bournemouth, East) (Con): May we please have some clarity? I hope that the hon. Gentleman will agree that, when he talks about nuclear waste, he must clarify whether he means high-level, medium or low-level waste. The amount of high-level waste in the United Kingdom would barely fill a large football pitch. *[Interruption.]* If he is talking about all the waste, yes, the amount is much bigger, but 90 per cent. of that waste comes from hospitals. Is he saying that we should stop allowing that waste to come from hospitals?

Norman Baker: It is perfectly true that, by volume, the majority of waste is low level. Much of it is kept at Drigg, which, by the way, is about to fall into the sea—in about 50 to 60 years, according to the Environment Agency—so whether the existing sites are safe for the storage of waste is an issue, too. On high-level and intermediate waste, I would not want a teaspoon of plutonium in my constituency, but perhaps the hon. Gentleman does.

Mr. David Heath (Somerton and Frome) (LD): My hon. Friend may recall that I was leader of Somerset county council when we opposed Hinkley C, as a result of which we have had a moratorium on nuclear power ever since. May I put it to him that the arguments that we deployed then were not emotional, as was suggested by the hon. Member for North Durham (Mr. Jones), but hard-headed economic assessments of the value of nuclear power? Does my hon. Friend agree that that hard-headed economic assessment is as true today as it was then?

Norman Baker: It certainly is, and I shall come to the costs of nuclear power, the implications of which are frightening.

The last legacy issue that I want to raise is, of course, the contamination that has been emitted from Sellafield and other nuclear sites. The Irish sea is the most radioactively contaminated sea in the world, as the Irish Government regularly tell Environment Ministers at their meetings, and I am grateful to the Minister for Climate Change and the Environment for acknowledging that fact.

David Taylor (North-West Leicestershire) (Lab/Co-op): The hon. Gentleman is talking about spent fuel. Does he agree that a reasonable estimate of its half-life may be about 50,000 years—about 1,500 generations perhaps—for a new generation of nuclear power stations that would give perhaps 60 years' power, two generations perhaps? So for two generations of power, we are willing to let 1,500 generations of our descendents pick up the tab. That is like us going back to the ice age in reverse. Is it not correct that the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) is guilty of peddling a red herring, promoting white elephants and all the other such things that he has been accused of?

Norman Baker: The hon. Gentleman's point about waste is absolutely right. The half-life of plutonium-239 is 24,000 years. The half-life of uranium-238 is 4,470 million years. In anyone's judgment of intergenerational confidence, that leaves something to be desired.

Mr. David Chaytor (Bury, North) (Lab): The hon. Gentleman said that the current figure for the cost of the waste legacy is £56 billion, but the Nuclear Decommissioning Authority must shortly produce its revised figure—it must do so every year—and does he think that, given previous experience, that figure is likely to increase or decrease? For those hon. Members who are relaxed about football-field sizes of high-level waste, is not the logical consequence of their viewpoint that they should volunteer to have the nuclear waste depository in their constituency?

Norman Baker: The hon. Gentleman is absolutely right. Of course the estimate will go up—nuclear financial estimates always go up. There is a taxi meter on overdrive showing the costs that we will face as a country.

We have the energy review, although we might ask ourselves why we have it because we had one a couple of years ago. We had quite a reasonable White Paper, which, by the way, said that nuclear power was unattractive and that energy efficiency and renewables were far more attractive options. I thought that the White Paper was sensible, so I am not quite sure what has changed since it was published, other than the fact that the Prime Minister has changed his mind and wants a mechanism to change Government policy as a consequence. We do not want a dodgy dossier on the energy review like we had on Iraq.

Lembit Öpik (Montgomeryshire) (LD): Does my hon. Friend agree that some of us are at a loss to understand where the Government's creative solutions are coming from? He will know that the Centre for Alternative Technology in mid-Wales, which is based in my constituency, has proved that there are many creative, inexpensive and environmentally friendly ways in which energy consumption can be reduced and in which energy can be produced in a totally clean fashion. Why does he think that the Government take an entirely uncreative approach to such renewable methods and instead insist on plumping for something that obviously has considerable and long-term negative environmental effects?

Norman Baker: To be fair, some members of the Government take a sensible view and others do not. For example, Ministers in the Department for Environment, Food and Rural Affairs are sensible about these matters. We are not sure about Ministers in the Department of Trade and Industry, and Ministers in No. 10 and the Cabinet Office are less helpful. It will be interesting to find out who wins the battle on the energy review.

How will this pan out and what is the case for nuclear power? Hon. Members might be astonished to find that when I asked the Minister for Energy what steps his Department was taking to establish the full economic life cycle costs of nuclear fission, he replied:

"The Department has undertaken no research to establish the full economic life cycle costs of nuclear fission."—[*Official Report*, 14 October 2005; Vol. 437, c. 637W.]

When I asked for an estimate of the total cost of constructing a new nuclear facility at 2005 prices, I was told:

"The Government have not made their own estimates for the construction of nuclear power facilities."—[*Official Report*, 12 October 2005; Vol. 437, c. 510W.]

There is nothing to back up the case for nuclear power that has suddenly arisen. There is no basis for getting the matter into an energy review, apart from the Prime Minister's prejudices.

Stewart Hosie (Dundee, East) (SNP): The hon. Gentleman talks about the Government's inability to provide a price for a new nuclear power station. The World Nuclear Association estimates that the cost of building a new nuclear power station in Scotland would be £2.45 billion over its lifetime. Does he agree that investing in renewables the money that would be spent over the 15 years that it would take to build a nuclear power station would represent a far more sensible approach?

Norman Baker: I would indeed. I will now try to make some progress because I will otherwise run over my time, and I know that other hon. Members wish to speak. I have seen an estimate of £17 billion for the construction of 10 new AP1000 reactors. Incidentally, those proposed reactors have not been built anywhere else in the world, so we do not know whether they will work or come in on budget. However, as nothing else has come in on budget, I do not see why they should.

As the Chancellor is not going to pay and private industry clearly will not pay, the householder will have to pay. The only way in which we shall end up with a new generation of nuclear power stations will be if the taxpayer or the householder foots the bill. Indeed, an article in *The Times*—a newspaper that I always believe, of course—on 27 November had the headline, "New tax may fund nuclear stations". It went on to say:

"Leaked documents reveal proposals by Tony Blair's chief scientific adviser to put a levy on consumers' power bills to pay for up to 20 new nuclear power plants."

The only way in which this dodo will fly will be if it is supported by a nuclear tax on householders and a big increase in electricity bills. I do not think that the public at large will support that when it is explained to them in some detail.

Jo Swinson (East Dunbartonshire) (LD): Is my hon. Friend aware of a report in *The Herald* that said that the bill for cleaning up the sea bed at Dounreay by removing radioactive particles could be as much as £70 billion? Environmental issues aside, nuclear power is simply uneconomic.

Norman Baker: There is a huge legacy problem at Dounreay, as there is at Sellafield and many nuclear sites throughout the country. There is not yet any solution to the nuclear waste problem. We have had eight and a half

[Norman Baker]

years of dithering by the Government. The last act of the right hon. Member for Suffolk, Coastal (Mr. Gummer) before Prorogation in 1997 was to cancel any plans to have a permanent site at Sellafield. No action has been taken since then to provide a solution to the problem of nuclear waste. It is irresponsible in the extreme to suggest building a new generation of nuclear power stations, which would produce a huge amount of waste, when no solution has been identified to deal with the waste that we already have.

Mr. Mark Hendrick (Preston) (Lab/Co-op): Will the hon. Gentleman give way?

Norman Baker: I must make some progress.

The industry says that the waste created by nuclear stations will be 10 per cent. of what exists at present. The Government seem to take that on trust, but they take too much on trust from the nuclear industry without carefully investigating the situation. The Committee on Radioactive Waste Management suggests that that is an underestimate by some distance and Nirex says the same. The waste caused by a new generation of nuclear power stations will increase the footprint of waste by 50 per cent., although there is no solution to deal with the waste that we already have. That cannot be condoned under any circumstances.

There are questions about security. Why on earth the Government still seem to be keen to go down the road of reprocessing I do not know because it makes no environmental or economic sense whatsoever, and even many people in the nuclear industry say that. The Minister will know that the thermal oxide reprocessing plant—THORP—has closed. He told me in a written answer on 12 October 2005 that it would not reopen until the Government had taken a view in light of recommendations in the nuclear installations inspectorate report. It is perfectly proper that the Government should take a view on the basis of the report, but we have found out that when the Nuclear Decommissioning Authority was asked whether there would be Government involvement, it said that it thought that it would be possible to start up THORP again without additional ministerial intervention. There is conflict between what the NDA and the Minister are saying. I would welcome an assurance from the Minister that THORP will reopen only with Government support and approval. I do not want THORP to reopen, but if that is to happen, it should be approved by a Minister, not the NDA.

Simon Hughes (North Southwark and Bermondsey) (LD): Does my hon. Friend accept that we have argued for 20 years on these Benches against reprocessing at Sellafield? For 20 years we have made the case that going down that road has a huge budgetary implication for Britain, and for 20 years we have been consistently proved right when Governments have refused to accept the financial facts that result from their commitment to the nuclear industry.

Norman Baker: My hon. Friend is absolutely right that that is the historical record. He argued the case consistently when he performed my role. It is a pity that successive Governments have not listened to sane voices on these Benches and elsewhere that have opposed reprocessing.

Matthew Taylor (Truro and St. Austell) (LD): We have successfully made a case on a financial basis for many years because the evidence has proved us right on every occasion. Does my hon. Friend accept that there is now an equally fundamental argument? Government Members try to make the case for nuclear power by saying that it is a way of tackling the energy and climate change problems that we face. What message is being sent to developing countries, some of which are unstable—including Iran—when we argue against them developing nuclear power because of the risk of proliferation, while developed countries such as ours say that that is the only solution?

Norman Baker: I think that the Government and the Minister for Energy took steps in December to try to help Russia and Kazakhstan to move away from nuclear power and to encourage decommissioning. They have made the point in international forums that reprocessing can produce plutonium, which, of course, can be used in nuclear weapons. It is odd that we encourage countries to go down one road, but perhaps go down a different road ourselves.

Bob Spink (Castle Point) (Con): The Liberal Democrats are a Francophile party. What lessons do they take from the fact that France generates 75 per cent. of its electricity using nuclear power? We need a balanced debate, so does the hon. Gentleman accept that nuclear, renewables and energy saving are not mutually exclusive?

Norman Baker: No, I do not accept that, and I shall explain why nuclear power would not address climate change. Nuclear has been described as a carbon-free technology, but it is nothing of the sort. Nuclear power generation and the construction of nuclear power facilities create a considerable carbon footprint. Work done by a university in the Netherlands has suggested that the carbon footprint of a nuclear facility is equivalent to between 20 and 40 per cent. of that of a gas-fired power station over the lifetime of its existence, when one takes account of the mining of uranium, transport and decommissioning.

Dr. Brian Iddon (Bolton, South-East) (Lab): I have some figures that refer to the entire life cycle of Torness nuclear power station that take account of the extraction of ore and decommissioning at the end of the station's life. Some 950 g of carbon dioxide is produced for every kilowatt-hour of electricity generated by coal. The figure for gas is 400 g, but it is only 5.05 g for nuclear.

Norman Baker: That is a different figure from the one that I have, but I accept that it is difficult to pin down precisely. However, the fact is that it is becoming more difficult to mine uranium, which results in a higher carbon impact. The figures that I gave are the latest ones from a university in the Netherlands. Even if we split the difference, we are still talking about a significant carbon footprint.

I was asked by the hon. Member for Castle Point (Bob Spink) why it was not possible to have nuclear and renewables and energy efficiency. There are several reasons for that.

Mr. Chaytor: I am sure that the hon. Gentleman agrees that the life cycle emissions of nuclear are an important matter. Is not the discrepancy between the two figures that we have heard quoted likely to be the result of the lower figure not taking account of the full nuclear life cycle? It does not take account of the full impact of CO_2 emissions from uranium mining, and it certainly does not take account of emissions from waste management, because we do not yet know how to manage nuclear waste.

Norman Baker: I suspect that that explains the difference, but it is not possible to prove that without examining the matter further.

The reason we cannot have the mix referred to is simple: there is only so much money. A new generation of nuclear power stations would be hugely expensive to build and would draw heavily on the public purse. We have seen over the past 20 years that when money is put into nuclear, there is none left for renewables and energy efficiency. They will wither on the vine and the message that will go out to the renewables industry is, "Nuclear is back big time—you can forget about your wind farms, your tidal power and your solar power." We cannot have them all together.

Susan Kramer (Richmond Park) (LD): Is my hon. Friend aware that according to Friends of the Earth the amount of electricity used annually in the G8 countries just by appliances on standby is equivalent to the output of 24 full-scale power stations? If we bring that back to the UK level, we can see that the savings that could be achieved through a proper campaign to inform people of what they can do simply by pushing a button would have far more impact than spending a lot of time reviewing the nuclear issue.

Norman Baker: My hon. Friend is absolutely right. The Government could do far more to reduce energy use—for example, they could be pressing for the redesign of appliances. Why do we still have so many fridges that perform so badly? Figures from the Government's performance and innovation unit—they must be accurate—suggest that every £1 spent on energy efficiency secures seven times more carbon displacement than spending £1 on nuclear power.

Colin Challen (Morley and Rothwell) (Lab): Before the hon. Gentleman moves on, I want to clarify one point relating to cost. I read an article by his esteemed colleague the hon. Member for Twickenham (Dr. Cable), who is the Liberal Democrat Treasury spokesman, in the 29 December edition of *The Times*. Judging by that article, it seems that one of their party's main objections to nuclear is its cost. The Finns say that they have solved their problem by selling electricity supplies over a period of 60 years to companies, local authorities and others. Has the hon. Member for Lewes (Norman Baker) studied that example, and if so, how would he fault it?

Norman Baker: Over the years the nuclear industry has come up with various ingenious ways of funding itself, most of which involve public subsidy in some form. That will not change.

David Howarth (Cambridge) (LD): May I help my hon. Friend out? The Finnish example is not an example of private funding. The consortium that is commissioning the nuclear power station in Finland contains one entirely nationalised power company and a number of local authorities, including the City of Helsinki. In addition, the Finnish Government are accepting residual liabilities in respect of both waste and decommissioning.

Norman Baker: That explains the Finnish example very well to those who would argue that it represents the renaissance of nuclear power.

Nuclear will use up the available money. Gordon Mackerron, whom many hon. Members will know from the Committee on Radioactive Waste Management, has said:

> "The nuclear industry's proposal for a 10GW programme would have crowded out most other generating investment."

That is what the nuclear industry experts are saying. Most significantly, a major programme of nuclear investment would stifle the opportunity that exists now to decentralise the grid and to facilitate the small-scale, dispersed and highly efficient portfolio of renewables that is necessary to meet the White Paper objectives. We need to work towards a decentralised energy future, not one based on centralised generation in faraway locations and pylons stretching across the country. A different future is possible, but that alternative will be set aside for 20 or 25 years if we go for a new generation of nuclear power.

Mr. David Drew (Stroud) (Lab/Co-op): The hon. Gentleman has not yet mentioned fusion. If he agrees that fusion is one of the future technologies, will he explain how he thinks we could achieve a world in which we can count on fusion without nuclear understanding?

Norman Baker: Our proposal is not about nuclear fusion, but we do not oppose continuing scientific investment in nuclear fusion—although I have to say that over the years nuclear fusion has swallowed up a great deal of money and we have little to show for it, whereas if the money had been spent on renewables and energy efficiency we would be in a better position than we are today.

I note that an early-day motion tabled by Labour Members in May last year stated that commissioning

> "a new fleet of nuclear generating stations . . . would inevitably involve massive public subsidies which could be used to greater benefit in promoting the deployment of renewable generators and, most especially, the marine technologies of wave and tidal steam exploiting the uniquely rich natural energy resources of the United Kingdom."

There is undoubtedly a strong feeling in the House, not confined to Liberal Democrat Members, that there is an alternative way forward that the Minister ought to grab.

[Norman Baker]

We cannot maintain the big tent philosophy that pretends that we can have everything; we cannot. If we have nuclear, everything else will be squeezed out. That is the message that the Government have not accepted, but they need to accept it before the review proceeds much further. There is not enough money for all the technologies. The grid will be designed to serve the nuclear industry and will be counter-productive to the decentralised energy future that we want us to have.

It is worth pointing out that the Government's performance and innovation unit estimates that the unit electricity cost of the new AP1000 will be between 3p and 4p per kWh, that of onshore wind 1.5p to 2.5p per kWh and that of offshore wind 2p to 3p per kWh.

Mr. Robert Goodwill (Scarborough and Whitby) (Con): Is it not true that wind power needs back-up for when the wind is not blowing? Denmark relies heavily on wind power and when the wind stops blowing, the Danes have to switch on the cable from Germany. Some of the German power comes from nuclear generators, but much of it is generated by burning lignite—brown coal.

Norman Baker: If the hon. Gentleman is suggesting that we should not rely 100 per cent. on wind power, I agree. That is not possible and I am not suggesting that we do that. We have always advocated a basket of renewable sources, including wind, tidal, solar and decentralised energy such as microgeneration and so on. We do not have to rely on one source. The great problem for advocates of nuclear power is that they have to pretend that the sole alternative is wind power, but that is not realistic.

Mr. Kevan Jones: Will the hon. Gentleman give way?

Norman Baker: I will not give way again because I have to bring my speech to a conclusion.

The energy mix that works is one that minimises energy consumption in the first place. We could do a lot more in that respect—without much difficulty we could cut our energy consumption by a third over a period of 25 years. Secondly, we should work to achieve decentralised energy and encourage householders to be part of the generation mix. Thirdly, we should have a basket of renewable sources, not only wind. Fourthly, and importantly, we should give serious consideration to carbon capture and storage and acknowledge that there may be a role in future for fossil fuels if they can be cleaned up. Of course, using fossil fuels and wind power and taking energy efficiency measures would help to meet our security of supply objectives, about which the Government are rightly concerned. A number of commercial sequestration projects are up and running in Norway, Canada and Algeria—the technology has been proved to work.

I could say more but I am conscious that other hon. Members wish to speak. I shall conclude by saying that nuclear is a dodo that does not fly. If I wanted to extend the metaphor, I could say that it is a white elephant and a red herring as well. I ask the House to support the motion.

7.49 pm

The Minister for Energy (Malcolm Wicks): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes the recent announcement of an energy review to assess future options on both the supply and demand for energy including the role of civil nuclear power; and notes the Government's energy policy as set out in the 2003 Energy White Paper, to make progress towards the goal of reducing carbon dioxide emissions by 60 per cent. by 2050, to maintain the reliability of energy supplies, to promote competitive markets in the UK and beyond and to ensure that every home is adequately and affordably heated."

I welcome the debate at this important time for our energy policy. Although I agreed with little that the hon. Member for Lewes (Norman Baker) said, I nevertheless congratulate him on securing the debate. In response to some noises on the Labour Benches—I hope that my colleagues will not mind my referring to them as noises on this occasion—the hon. Gentleman said they were seeking to divide his party. With that project, his party needs no help at present.

The House is aware that the Prime Minister and the Secretary of State for Trade and Industry have asked me to lead a review of UK energy policy, including civil nuclear power. The review is under way and proposals will be made by the summer. We will launch our consultation document with a written statement to the House on Monday. I hope that all Members will study that document and contribute to the important debate.

The question has been raised of why we should have a review now.

Stewart Hosie *rose—*

Malcolm Wicks: Perhaps the hon. Gentleman was about to ask that question. It would be sensible for me and for the House if I took one or two interventions, but not too many, as I know that many colleagues want to join in the debate and I want an opportunity to listen.

Stewart Hosie: Can the Minister confirm that when nuclear power is reviewed, there will be a direct comparison with other options so that, for example, a new nuclear power station at Hunterston may be compared directly with a wind farm with a biomass element to it for when the wind is not blowing? Will the Minister give a commitment that such direct comparisons of nuclear and other options will be put together in the review?

Malcolm Wicks: We will want to look at the cost comparisons, as well as other comparisons.

Why have a review? The situation has moved on since we set out our energy policies in 2003. Our own energy output in the North sea has declined faster than anticipated and we have moved to being a net gas importer earlier than envisaged. We could become a net importer of oil, too, by the end of this decade. There have been changes beyond our borders—we have seen slower than expected liberalisation in the EU, leading to exposure to higher, more volatile prices. Global demand for energy has increased massively as economies such as China's have boomed. China's energy demand is increasing by about 15 per cent. each year.

There are lessons to be learned from these changing circumstances and from what we have already experienced this winter, both in the UK and overseas. The energy review is not a reaction to this winter, but a planned response to the lessons that we have learned and the changes that we have experienced since 2003. We are taking action now in order to keep us on track, or in some cases to put us back on track, for our long-term energy goals.

Key questions need to be answered. How do we ensure affordable energy in the future? How do we deliver a 60 per cent. reduction in our carbon targets? How do we manage our reliance on imported gas? In a nutshell, how can we make sure that we have a fully fledged energy market that provides energy that is secure, affordable and clean? Those are big questions and they raise vital issues that are, of course, complex, intricate and interrelated. There are important links between any decisions that we make as a result of the review, including decisions on civil nuclear power.

It will not come as a surprise when I say that we are not looking for simplistic yes or no responses to complex issues, particularly on civil nuclear power. The Liberal Democrat spokesman said a few moments ago that if—and it is a big if—we go down the nuclear path again, there will be room for nothing else. With all due respect to the hon. Gentleman, that is total nonsense. The name of the game is not to talk about enthusiasm for renewables, nuclear, biomass or wind turbines, but to ask a duller but perhaps more sensible question about how we build up 100 per cent. of energy supply, not the contribution that this or that technology might make—30 per cent., 5 per cent. or 20 per cent.

Mr. Phil Willis (Harrogate and Knaresborough) (LD): We accept that, in a liberalised energy market, it will be the suppliers of energy who make many of the significant decisions, and it will be for Government to create a framework within which those decisions can be made. Can the Minister give the House an example of any company that has asked the Department for support to build a new nuclear power station since the last energy review?

Malcolm Wicks: No, I cannot do that. However, a number of companies have said to me that, just as in other nation states, it would need a lead from Government to provide a framework for companies to come forward. That is the political reality when it comes to civil nuclear energy.

Mr. David Hamilton (Midlothian) (Lab): Is it not the case, however, that many companies running coal-fired power stations have already alerted the Department to the fact that if they do not get investment now, they cannot change to clean coal technology? There must be changes and decisions must be taken now.

Malcolm Wicks: Certainly, massive investment is required in infrastructure and power plants over the next 10, 20 or 30 years. People are looking forward eagerly to the results of the review on a wide range of topics. It is not a nuclear review, but as the Prime Minister made clear, in reviewing our energy policy and in the context of securing a diverse—I emphasise "diverse"—energy mix, we need to consider the future role of civil nuclear power.

Nuclear is already part of the mix. Nuclear energy accounts for about 19 per cent. of our electricity generation, but the current generating plants are ageing and most are scheduled to be decommissioned over the coming 15 years or so, as we have heard. As things stand, it is estimated that by 2020 only about 7 per cent. of our electricity might come from nuclear. From an international perspective, there are several countries showing interest in new nuclear build. China and India have a building programme under way, with more new reactors planned or at the proposal stage. Closer to home, Finland has started construction of a new plant, and France also has proposals for new plant.

Nuclear might provide some of the answers going forward, but there are major factors to be considered, such as management of waste, costs and safety. We also need an evidence-based look at what new nuclear technologies can offer. Even if, and I emphasise that it is a big if, new nuclear could provide some of the answers, it could never be the whole picture. When we look not just at electricity but at UK energy consumption as a whole, including transport, we see that nuclear contributes 8 per cent.—a significant percentage, but only 8 per cent.

The Government are clear that, in making important decisions about energy policy, including nuclear, there should be the fullest public consultation. The document that we shall issue on Monday is part of that process. The Government are not, at this stage, presenting policy proposals. The hon. Member for Lewes rather implied that we were. He needs to wait. Before any decision to proceed with the building of a new generation of nuclear power plants, a further White Paper setting out our proposals would need to be published.

The 2003 White Paper concluded that nuclear power was an important source of carbon-free electricity. It remains so. However, its economics made it an unattractive option then for new, carbon-free generating capacity, and there were also important issues of nuclear waste to be resolved. These issues included our legacy waste and continued waste arising from other sources. However, the White Paper did not rule out the possibility that at some point in the future new nuclear build might be necessary if we are to meet our carbon targets.

The Government are aware that since the White Paper, new nuclear plants are being built in the far east and in Finland and that there have been a number of new studies on the costs of nuclear power. The review will therefore conduct a rigorous analysis and examine all the evidence on the economics of all forms of generation for both fossil fuel and low-carbon technologies.

Mr. Weir: Will the review also look at the availability of uranium for the new nuclear stations and the fact that that is also a finite resource?

Malcolm Wicks: When we examine potential scenarios and test the nuclear hypothesis, uranium will require consideration. I understand that we already have a reasonable supply of uranium and that many of the deposits are in Australia and Canada.

On the management of waste, we must demonstrate to the public that the legacy of nuclear waste is being tackled before we contemplate a new generation of

[Malcolm Wicks]

nuclear reactors. A clear strategy is in place, and work is under way to tackle that legacy. We established the Nuclear Decommissioning Authority, which became effective in April last year, and it is setting a UK-wide strategy for more effective decommissioning and clean-up of its sites. It is responsible for the UK's civil nuclear sites and for setting an overall strategy for their safe, secure, cost-effective and environmentally responsible decommissioning and clean-up, and it will drive improved clean-up performance through the introduction of site management competition.

The independent Committee on Radioactive Waste Management was set up to oversee a review of options for managing the UK's higher activity radioactive waste. CoRWM will recommend the option, or combination of options, that can deliver a long-term waste solution, providing protection for people and the environment. CoRWM is due to deliver its recommendations to the Department for Environment, Food and Rural Affairs by July this year, and the UK Government and the devolved Administrations will decide policy and its means of delivery in that light.

The failure of Governments and Parliaments to tackle the waste issue for several decades is a national disgrace and we must reach sensible conclusions to settle that national account. We cannot have a serious debate about ongoing nuclear until we have convinced Parliament and the public that we have implemented strategies to tackle the waste issue, and I think that the NDA takes us halfway there.

Mr. Drew: My hon. Friend knows that Berkeley, the first nuclear power station to be decommissioned, is in my constituency, and he also knows that exciting moves are afoot to return the Berkeley site as near as possible to a greenfield site. Will he commend the people engaged in that work and support the industry's objective? Perhaps that is one way to address some of the legacy issues, which require answers.

Malcolm Wicks: The way in which we handle decommissioning in terms of not only waste but the local environment is critical.

On skills and research, new nuclear build is not the only issue that we should consider in relation to civil nuclear power. The operation and eventual decommissioning of existing nuclear plant will require a highly skilled work force, which is why the Government have introduced measures to support and develop skills and research. The Cogent sector skills council was licensed last year, and it is taking a strategic view of the nuclear sector, ensuring that the education and training base can meet the needs of nuclear employers. Cogent is also working closely with the NDA and its contractors to ensure that the necessary skills are available and sustained.

The research councils are playing their part in providing prospects for nuclear energy research. Opportunities for fission research are available as part of the initiative of Research Councils UK, "towards a sustainable energy economy", and the UK is participating in the generation IV international forum, which plans a co-ordinated programme of international research into advanced reactor systems.

Safety is a crucial issue, and the UK has an excellent record. Both the Government and the UK civil nuclear industry take very seriously their responsibilities for ensuring the safety of activities at nuclear installations. The stringent regulatory regime provides for the application of high standards of safety aimed both at minimising radiation exposures from normal operations and at preventing accidental releases of radioactivity at nuclear installations.

Norman Baker: Does the Minister regard the way in which the nuclear industry has dealt with the legacy problems at Sellafield as demonstrating proper regard for safety?

Malcolm Wicks: As I have said, the way in which Parliaments and Governments have handled the matter over several decades is a national disgrace, which indicates my feelings. The Government and I are determined to tackle those difficult and sometimes controversial issues.

In conclusion, we will, of course, consider nuclear during the forthcoming review. It is a pity that there is not an opportunity to hold a wider debate, but opportunities have arisen—there will be more—to discuss other technologies such as renewables and the need for energy efficiency. Today, we are understandably focusing on one technology, civil nuclear, but we will not consider nuclear in isolation, because we do not see one technology as being a panacea for lowering emissions and ensuring reliable energy supplies. The challenge for serious people is not to advance the case for one technology that can contribute 5 per cent. or 30 per cent. of our supply, but to consider 100 per cent. supply.

Mr. Ellwood: Will the Minister take this opportunity to spell out the timetable? We hear that the review will report in the summer, but what will be its consequences? In a year's time, will we have a substantive timetable for understanding our energy requirements and how we will meet them?

Malcolm Wicks: Yes, I hope so. The Prime Minister has asked me to report to him and the Cabinet by the summer, so although we must conduct the review rigorously and spend time on it, there is a sense of urgency.

I will not try to second-guess the outcome of the energy review—the Liberal Democrats have already done so—because it would not be sensible. The Government are committed to a full assessment of a wide range of options, and we cannot pre-empt that consideration now. We need a rational, evidence-based, grown-up debate, which must involve experts, people in business, investors, people in the energy industry, scientists and academics.

Colin Challen: I am pleased to hear that the review will not be pre-empted. Will the Minister take this opportunity to put it on the record that the Government do not believe, as one of his predecessors said, that uranium is indigenous to this country or, as Lord Sainsbury of Turville said in the other place, that nuclear power is renewable? Neither of those two statements is sensible, rational or grown-up.

Malcolm Wicks: I have indicated my understanding that much of our uranium comes from Australia and

Canada—my feel for geography is reasonable, but not advanced, so I can reassure my hon. Friend on at least one point.

Geraldine Smith (Morecambe and Lunesdale) (Lab): I was pleased to hear my hon. Friend say that the review will have a sense of urgency, because energy reviews have been conducted throughout my eight years in Parliament. When he conducts the consultation and meets a wide range of people, perhaps it would be useful to visit the two nuclear power stations in my constituency and talk to the trade union.

Malcolm Wicks: We will meet so-called stakeholders in every region of the country, and I am developing a programme of more public events. Indeed, my challenge to hon. Members is to lead the debate rationally in their own constituencies.

Geraldine Smith: Was that a yes or a no?

Malcolm Wicks: It was one of those.

Dr. Andrew Murrison (Westbury) (Con): Will the Minister confirm that he will consult industry about increasing the efficiency of existing and future conventional power plants? My information is that Ministers and their officials have stonewalled those who seek to improve efficiency, but there seems to be the potential for some early gains. Will he meet Thermodyne, which is such a company based in my constituency?

Malcolm Wicks: I will certainly give that due consideration, although when I say that I want to meet a wide range of people, I am not saying that I want to meet everyone at the same time.

The debate should not be just an expert debate, a business debate or an academic debate, although we need those dimensions—it must be a wider public debate. Hon. Members can help to lead that debate in their constituencies. I hope that it will be informed, rational and grown up; and I rather hope, against the odds, that the Liberal Democrats may yet choose to join in.

8.10 pm

Mr. Alan Duncan (Rutland and Melton) (Con): Tonight is an occasion on which Conservative Members find themselves in broad agreement with everything that the Minister has said. I approached the debate with a measure of hope and of despair. I hope that the energy review on which we embark on Monday will be a serious process in which both sides of the House will engage in the grown-up manner that the Minister described, but I despair that, as we all try to address this matter, there is one party that has decided to close off the process from the start.

We all have a profound responsibility to grapple with what is one of the biggest, if not the biggest, problems that we face as politicians and stewards of the interests of our country. We live in a rapidly changing world in which our patterns of supply are uncertain, the technologies that govern our energy supply are changing very rapidly, and our growing concerns for the world in which we live, and the one that we will leave behind, are of paramount importance. We have profound responsibilities. Any of us who tries to live without electricity for a mere 48 hours can understand the significance of what energy means to us. We are, if not a nanosecond from, at least—as we saw in New Orleans—only thinly divided from complete chaos. The absence of energy in our working world would lead rapidly to that chaos.

The hon. Member for Lewes (Norman Baker) asked, "Why have this review?" We need it because we cannot with certainty see the future, because the issue needs profound thought, and because the technology that governs it, and the world, is changing fast. If we do not engage in this review—okay, we would rather have had it sooner, but none the less the process is now set in train—we will not be fulfilling the responsibilities that we all have. The point about the energy world at the moment is that every single aspect is interrelated. We cannot consider one aspect of energy generation and supply without appreciating its effect on another aspect. We have to consider it overall—gas, electricity, oil, nuclear and renewables—and try to understand how we can best serve the interests of the planet as well as our needs for energy.

Our starting point is that Britain is heavily dependent on gas. The current investment climate in Britain means that the only decision that any private company will take is to build a gas-fired power station. That is not necessarily the best thing for our long-term future. The whole issue of energy efficiency is, rightly, on our political radar in a far more engaging way than it has ever been. That should have happened earlier—perhaps some of us were a bit slow. The effects that CO_2 emissions are having on the world are better understood. Our dependency on certain sources of energy is growing. That could put us in a perilous position if the world is turned on its head with upheaval in one part of the globe. Our starting point has to be one of deep concern about how our energy supplies can be sustained and how the consequences of consuming energy can be acceptable for future generations.

Mr. Russell Brown (Dumfries and Galloway) (Lab): The hon. Gentleman is hinting at the question that I want to ask him. For all the eight-plus years in which I have been here, we have had debates about energy provision and how we manage to generate it. We have argued about nuclear and renewables, but the reality is that this is about meeting our own demands as best we can. Does the hon. Gentleman agree that the big issue is whether we aim to be as self-sufficient as possible and, in particular, how we deal with the issue of imported gas, which arose earlier this month?

Mr. Duncan: The hon. Gentleman makes an important point. There is no cross-party difference in trying to identify the seriousness of the issue.

The hon. Gentleman's comments take me conveniently to the question of what alternatives now exist to the traditional patterns of energy supply that this country has enjoyed for decades. The fact is—this is another compelling reason for engaging seriously in this review—that science is changing very fast indeed. Instead of looking at renewables as a marginal and slightly quirky additional supply to our energy needs, we

[Mr. Duncan]

see that they can increasingly play a significant part in the energy mix that any country should set for itself. Today, my hon. Friend the Member for Witney (Mr. Cameron) and I changed our personal domestic electricity supplies to eco-friendly sources. I am now getting my London electricity from Scottish hydro; my hon. Friend is getting his from a mixture of eco-friendly sources. That shows that science, technology, consumer power and the free choice that we can exercise can dramatically shape the energy market in which we work.

Other technologies are developing. I used to be in the oil business, which was always seen as the demon of the environment, but when we consider carbon recapture and Labour Members, in particular, consider coal, we can see that there are prospects for consuming clean coal. Fossil fuels may enjoy a longer lease of life with which we can happily co-exist than we would ever have expected 10 years ago. Science is changing dramatically. Technological progress in the transfer of emissions and the way in which the bad elements of energy consumption can be captured and stored are changing the whole nature of the debate.

One cannot but ask whether nuclear power has a role in all this. Let me come clean. From about the age of 12, I have had an instinctive hostility to nuclear power. I treat it with profound suspicion. In looking at nuclear technology, the wise course is to apply the precautionary principle and say that the onus is on those who say that nuclear power should be used to prove that it can overcome our doubts and fears, predominantly about its safety. The hon. Member for Lewes made some good arguments, which will have to go into the review, about the doubts that we may have about nuclear power. The first question is whether the economics work. Does the fact that it is expensive to create, almost cost-free to run, and then so expensive to decommission mean that in a private market someone will make the investment, run it, and then skedaddle leaving someone else to pick up the pieces?

That is a legitimate fear, which introduces another element into the debate, particularly in relation to security for the whole country—whether there should be an element of state involvement in the nuclear sector if the private sector cannot, as the hon. Member for Lewes clearly thinks, ever seriously invest in nuclear energy in the long term.

There are debates and doubts about the dangers of nuclear waste. A predominant fear is that great boxes of waste are left glowing for thousands of years, improperly stored and leaking into our atmosphere. There are concerns about security as regards not only the elements needed to generate nuclear power, but the obvious security dangers that we face in the modern world. We must all take very seriously the danger of somebody trying to blow up an installation. There is the question of whether nuclear power will be able to do what it needs to do in the time scale that is required for the energy capacity that we need in the next 10 or 20 years.

The environmental lobby is split on nuclear power. Some believe that it is a godsend for the environment and others think that it is a curse, which we should never touch.

However, my main point tonight is concern about the Liberal Democrats' attitude to the issue. It is a little like Noddy and Big Ears. When Noddy built his house, he said, "Let's put the roof on first so that, when it rains, we don't get wet." The Liberal Democrats have got matters upside down. It is irresponsible to begin a largely cross-party review on the most serious issue that will affect this country for the next 50 years by reaching the conclusions at the start. A prejudicial approach and stance to such a serious issue is deeply irresponsible.

Mr. Ellwood: It is even more confusing given that last week the Liberal Democrats endorsed research into the use of nuclear energy, yet today they rule it out completely.

Mr. Duncan: That is a minor sin compared with some others, with which I should like to enlighten the House.

The speech of the hon. Member for Lewes was backward looking—it was atavistic. It referred only to mountains of waste and the problems of historic power generation. It tackled none of the arguments that the nuclear industry espouses for future generation.

Norman Baker: The hon. Gentleman is wrong. We are dealing with that.

Mr. Duncan: If that is the case, why do not the Liberal Democrats engage in the review? Those of us who watch the Liberal Democrats are entitled to examine the genuine nature—as they would have it—of their approach to the issue. The party is riven, even on its Front Bench.

Norman Baker: Riven?

Mr. Duncan: Yes, riven. Split, if the hon. Gentleman would like a simpler word.

Colin Challen: It is truly depressing to witness the breakdown in the cross-party consensus that was launched last year on climate change, which must affect energy policy. However, is the hon. Gentleman trying to have his cake and eat it? The Conservative party's review will report a year after the Government's. I wonder whether that will give the new Conservative party enough time to shift its stance to whatever public opinion says it should be.

Mr. Duncan: As the hon. Gentleman can see, I do not eat much cake.

Let us consider the opinions of the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso). In a recent interview in the *Sunday Herald*, he stated:

> "If, as may be the case, the answer were to be nuclear, in those circumstances it would not give me a problem. It would be responsible to consider nuclear as one of the options".

He added that nuclear could be the "least worst option" for guaranteeing security of supply. He went on:

> "If nuclear fulfilled the criteria I set out, it would not give me the level of worry it gives other people. I see no reason to rule it out on emotional grounds. We need honest information."

Indeed, we do. We all seek honest information.

However, it gets worse for the Liberal Democrats. Their—as he terms himself—"shadow Chancellor", the hon. Member for Twickenham (Dr. Cable), wrote a good article in *The Times* on 29 December. It states:

"For politicians to be 'pro' or 'anti' nuclear makes no more sense than to be 'for' and 'against' silicon chips or aeroplanes. The issue is about the relative risks and costs."

That is our view. He continued:

"Yet it is hard to sustain the argument that infant industry arguments still apply to the industrial equivalent of 40-year-olds in nappies. If the nuclear industry becomes fully potty-trained and no longer demands subsidies or guarantees or that taxpayers pay for safe waste disposal and decommissioning, then it merits a fresh look . . . Dogma about new nuclear power is unhelpful, for and against."

One must cast doubt on whether the hon. Member for Lewes is yet fully potty trained.

The motion represents a prejudicial approach to a serious review and the hon. Member for Lewes, who is not the Trade and Industry spokesman for his party, is at variance with his Exchequer spokesman, his Trade and Industry spokesman and the Front Bencher, the hon. Member for Caithness, Sutherland and Easter Ross. We are witnessing the lot of the Liberal Democrat through the ages: impotence without responsibility.

If the hon. Member for Lewes is so certain that the nuclear option should not be entertained, he was duty bound to tell the House, with the same certainty, how his party would fill the ensuing generation gap.

Norman Baker: I did.

Mr. Duncan: I listened carefully to the hon. Gentleman's speech. I was out of the Chamber for only two minutes, during which I asked someone to ensure that I knew what was happening. The hon. Gentleman said nothing about how the gap would be filled. A sweeping mention of renewables is not the answer because the capacity does not currently exist. He made no comments about whether fossil fuels might become more acceptable, with a new lease of life.

Norman Baker: I mentioned carbon capture.

Mr. Duncan: If the hon. Gentleman is banking on carbon capture, let him say how we shall get the capacity we need in time to keep the generators going.

Being pro nuclear should not be used as an excuse for not doing other things. We are impelled to consider all alternatives, especially those that are most friendly to the planet, if we are to solve the problem. However, being pro other things should not be used as an excuse not to reappraise the nuclear option. The Liberal Democrats' approach is fundamentally irresponsible at a time when all hon. Members need to tackle the issue with the seriousness that it deserves.

8.26 pm

Mr. Michael Meacher (Oldham, West and Royton) (Lab): As the energy review gets under way, one assumption goes almost unchallenged. It is that renewables alone cannot fill the looming energy gap—a point that has just been made—and that, therefore, a revival of civil nuclear power is inevitable. I believe that to be false.

Before I give my reasons, I emphasise that no satisfactory explanation has been given for the energy review, given that the Government carried out a full-scale, thorough and comprehensive investigation, over two to three years, leading to the energy White Paper of February 2003. Events since then—increasing dependence on foreign supplies of gas and oil and high oil and gas prices—were long anticipated and only reinforced the conclusions that were reached at that time. They do not alter them in any way.

As the Minister for Energy rightly said, nuclear accounts for approximately 19 per cent. of electricity generation and, as the Magnox and advanced gas-cooled reactors are decommissioned, it will reduce to around 7 per cent. by 2020. Let us assume—I am the first to admit that it is not certain—that gas generation of electricity may increase slightly by 2020 and that coal generation may decrease slightly. The main question is whether the gap from the 12 per cent. reduction in nuclear will be filled by a new programme of nuclear build or by renewables. That is the central issue.

The Government already have a commitment to achieving a target of obtaining 10 per cent. of our electricity from renewables by 2010, and an aspiration to reach 20 per cent. by 2020. Of course, it is true that renewables generation is starting from a low base. However, the proportion of electricity that they provide has almost doubled in the past four years, and it is now sufficient to supply more than 2 million households. The argument for relying on renewables alone to fill the gap is very strong, because nuclear power is beset by several severe problems that, in my view, rule it out as a sensible option. I am not against it being considered; I am simply saying that, when we do so, it will be ruled out for very good reasons, if—and this is the big question—an effective alternative is available.

First, there is the question of cost. The Government's own advisory body, the performance and innovation unit, has calculated that the cost of electricity in the UK in 2020 is likely to be about 1.5p per kWh from on-land wind; 2p to 3p from offshore wind; 2p to 2.3p from gas; 3p to 3.5p from coal; and 3p to 4p from nuclear power. I am aware that the nuclear industry is saying that the AP1000 series reactor will be cheaper than that, as the hon. Member for Lewes (Norman Baker) pointed out. However, he also made the key point that no prototype has yet been built to prove that assumption. We simply do not know whether it will be the case. We can be certain, however, that the cost of nuclear-generated electricity will be significantly higher if—as should be the case if we are to have a level playing field—the cost of decommissioning the nuclear plant and of the waste management is to be factored into the price. That is a crucial consideration.

Mr. Chaytor: In regard to the list of comparative costs that my right hon. Friend has cited, is not a further factor the measure of reliability of estimating those costs? Is not the reliability of estimating the costs of onshore and offshore wind power generally deemed to be higher than the reliability of estimating the costs of nuclear generation?

Mr. Meacher: My hon. Friend makes a very fair point; I would endorse that.

[Mr. Meacher]

The Government's Nuclear Decommissioning Authority has already said that the cost that taxpayers will have to bear from decommissioning nuclear plant—to be fair, this includes military as well as civil installations—will be about £56 billion. That relates to operations over the whole of the past half century. It is an astronomically high cost to the taxpayer, amounting to about 5 per cent. of our entire gross domestic product. If these enormous external liabilities were to be written in to the consumer price—which might be the right thing to do—nuclear power would be nowhere near competitive. Alternatively, they could be left as a huge tax burden for future generations, but would anyone seriously suggest that that was a fair and reasonable option?

Nuclear power has other drawbacks. We already have 10,000 tonnes of highly toxic intermediate and high-level nuclear waste, mainly at Sellafield. That waste has a half-life of tens of thousands of years, and nobody knows how to dispose of it safely. The Finns think that they might have a solution, but that has not yet been proven. An official estimate in a DTI White Paper is that, even without any new nuclear build, decommissioning will increase the amount of waste 50-fold to 500,000 tonnes by the end of this century. Is it rational or responsible to create yet more mountains of dangerous waste before we have found a satisfactory form of long-term disposal for the gigantic quantity that we already have? I am glad that the Minister also asked that question.

We must also take into account the risk of nuclear proliferation and the dangers, post-9/11, of a terrorist attack. A recent US study estimated the health impact of an attack on a nuclear reactor at 44,000 immediate deaths, with 500,000 long-term health impacts, including cancers. It is therefore quite clear that nuclear power should be avoided. As I have said, I am not against looking into the matter, but there seems to be very clear evidence that we should avoid it—if we can. Can renewables realistically fill the gap? The independent consultant, Oxera, recently predicted that the Government will virtually achieve their target of 10 per cent. of electricity generation from renewables by 2010. The EU renewable energy directive already stipulates 22 per cent. electricity generation from renewables for Europe by 2010, so the UK is likely to come under a great deal of pressure, perhaps mandatory pressure, to move swiftly to reach 20 per cent. as soon as possible after that date.

The question is whether that is realistic. The fact that it is realistic is shown by the performance of other states. At a time—I am talking about 2001, when these figures were compiled—when Sweden generated 57 per cent. of its electricity from renewables, including hydro, Finland 33 per cent., Portugal 30 per cent., and Italy, Denmark, Spain and France all between 13 and 19 per cent., the UK managed just 2.7 per cent. It is not that the UK lacks potential; it simply has not been exploited.

The UK has about 40 per cent. of Europe's potential wind power, but we are using less than 1 per cent., so there can be no serious doubt about the fact that the 12 per cent. gap that will be left by nuclear by 2020, and significantly more, can be fully met by renewables alone—without the higher costs, without the environmental and health hazards, and without the terrorist risks of nuclear.

It is equally clear that we do not need nuclear to achieve our Kyoto climate change obligations if there is a better alternative available, as there clearly is. Even AEA Technology, the former research arm of the Atomic Energy Authority, thought that a quarter of Britain's electricity needs could be met by building the world's largest complex of wind farms—

Mr. Deputy Speaker (Sir Michael Lord): Order. The eight-minute rule is now in operation.

8.36 pm

Andrew Stunell (Hazel Grove) (LD): I want to concentrate on issues relating to nuclear waste disposal. Everyone agrees that solving that problem is the precondition for nuclear to go ahead in the future. The hon. Member for Rutland and Melton (Mr. Duncan) might want to read my two books on the subject, or possibly the Liberal Democrat policy document "Conserving the Future", which was published in September 2004. It will give him the answers he seeks. There are engineering and scientific issues to be dealt with, as well as economic and environmental issues and social and political issues. The hon. Gentleman making attacks in such a way trivialises the issue.

Since the publication of our proposals, plenty has happened in relation to nuclear power. Some of it has been positive, such as the creation of the Nuclear Decommissioning Authority, which has separated the generation of waste from disposal. It was absolutely right to do that. Other examples are the free-standing commission to establish the process and the options for dealing with waste, the Committee on Radioactive Waste Management—CoRWM. It was absolutely right to set that up, and I was happy to play a part in the Energy Act 2004, ensuring that it went forward.

We also need to recognise the fact that some negative things have happened as well. British Energy went bust. British Nuclear Fuels Ltd. accidentally released a swimming-bathful of radioactive liquid—never mind a football pitch. The Department of Trade and Industry estimate for managing waste has gone up from £48 billion to £56 billion, and is about to go up yet again, as we have heard. We now know that the British Energy costs taken over by the Government will amount to £3.3 billion, starting with 10 yearly payments of £181 million.

How one adds those figures up and the outcomes that one gets are difficult and controversial matters. One can argue about discounted costs, undiscounted costs and so on, but no one doubts that a huge amount of taxpayers' money has already been committed to the clean-up, and an even bigger sum is to follow. We have not got to the end of it yet. My hon. Friend the Member for East Dunbartonshire (Jo Swinson) referred to the situation at Dounreay and the possible £70 billion extra for clearing up the beaches and the seabed there.

All the enormous costs referred to so far relate to cleaning up, decommissioning and making safe, not to ultimate safe keeping. That is not in the figures we have discussed. What happens to the spent fuel rods, the reactor housings and the contaminated pipe work—

and, for that matter, what will happen to the 10,000 metallic radioactive particles on the seabed at Dounreay—is still not known by anybody. Nobody knows how much it will cost and where it will all go.

The Government answer to all such questions is, "We don't know yet, but we are looking for a man who does." Of course, that is through the CoRWM process. I welcome the setting up of CoRWM, which has covered quite a lot of ground. In fact, it has covered more—space, sea and the four corners of the universe to see whether there is somewhere it can send the waste. However, as the House of Lords Science and Technology Committee pointed out in December 2004, CoRWM is in some real difficulty, and there were trenchant criticisms of it in that report. The Government responded last February, and the House of Lords responded again to the Government, rebutting their complacency, in April last year. The report referred to the narrow scientific base of what CoRWM was doing. It also noted with concern the suspension of one member of CoRWM and the request that another be suspended. It went on to say:

"We have already stated our concern as to the level of expertise on CoRWM; it would be extremely unfortunate if this expertise were further diluted through the loss of two members with relevant technical experience."

Have things improved since? No, they have not. In the *British Medical Journal*, on 10 December, the two suspended members made the point that

"the committee now has less than a year to formulate its advice"

and that the

"latest independent review is sceptical that there will be a successful outcome".

I want to hear the Minister confirm that he believes that the timetable of July this year can be stuck to, I want him to tell us why there are no replacements for the experts needed on CoRWM, and I want him to say that the credibility of CoRWM remains intact despite its difficulties.

We are a long way from settling the issue of how to dispose of nuclear waste, let alone of where to dispose of it and how to pay for it. The proponents of a new generation of investment in nuclear now say that that does not really matter, because it is all legacy waste. From now on, they say, there will not be a problem, as the new nuclear industry will be virtually waste-free. Yes, there is an issue with historic waste, they say, but future waste volumes will be so small that we will not even notice them. A few years ago, they used to say that nuclear power would be so cheap that there would be no need to meter it. Now they say that it is so clean that there is no need to clean up after it. Both claims are straight from the fantasy world of pro-nuclear lobbyists.

A few minutes ago, I mentioned that CoRWM might be afflicted by a credibility problem. I am sure that when the Minister replies he will say that CoRWM is a very credible body, which has carried out careful study and has expert advice in its support as well as high-quality research and sound and sustainable facts and figures. I hope that he will say that, because I want to quote some of the figures that CoRWM has brought into the public domain.

CoRWM says that the total of high-level waste if a new generation of nuclear plants is built—its working assumption was 10 nuclear plants—will rise from just over 8,000 cu m to 39,000 cu m. That is five times as much as we would have if those 10 new nuclear plants were not built—a five-fold increase. What does the industry say about that? British Nuclear Fuels Ltd. told the Science and Technology Committee that there would be a 10 per cent. rise—not a five-fold rise—in nuclear waste. It used that dodgy statistic to persuade the committee to say to the House that nuclear waste issues should not be a bar to future building. The nuclear industry now says:

"We're not fiddling the figures. It's just a different way of measuring it."

The difference, however, is between the right way of measuring it and the wrong way of measuring it.

No one yet knows how, where or when this country can safely store its nuclear waste. No one can be sure of the cost, although we know that it will be in the multi-billions and will pose problems for centuries, not just decades. We also know that a new generation of nuclear build will massively increase the amount of high-level waste to be disposed of. My hon. Friend the Member for Lewes (Norman Baker) has spelt out the cost, the folly and the risks of new investment in nuclear power. I hope that I have cast some light on the unanswered challenge of dealing with an increasing mound of radioactive waste that nobody knows how to deal with.

8.43 pm

Mr. Geoffrey Robinson (Coventry, North-West) (Lab): I am grateful for the opportunity to take part in this debate. I congratulate the Government on their review, and I must take issue with my colleagues on the Government Benches who feel that it is unnecessary. The security and supply of energy is of huge national importance, and we must keep it under regular review. I say that because, in terms of energy supply and security, things have changed dramatically in the short period of eight years since the Government took office.

I can tell my hon. Friend the Minister for Energy, who is conducting the review, that on the basis of some experience I think it might have been better to make it independent, and that there may be a case for regular independent reviews of the security and diversity of energy. I say that I speak on the basis of some experience because in November 1997, shortly after our party took office, we underwent the first crisis of that Labour Government. We suddenly discovered that we were to close half the coal pits, and that coal was finished as an industry. We saw the collapse of the British coal industry. We could look forward to virtually all our energy supply for the next 50 years being delivered in the form of imported gas, mainly from the Transcaucasus, but no one seemed terribly worried about the prospect.

I posed two questions, and expensive consultants were commissioned to consider them. My questions were "What about gas prices?"—at that time, gas was attractive on cost grounds—and "What about security of supply?" The eminent and expensive consultants responded that there had never been an interruption of supply, and that they did not expect one. The confrontation between Ukraine and Russia in recent months put paid to that argument. Their other response was that they saw no great threat to the stability of gas prices, which would remain advantageous in comparison with the price of other energy sources. The situation following the ill-fated intervention in Iraq has put paid to that argument as well.

[Mr. Geoffrey Robinson]

I do not exaggerate much when I say that, in a nutshell, that was the advice that I was given. It was pursued, and much resulted from the review, not least the continuing argument about where we are today. As I have said, I welcome my right hon. Friend's review, and I ask my hon. Friends to bear in mind that great changes take place. In 1997 there was hardly a mention of renewables, or of their importance. Emissions and the link with energy policy barely got a look in, and energy saving was scarcely considered. The argument was, "Close down coal. Coal and gas-fired plants are finished. Face reality. Sack 5,000 miners, and let us be done with it."

I prayed for a turf war between the Departments in Whitehall at the time. There was not a blade of grass to be seen anywhere. There was unanimity in Whitehall. Over the weekend, I read in the national press that we now look forward to a third, or perhaps half, of the next generation of power stations being coal-fired. So things do change, and I ask my hon. Friends to keep an open mind.

I do not think that the Liberal Democrats are approaching the idea of an energy review in the right way. I do not wish to intervene in the war between parties over who shall come second, but I thought that the hon. Member for Rutland and Melton (Mr. Duncan) made a very good speech. His tone was right, as was the balance of his argument. This is a cross-party issue. There is no party political divide, as there inevitably is on such matters as social policy, taxation policy and, for that matter, health policy. This issue comes down to an evidence-based, hard-headed assessment of where the national interest lies. I shall return to that shortly.

I also welcome the terms of reference of the review. I hope it will constitute a starting point, enabling us to examine issues in the future. The review that I was instrumental in commissioning in 1997 was intended to deal with the coal crisis. The 2003 review posed a question that it left unanswered. It is no good Labour Members saying that we do not need a review; we must have one, because the last one left the nuclear issue open, and it will not go away.

Unlike the Liberal Democrats—and perhaps even my right hon. Friend the Member for Oldham, West and Royton (Mr. Meacher), who speaks so eloquently and passionately about these matters—I am not prejudging the issue. We must not do that: we must view it in a hard-headed way. I share the instinctive dislike of the negative aspects of nuclear energy that is felt by all Members, but I do not believe that it can be ruled out a priori, particularly on emotional grounds.

What we need from the Government is a review—not every year, but every three to five years—of where we are in relation to our stated objectives. It must start with some really reliable facts and comparative data about the different aspects of production costs. There is no way of avoiding that, although it has not happened so far. My right hon. Friend the Member for Oldham, West and Royton mentioned the Cabinet Office performance unit. I doubt whether that is where we get such information from. I am not prejudging the review in any way, but I shall be surprised if it bears out that information. We do not have good figures on which to base our assumptions.

When I said that an independent review would have been much better, I had in mind the Turner review of pensions, which set a good precedent in so many ways. It did not flinch from posing the very difficult questions, or from spelling out the assumptions on which it was working. Nor did it flinch from taking a long-term view, which Governments have an instinctive and understandable dislike of doing. If any issue needs such an approach, it is energy. The decisions that we make now will take effect in 10 or 20 years' time, and if we can, we must look—with some degree of caution, of course—to 30, 40 or even 50 years hence.

The review needs to spell out its underlying assumptions, so that we can test their realism, to look at security of supply in the harsh light of reality, and to provide reliable and generally agreed up-to-date production data for renewables, for example. It needs to spell out the real prospects for renewables. Some Members are confident that we will meet our renewables targets, but some other people are not. However, nobody is making a realistic assessment of the current situation. As has been pointed out, we have only just embarked on the renewables programme; we do not yet know what the outcome will be, which is why we must keep it under review.

I welcome the review and I look forward to debating it in the House. I congratulate the Liberal Democrats on enabling us to debate it while it is still under way, but it is clear that we will need to debate it again when it comes before the House. I hope that, in doing so, we shall make a hard-headed assessment of where our national interest lies, rather than taking a party position based on emotional or other grounds.

8.52 pm

Mr. Robert Goodwill (Scarborough and Whitby) (Con): I am grateful to the Liberal Democrats for scheduling this debate, which has given the Government and the official Opposition a good opportunity to make a compelling case for a return to two-party politics. With the benefit of hindsight, when the good Lord decided where to allocate the world's hydrocarbon reserves, it was a bad day for Him and not the best decision that He might have made. Mesopotamia was the site of the Garden of Eden, but things have moved on since then. The middle east has become a particularly unstable area, and we do not know what to expect from the former Soviet Union, either. Last week's debate on security of energy supply starkly outlined the worrying prospect of our being in the position of Ukraine—of being held to ransom by another, possibly unstable regime in the former Soviet Union or the middle east. I should at this point draw Members' attention to my entry in the Register of Members' Interests as a Gazprom shareholder. I should also add that President Putin did not consult me before taking action against Ukraine.

It was a better decision of the Almighty to locate the majority of the planet's uranium in Canada and Australia, two stable and friendly countries. The known supply of uranium will last 80 years—

Mr. Weir: Is the hon. Gentleman aware that according to the European Union's energy Green Paper, the known uranium resource will last only 42 years—a vastly reduced time?

Mr. Goodwill: I am grateful for that question. I was in Canada in the summer with the all-party group on nuclear energy. We spoke to Canada's uranium mining industry, which assured us that it has 80 years-worth of supply. However, it also pointed out that there is no incentive to look for further uranium, given the existing supply, and that many modern reactors can also burn thorium, which there is more of in the world than uranium. Moreover, there is the prospect of a fast-breeder reactor programme when the uranium runs out. So there is no doubt that, if the Government announce a new nuclear build programme, there would be plenty of uranium to fuel it.

We have two responsibilities, the first of which is to ensure that the lights stay on in this country for the sake of our economy, for our hospitals and schools, and for our elderly, who need heat in winter. It is also true that despite increases in fuel efficiency, modern economies such as ours have continued to use more and more energy. We are seeing a move to more air conditioning in the summer, and I suspect that it will not be long before peak demand in this country will not be in winter but in summer. We also have an obligation to meet our Kyoto emissions commitments. We cannot do both without new nuclear build.

In September 2004, I went to Hartlepool, where a by-election was being held. I do not want to take the credit for our coming fourth in that by-election but it was interesting to talk to people on the doorstep about the issues that concerned them, bearing in mind that Hartlepool has an advanced gas-cooled reactor. The biggest environmental issue there was not nuclear, but the ghost ships—the former American navy ships that were being towed to Hartlepool to be decommissioned.

Mr. Ellwood: My hon. Friend's valid point, which has been echoed in the Chamber, concerns education. Does he agree that some of the best-informed people on nuclear energy in this country are those who live close by nuclear reactors?

Mr. Goodwill: That is true. At the Hartlepool nuclear station, there is an energy centre where children can go to learn about nuclear energy, and the same is true at Sellafield. I am sorry to say that organisations such as Greenpeace do themselves few favours in the way that they inform people; in fact, I think they are more in the business of scaremongering than peddling information.

Adam Afriyie (Windsor) (Con): Does my hon. Friend share my alarm at the hysteria radiating from the Liberal Democrat Front Bench and agree that when it comes to discussing energy, we should be calm, considered, logical and robust?

Mr. Goodwill: I am grateful for that intervention. Perhaps the Liberal Democrats have being listening too much to Greenpeace and its scaremongering. The worst things in the ghost ships were asbestos, which is found in many buildings around this city and can be dealt with competently, and some PCBs in the electrical wiring. No. 3 on the list of toxic products in the ghost ships was fuel oil.

Casting my mind further back, I recall the Brent Spar. Greenpeace said that that platform was full of nasty products and could not be sunk in the sea, but had to apologise because the platform was basically full of concrete. We must bear it in mind that organisations such as Greenpeace are political organisations and the scares that they peddle in the media translate to people making donations to them. We cannot expect to get a balanced opinion from them. Most people in this country get their opinion on nuclear from watching episodes of "The Simpsons", and we need to make the case for nuclear and not just steamroller it through.

Safety is my primary concern. In 1999, I visited the Chernobyl nuclear power plant in Ukraine. It was the only place in Ukraine where we saw a statue of Lenin, which, as it was contaminated, was cheaper to leave than to remove. We know of the devastation caused in that part of Ukraine and southern Belarus following the accident in 1986. When we passed through the checkpoint, we were surprised that it took another 20 minutes to arrive at the station, such is the area of Ukraine that is now condemned for many hundreds of years and where people will not live. We visited the deserted town of Pripyat and went into the control room where the unsanctioned experiments were carried out. At Chernobyl, I was most alarmed by the vehicle graveyard. It consists of mounds covering some 250 acres, which our Ukrainian hosts said contained the vehicles used in the immediate aftermath of the accident. In answer to our question about the vehicles' drivers, we were told that they were heroes of the Soviet Union.

We must not allow another Chernobyl to take place, but I do not think that such an accident could happen in the west, as we have a different safety culture and our reactors use secondary containment and core catchers. I believe that our licensing system will ensure that reactor designs sanctioned in this country will be nothing like the ones adopted in the Soviet Union. I used to drive a Lada; it was very unreliable, but my experiences with it did not mean that I never wanted a car again.

Another problem is the way in which the nuclear industry is treated in the media. Last year, two workers were sadly killed in a nuclear power station in Japan. The story was all over the newspapers, but the men were killed by a steam leak in the turbine room. That accident could have happened in any type of power station, but it just so happened that a nuclear power station was involved. The media always get very hysterical about nuclear power, and we must cut through that hysteria and look at the facts.

We also need to deal with the problem of waste. I am sure that you, Mr. Deputy Speaker, will know the old joke about how many nuclear physicists it takes to change a light bulb. The answer is 100—one to change the bulb, and 99 to decide what to do with the old one for the next 10,000 years.

In Canada, it was interesting to meet Liz Dowdeswell, who came to that country's nuclear waste commission with impeccable green credentials. She is not exactly

[Mr. Goodwill]

Canada's Jonathon Porritt, but she is along those lines. The Canadians have looked at the waste problem in a very logical way. I am pleased that our radiological waste management committee in the UK will produce a draft report in April, as we cannot go ahead with new nuclear build until we have an adequate answer to the waste problem. Initially, much of the waste will have to be stored at power stations. After that, we will have to find long-term depositories, but the waste will have to remain accessible as we may need to use it again in the future.

I welcome the energy review commissioned by the Government. I reject the Liberal Democrat motion, which shuts too many doors without looking at the possibilities. I really believe that nuclear power will have a part to play in the future, and I hope that the Government come to that decision.

9.2 pm

Joan Walley (Stoke-on-Trent, North) (Lab): I wanted to speak in last week's debate on the energy review, and was sorry not to have had an opportunity to do so. I am therefore very pleased to be able to contribute to this debate, but I have to say that the eight minutes available to Back-Bench speakers is nowhere near enough. The same is true of the four hours available last week.

Mr. Simon Burns (West Chelmsford) (Con): Get on with it then.

Joan Walley: Never mind about that—my plea to Ministers is to ensure that sufficient time is made available in this Parliament for a properly informed debate on all aspects of energy generation and supply and demand in the energy market.

The House needs no reminding about the scale of the challenge. My right hon. Friend the Prime Minister was right to make climate change one of the top priorities for our G8 and EU presidencies. We can also be proud of the way in which the Department for Environment, Food and Rural Affairs has led the debate, both nationally and internationally, but time is running out. Wake-up calls have come from people such as James Lovelock and Lester Brown, as well as from David King, the Government's scientific adviser, to the effect that the real threat from climate change is greater than the threat from terrorism. We must make sure that this House is involved in the entire debate about the energy review.

Earlier, the question was raised as to whether an energy review is really necessary, but I do not see how things now are all that much different from the position in 2003. I agree with my hon. Friend the Member for Coventry, North-West (Mr. Robinson) to the extent that things do change, but I maintain that we must set out our route and our objectives so that we can ensure that we remain on target and that we do not go off in another direction.

My fear is that the question of nuclear power may be a Trojan horse. We must not be pulled off course, and that means that a level playing for the review is absolutely essential. We must also ensure that the other Government reviews that are under way, including the Stern review from the Treasury, the climate change review and the review of renewables, are part and parcel of the consultation that will be formally announced on 23 January.

We should put on the record the importance of cutting UK carbon dioxide emissions by 2050 by 60 per cent., with progress made by 2020; of the need to maintain the reliability of energy supplies; of promoting competition and competitive markets in the UK and beyond; and of ensuring that everyone's home is adequately and affordably heated. Those are the key components of our energy strategy and those objectives are as valid today as they were in 2003.

Given that we are now about to embark on a further review, I want my hon. Friend the Minister to respond to some of my concerns. Will he give the House an undertaking that the review will be open and transparent? I have fears about the advisers who will give evidence and provide briefings and written reports. I hope that my hon. Friend will consider whether all the information that he gets could be made available to the House through the Library. We also need to know whether we will have a register of interests for those submitting evidence to the review. It is important to know where they are coming from and whether they have any other motive for the advice that they give to the Government.

Ministers should also consider ways of making regular statements to both Houses of Parliament and ensuring that Members can access all the information, so that we are equipped to invite the general public to take part in the debate. In that way, we can see what can be done at a local level to meet all the objectives that the Government have already set.

We also need a full appraisal of all the costs associated with the energy review. That appraisal must not be flawed. In 1998, for example, the non-fossil fuel levy provided billions of pounds to the nuclear industry, and it was clear that that subsidy helped to support technologies and keep costs low. Therefore, we need a similar calculation of how similar investment in renewables could affect future costs. The same certainty is needed when it comes to the time scales for planning and development. It is interesting that there has so far been no rush to build new nuclear plants. We need to ask where the up-front capital to do so will come from, when revenue streams from a new generation of nuclear power will be many years down the line. Once there are new nuclear power stations, the investors will need long-term guarantees of take-up, but that is likely to mean major problems for the structure of the energy market. Whatever is said about a mix of nuclear and renewables, if the Government choose to pick winners in that way, it could shut off developments in microchip and renewables. Major investment in nuclear power would not necessarily be compatible with renewables. We have to have a level playing field so that we do not rule out all the other options.

I do not have time tonight to address the issues of waste or risk assessment, or the huge opportunities that the Government had in 2003 to ensure that every Department, from the Treasury to the Office of the Deputy Prime Minister, did more, in a joined-up way, on energy efficiency, changing building design standards and other issues. So much depends on how the Government undertake the energy review and how they

address energy efficiency. Parliament needs to know how we are to be involved. Does the Minister recognise the expertise of Select Committees? Is there a framework whereby Select Committees, perhaps through the Liaison Committee, could have input?

What matters is that we have a full investigation of all the options. There will be no thanks if we get the energy review right, but we shall never be forgiven if we get it wrong. At this eleventh hour, I urge the Minister to ensure that there is a genuine commitment to full disclosure, full public input—

Mr. Deputy Speaker: Order. The hon. Lady's time is up.

9.10 pm

Dr. Vincent Cable (Twickenham) (LD): My name has been called in aid a couple of times this evening, notably by the Conservative spokesman, who rather mischievously tried to generate a split that does not exist. I entirely agree with what my party's spokesman said in his introductory remarks. He made an extremely forceful statement of what he and I believe. It is our common position.

The question we need to address is not why we need a review—because, of course, evidence constantly needs to be reviewed—but why we need a comprehensive review of a review. The Minister for Energy attempted to address that question and advanced a couple of arguments—declining production in the North sea and increased imports of gas—as to why circumstances had changed since 2003 when the excellent report appeared. I am sure that he is aware that both those trends were discussed at considerable length in the 2003 report, so I remain puzzled about why it is regarded as an unsatisfactory basis for discussion and debate.

The report's introduction was by the Prime Minister, who made it clear that the review was not just for three years but until 2050. It mobilised all the resources of the Government, from the dispassionate position of the Cabinet Office. It was in no sense an anti-nuclear document; it argued for keeping the nuclear option open and investing in international collaborative research. It was extremely open-minded. I have been re-reading it to try to understand why the Government are so uncomfortable with it and why they want to take a fresh look at the situation.

Two passages of the report are particularly devastating. In an overall attempt to make a balanced assessment of nuclear power, it refers to the main focus of public concern about nuclear power and what it describes as the

"unsolved problem of long-term nuclear waste disposal",

which, as my colleague, my hon. Friend the Member for Hazel Grove (Andrew Stunell), clearly and forcefully set out, is still unsolved. The report is reasonably open-minded about the underlying economics. It states:

"Nuclear power seems likely to remain more expensive than fossil fuel generation."

It does not say that it definitely will be more expensive, and concludes:

"Because nuclear is a mature technology, within a well-established global industry, there is no current case for further Government support."

If a private company is willing, considering the current economics of the world energy market, to put its shareholders' funds into initiating a project, which of course meets the regulatory, safety and waste disposal requirements and the decommissioning costs, I do not think that anybody on the Liberal Democrat Benches would quarrel with that judgment, although there may be somebody who has a fundamentalist objection. However, the 2003 energy review argued that there was no justification, in any circumstances, for the Government to use public money or public guarantees to underwrite such a business decision.

There is, of course, an argument for protecting new industries in certain circumstances. That is why we have the renewable energies obligation; new technologies need a breathing space and the cross-subsidy that they receive. Nuclear power is in a quite different category and does not justify Government support. That is the point made by the 2003 review and it is that conclusion that the Government now find so uncomfortable.

To understand whether there is any intellectual basis for that view, rather than merely political pressure, I turn to the two points made by the hon. Member for Coventry, North-West (Mr. Robinson), who was genuinely trying to address the problem. He says that two things have changed. First, we have had a price shock in both gas and oil. Does that change the picture? Secondly, there are new issues that relate to the security of supply. Let us address each of them briefly.

There has been a price shock, which was not anticipated or described in detail. What is the logic of that? What will happen? Anyone who spent years in the energy industry, as I did, trying to anticipate the prices of oil and gas, knows that they cannot be predicted. An awful lot of people have lost a lot of money–perhaps the hon. Member for Rutland and Melton (Mr. Duncan) is one of them—trying to predict those prices by extrapolation and been terribly wrong.

The logic of the position is that if we are indeed heading for a period of much higher oil and gas prices—we may be for all I know, but I think it unlikely—those entrepreneurs who want to invest in nuclear power now have an added reason for investing their shareholders' funds in that way and in taking the risks involved. However, it is more likely that higher prices will encourage more investment in exploration, which is happening already in the North sea, and the pressure on conservation will increase—a trend that is taking place already. The prices will therefore subside in a few years. I do not know that they will subside, but it seems logical that they could do so. If that were to happen, it would be doubly expensive for the Government to commit themselves now to guarantees and subsidies. Either way, the experience of having had a brief oil shock in no way changes the logic of the 2003 review.

The other point made by the hon. Member for Coventry, North-West related to the security of supply. Of course, we must be prudent. There are genuine political issues to address—they are not just ones of nasty economics and costs. He made the point that Russia and Ukraine have had a dispute about the pipeline through Ukraine. Despite the fact that the Soviet Union never disrupted supplies, those two countries have been arguing about price and behaving in a threatening and rather self-defeating way. Although there was possibly only one day on which supplies were

[Dr. Vincent Cable]

disrupted before those countries came to their senses, that was a worrying episode none the less, and people would be foolish to disregard it.

The conclusion that we must reach—it is the one that the report drew—is that we must have diversity of natural gas supplies, so that we are not exposed to disruption. If my memory serves me correctly, there are two major pipeline systems through eastern Europe and two major pipeline systems through the Mediterranean. In a couple of years or so, when the Isle of Grain project is completed, the diversity of supply will increase substantially with liquefied natural gas. Britain will then have a built-in diversity of supply, as the energy review acknowledged three years ago.

Adam Afriyie: Will the hon. Gentleman give way?

Dr. Cable: I only have 45 seconds.

Neither of those considerations therefore changes the fundamentals of the argument. That leads me to question why we must have another review of a review, when the case is very well made. Liberal Democrat Members are not being obstructive or closing our minds. The case has been well made by the Government in their review. There is no reason whatever to reopen the fundamentals of that debate.

9.18 pm

Mr. Jamie Reed (Copeland) (Lab): Let the record show that the hon. Members for Lewes (Norman Baker) and for Hazel Grove (Andrew Stunell), while talking about my constituency both misleadingly and with impunity, refused to take interventions. That both reflects shamefully on them and embarrasses the Liberal Democrat party.

The parameters of any debate about nuclear power must acknowledge the environmental benefits and the benefits of supply security that nuclear power brings. The debate must not be sidetracked down the outdated and discredited road of developing ways simply to stop nuclear power at all costs. Such a position is no longer credible, and in my view, it never has been.

Given the pressing issues of security of supply, global warming and sustained economic growth, we must press ahead with both a political and a national energy consensus. Such a consensus is readily and quickly achievable and must contain significant renewable generation, coal and gas generation and, inescapably, continued future nuclear generation of at least 22 per cent., which nuclear power currently provides.

I for one did not enter politics to take easy decisions. More often than not, the right decisions require leadership, nerve and vision. It would be easy to denounce the British nuclear industry. It would be easy to listen only to the wilfully misinformed anti-nuclear careerists who have made significant financial sums from telling lies and half-truths about the industry for the best part of three decades. It would be easy to swallow the nonsense that is talked about the industry, but producing energy policy on the basis of wilful ignorance and shameless populism would be tantamount to perpetrating a fraud on the British people.

The myth that this country—or the world, for that matter—can do without nuclear energy has been peddled for too long. In part, I understand the reasons for that: it is hard to drop a prejudice, no matter how illogical it is. However, scientific fact and political opinion, no matter how keenly felt, are separate entities. The fact of the matter is that the political environment that gave rise to the anti-nuclear school of thought has changed as more detailed scientific evidence about the pace and scale of climate change has emerged.

The greenhouse effect is now widely accepted as scientific fact. No serious politician who acknowledges it can afford to disregard the contribution of nuclear generation as part of the urgent measures that are required to combat climate change. To do so would be self-indulgent, if not delusional.

I believe the Government's chief scientist when he says that global warming is a more serious threat than terrorism. I believe James Lovelock when he says that climate change is the greatest danger that human civilisation has faced so far. I also agreed with him when he wrote last year:

"Opposition to nuclear energy is based on irrational fear fed by Hollywood style fiction, the Green lobbies and the media. These fears are unjustified and nuclear energy from its start in 1952 has proved to be the safest of all energy sources."

He continued:

"I am a Green and I entreat my friends in the movement to drop their wrongheaded objection to nuclear energy."

I echo those sentiments—it is never too late to change a habit, no matter how bad it is.

Probably the most disingenuous argument used against civil nuclear power is that of problems relating to the disposal of radioactive waste. There are no technical or scientific barriers to the safe disposal of radioactive waste, only political ones. We know precisely what to do with the waste. There are a finite number of sensible options, and I hope that the Committee on Radioactive Waste Management will make recommendations on the way forward soon.

Energy policy is perhaps the most important political issue facing Britain as a nation today. As such, we urgently need to establish a national consensus that is based on the national interest. As Senator John Kerry said during his bid for the presidency of the United States, American dependency on outside energy sources presented

"a growing threat to national security."

The same can be said of Britain today.

Dr. Alan Whitehead (Southampton, Test) (Lab): Does my hon. Friend accept that of the five major energy sources that might be considered in the review, the only one that has no indigenous raw materials whatever is nuclear power?

Mr. Reed: I accept that, but although we have talked a lot about indigenous materials, we have not talked about reprocessing. If we wished to reprocess, we would have sufficient resources for our nuclear power stations for decades.

Senator Kerry also called for a "declaration of energy independence" for the United States. Hon. Members should now call for a declaration of energy security for

Britain. The current review of energy policy, which I assume the debate is designed to influence, must address not only our energy needs, but, crucially, our environmental, economic, national security and foreign policy needs.

We desperately need to control our energy production and the supply of the resources that we require to produce that energy. The ways in which we do that are well understood. We need significantly increased generation across the board from renewable resources—the massive Government investment in that sector has been far-sighted, bold and necessary. We need to develop clean ways of utilising our own carbon resources, such as coal, gas and oil. We need to ramp up research and development into energy-saving techniques and technologies for energy used in industry and transport and domestically. Fundamentally, we need to acknowledge that nuclear generation forms an integral part of the policy solutions that we all require.

Unless we can control our energy production, we cannot control our economy. If we cannot control our economy, we cannot govern, plan, make necessary investments in public services, ensure that we have a stable economy for private investment, or guarantee the security of our nation and society. Recent events in Ukraine have illustrated precisely that, and it is worth noting for a second exactly what kind of policy effect the episode has had throughout the rest of Europe.

On Tuesday last week, the *Moscow Times*—I am sure that hon. Members know that that is widely read in Copeland—reported that many European countries are now

"considering going back to nuclear power as they review their energy policies after Gazprom's politically tinged price war with Ukraine".

Both the German Economics Minister and the Italian Industry Minister told the publication that their countries would now review their nuclear generation policies. The Italian Minister was quoted as saying that nuclear energy was required to safeguard Italy from "energy emergencies". In addition, the EU Energy Commissioner has said:

"It is clear that Europe needs a clearer and more collective and cohesive policy on security of energy supply",

and that he will present a new EU energy policy in the spring.

It is essential that any new EU policy accommodates future nuclear generation in Britain. I trust that the Government will ensure that that is the case, although I am certain that the nuclear case will be made and, I hope, won by our French cousins. It is inconceivable that nuclear generation will not be part of that policy. The fact is that in Britain and elsewhere, security of energy supply is possible only with a significant element of nuclear generation.

Britain is in a position to manufacture nuclear fuel, enable nuclear generation and recycle the fuel used in electricity production for either reuse or sale. The British nuclear industry—particularly in my constituency—provides this country with a technological and industrial expertise that is the envy of many of our European partners. If we are serious, as I believe we all are, about having an effective and diverse energy policy, we must build on that expertise as part of the energy review and take the necessary steps to facilitate a new generation of nuclear power stations in this country.

Mr. Chaytor: If the nuclear renaissance is inevitable, why has no one yet built a new nuclear power station in Britain? If my hon. Friend accepts that the necessary steps to facilitate that have to be taken by the Government, will he say precisely what those necessary steps are and how much subsidy would be involved?

Mr. Reed: I am not aware that any subsidy would be needed. I have spoken with energy generating companies that are keen to invest in nuclear technology and nuclear generation. What they need is a dialogue with the Government about establishing a framework in which they would feel able to do that.

Nuclear energy can provide us with the security that we require, the economic benefits that we desire and the environmental gains that we so desperately need and, pending a decision on future generation, it can do all that in a relatively short period. Only 10 days or so ago, the Westinghouse AP1000 reactor received full certification from the US Nuclear Regulatory Commission and, according to the company, it would take only 36 months from the first concrete being poured to fuel being loaded.

What no one has mentioned so far in this debate is the fact that the British nuclear industry employs approximately 40,000 people in this country. Given that west Cumbria is the national centre of nuclear expertise and is, in my opinion, the emerging global nuclear capital, I hope that my constituency is considered as a candidate site for any future nuclear energy generation.

9.27 pm

Mr. Tobias Ellwood (Bournemouth, East) (Con): Although I agree that we should be debating nuclear power today, I do not agree with the Liberal Democrats' conclusions on the subject. I agree with the hon. Member for Copeland (Mr. Reed) that it is most important that we debate nuclear energy and our energy needs now, given the events in Ukraine and Russia.

I also agree with my hon. Friend the Member for Scarborough and Whitby (Mr. Goodwill). His point about Homer Simpson was made in jest, but we should think about the education that we receive on the subject of nuclear energy and ask ourselves where we have learned our facts and figures, whether in the House or prior to our coming here. The education that Britain has received in that difficult subject is tenuous, to say the least. Much of our knowledge is drawn from events such as Chernobyl and—dare I say it?—from watching cartoons on television such as "The Simpsons", in which we see Homer Simpson walking home with a glowing bar in his back pocket. Those images stay with us, and even though people do not believe that that happens, if such impressions are not corrected it is difficult to know what to believe.

In this debate, differing views have been expressed and statistics have been quoted back and forth across the Chamber, but who is right? The debate that we have to have on energy, including the nuclear question, is fundamental, but it must be conducted in an adult, honest and intelligent manner. I praise the Canadians

[Mr. Tobias Ellwood]

for their approach: they spent two years having an honest debate before deciding on the direction of their energy policy.

Stewart Hosie: Honesty is required, so will the hon. Gentleman concede that he was rather glib when he referred to Chernobyl? Those events were extremely serious. Will he also reflect on the fact that radioactive particles are constantly being found on the foreshore at Dounreay—week after week, month after month, year after year? There are serious lessons to learn about the dangers of waste and of nuclear energy.

Mr. Ellwood: The hon. Gentleman makes a valid point. What happened at Chernobyl? Late one evening, technicians who worked there were playing around with the system. They had switched off safety devices and there was no secondary back-up system. That does not happen any more. The back-up systems that we have in place ensure that Chernobyl can never happen again. Unfortunately, the problems that occurred there remain with us and people believe that they could be repeated. Comment was made comparing Chernobyl with a Lada, but Ladas have changed as well, as have ships. We still build large ships. We did not stop building them when the Titanic went down; we made improvements to them.

The importance of the debate is fundamental, for two reasons: first, it is accepted that we are damaging our planet; and, secondly, we are running out of fuel. The damage that we are doing to our planet is recognised in all parts of the House and by all generations in the House. CO_2 emissions affect our climate. Previous generations created the problem through ignorance, but we compound it through arrogance by doing so little about it.

Kyoto has achieved much. It is a major step in improving the climate, with 180 countries signing up, but not the United States. I encourage the United States to be included in the next round of talks on climate change. The results of Kyoto have been helpful. If we are successful, 483 million tonnes of emissions will be cut by 2012. However, China, India and the USA combined create 2.7 billion tonnes of CO_2 emissions every year. That puts into perspective the amount of work that remains to be done.

Let us consider our domestic requirements. We require 350 TWh of power to keep Britain going, and that requirement will increase by about 500 TWh. One third of that power is produced from coal and more than a third from gas. In my intervention on the hon. Member for Lewes (Norman Baker), I commented on waste. If we are to have an adult debate about our energy needs, let us put into context where the waste is coming from and what we are doing with it. Much of the waste that we create comes from hospitals. High-level waste also comes from military uses, but that is a separate topic from the debate about civil nuclear energy.

Security of supply has been discussed. We have concerns about the fact that we now import coal and gas. We are also concerned that the 14 remaining nuclear power stations are about to be switched off. That means that we require 40 per cent. generating capacity that is not even built yet. Many hon. Members have spoken of our gas requirements, which will rise from the current 40 per cent. to 80 per cent. as we become a net importer.

We had a fruitful debate last week on the problems of gas imports from Ukraine and Russia. It is worth mentioning that Russia and Iran are likely to create a gas cartel. The last time a cartel was formed, in the case of OPEC, there was a sudden rise in the cost of oil. There is a real question about security of supply. The European Union's failure to create a common gas market is causing concern. Had the EU created such a market, we would not be experiencing the problems that we face today.

Nuclear energy now provides 22 per cent. of our electricity supply, but all nuclear power stations will be closed by 2023. Some of the arguments advanced by the Liberal Democrats are based on the technology that has been used and the success that Britain has had in building nuclear plants—I think the Minister said that the UK's construction of power stations was not our finest hour. We are one of the few nations to use gas-cooled reactors—everyone else uses water-cooled reactors. Unfortunately, much of the UK's nuclear industry has moved to Canada and other parts of the world. There were delays in the licensing and approval for nuclear power plants; there were no incentives to get those jobs completed; and the plants were often redesigned as they were constructed. For example, it took 20 years to get a spark out of Dungeness, and it took six years to obtain planning permission for Sizewell B, the last reactor to be built.

We have heard nothing from the Liberal Democrats about new technology. Canada has the third-generation CANDU system, which, unlike UK reactors, allows nuclear power plants to continue running while the rods are changed. South Africa is considering the new pebble-bed reactor system, which is much safer than existing systems and uses helium instead of water. Those systems cost about £1 billion each, which sounds like an awful lot of money, but it is the same price as an oil rig or about double the cost of a gas-cooled plant.

We have not explored fusion and fission. I reckon that we will move into that area in about 60 years, so we need to do some work.

As I have said, I want to see the Minister produce not only a review, but the answers. What is the next step forward? Although I have not made up my mind, I have tried to correct others and have done my best to learn about the subject. I fear that many hon. Members have more passion than knowledge about the issues, which is dangerous.

9.37 pm

Dr. Alan Whitehead (Southampton, Test) (Lab): We are conducting an ambitious review, which will report shortly. The issue concerns not only a secure supply for the future, but a diverse supply that is not intermittent and contributes to a 60 per cent. cut in CO_2 emissions by 2050—if we do not reach that target by 2050, climate change will mean that we do not have another chance to do so. The review is taking place against an uncertain series of parameters, but a reasonable conclusion is that we should source as much of our energy as possible for future use from within the UK.

We need a mature and careful analysis of all sources of energy. Tonight, we are discussing nuclear power, so it is reasonable to ask how nuclear power might work as part of the mix—it cannot form the sole power source. I want to raise two issues—timing and cost. Nuclear power is not a short-term fix, because all but one of our nuclear power stations will be closed by 2023, so if we are to maintain our present level of nuclear power generation we must replace all those nuclear power stations. In that case, we would have to invest £10 billion to £15 billion over a 10-year period in capital payments for nuclear power stations before a single kilowatt of nuclear energy were produced.

Tonight's argument has addressed whether direct or indirect subsidy would be required to undertake such a programme. If no subsidies were provided, recent practice suggests that no one would build a nuclear power station, which would take us 10 years down the line with no new nuclear power stations and a greater gap in our energy supply, so the likelihood is that some money will be needed either directly or indirectly. If that money were to be used, the question that we might well ask is what we could get for that money if we did not put it into nuclear. In relation to the outputs that we could get on renewable energy, for example, the figures equate very well.

The other issue relates to security of supply and getting to a low-carbon economy. In terms of the mix that we could have, we stand in a very positive position compared with most industrialised countries. We have huge reserves of coal that we fail to exploit. We will be a net oil and gas importer, but we will still produce some oil and gas. We have Europe's largest supply of wind, tidal and wave energy. We are almost uniquely blessed in the raw materials for renewable technologies. The nuclear argument states that despite all that we must have nuclear as part of the mix.

Nuclear is not CO_2-neutral. Figures have been produced about what the nuclear footprint is in terms of carbon and the whole-life concerns of nuclear generation. It is relatively low-carbon-emitting compared with oil or gas, but only when its fuel is mined from relatively rich sources. As soon as those sources start depleting in richness, the carbon emissions from the mining rise. Under those circumstances, at half the level of the ores that are currently going into British nuclear energy, the overall carbon emissions rise to roughly those of gas.

It is estimated that at present a 50-year supply of uranium is left. In terms of the uranium used in world nuclear energy, we have a gap, even at present levels, of about 30,000 tonnes across the world. We would have to make that up in future years by mining still more. It is not an indigenous energy supply—it has to be mined from across the world, and it will run out in the not too distant future. We will perhaps commit ourselves to part of our energy supply based on exactly the same arguments about exhaustion of supply that we have faced over the past 50 years. That is not a fundamentally good idea.

I hope that the energy review will consider those aspects of nuclear power as it considers all the possible sources and the mix that is required.

9.42 pm

Norman Lamb (North Norfolk) (LD): This has been an important debate. As my hon. Friend the Member for Lewes (Norman Baker) pointed out, it would not have taken place had we not provided the opportunity. I welcome it for that reason.

The arguments in favour of nuclear power have been based on two things: security of supply and global warming. The slightly over-the-top contribution by the hon. Member for Copeland (Mr. Reed) generated looks of despair among some of his hon. Friends. We can all agree about the absolute imperative of tackling climate change, but as my hon. Friend the Member for Lewes and others pointed out, we can achieve that without nuclear power. It is not just Liberal Democrats saying that. The Tyndall Centre, in its report, "Decarbonising the UK", said that we can achieve a 60 per cent. reduction in carbon by 2050. That view is shared by the royal commission on environmental pollution in a report that was accepted by the Government. The Carbon Trust believes that we can achieve it, and the Government's own White Paper, which was published just three years ago, also claimed that. So there is no case for arguing that there is no alternative.

We have heard the inevitable attacks on the Liberal Democrats from Labour and Conservative Members, but they seem studiously to ignore the fact that many on their own sides share our analysis. We have had the wonderful spectacle of the Conservatives appointing Zac Goldsmith as an adviser in a desperate attempt to get some credibility with the environmentalists, yet their own spokesman effectively condemned Zac's analysis as "fundamentally irresponsible." I look forward to the debates in the Conservative party. Nuclear power is "a horror story", according to Mr. Goldsmith.

As for the Labour Members who attack us, they are attacking their own Government's White Paper. Our position is remarkably similar to the heading on page 61, which says:

"We do not propose new nuclear power."

We do not have closed minds; we simply accept the Government's analysis of only three years ago. Many Members, including the right hon. Member for Oldham, West and Royton (Mr. Meacher), the hon. Member for Stoke-on-Trent, North (Joan Walley) and my hon. Friend the Member for Twickenham (Dr. Cable) all made the point that nothing has fundamentally changed since that White Paper was published. We were already aware of global warming and that we would become net importers of gas and oil. Either the Government's analysis in the White Paper was flawed or the conclusions hold good today. We take the latter view.

Since the review, the Government have abjectly failed to do anything effective to cut energy waste. Departments are some of the worst offenders and the Treasury is the worst of all. The Government have also failed to develop a broad mix of renewable sources of energy. They will fail miserably to achieve their target of reducing 20 per cent. of CO_2 emissions by 2010.

The debate has examined some of the key anxieties about nuclear power. My hon. Friend the Member for Hazel Grove (Andrew Stunell) and many others highlighted the unresolved problem of waste. If anything should give people pause for thought, it is the lamentable record of the industry and successive

[Norman Lamb]

Governments on dealing with waste. I applaud the Minister for Energy for his honesty in admitting "a national disgrace". That record represents scandalous neglect of a potentially devastating environmental hazard, which remains today. The legacy ponds in particular are an enormous environmental hazard.

Those legacy ponds also pose an enormous security threat. In the age of the suicide bomber, should we discount that fear?

Mr. Jamie Reed: Will the hon. Gentleman give way?

Norman Lamb: No.

Mr. Duncan: The hon. Gentleman mentioned the subject. It is courteous to give way.

Norman Lamb: Time is short. My hon. Friend the Member for Twickenham made a compelling argument about cost. [HON. MEMBERS: "Give way."] No.

There is a central contradiction in the Prime Minister's approach. The Government amendment argues for "promoting competitive markets" but nuclear becomes viable only with a massive distortion of the market.

Professor Mackerron, an energy economist, highlights the high risk at all stages—construction, electricity market and decommissioning—apart from the political and regulatory risks. That results in an estimated £2 billion per nuclear plant.

Nuclear energy requires certainty, for example, through a nuclear obligation at a minimum price for a long time. However, that undermines the liberalised market that the Government appear so keen to promote. That inevitably results in a high cost to the householder or the taxpayer.

There are two other effects of investment in nuclear. Professor Mackerron and others anticipate the draining away of private investment in other energy sources, both renewable and gas-powered generation. If that happens before a new generation of nuclear energy comes on stream in 2020, concerns about security of supply could get worse.

There is also a risk of the Government losing interest in renewable investment. They have not shown much in any case but we may already be witnessing a reduction in commitment and investment. Clear skies and photovoltaic programmes have run their course. Now the successor programmes provide reduced investment per year compared with previous schemes.

For all those reasons, we choose to stand by the analysis of the Government's energy White Paper of only three years ago. We envisage a very different alternative. We support a genuine commitment to cutting energy waste in the domestic, commercial and public sectors. We know that the potential is there but it needs a commitment to achieve it.

We want investment in carbon capture and storage. According to Professor Haszeldine, a geologist at Edinburgh university:

"Britain is perfectly placed to exploit it".

We need investment in clean coal technology, and in the whole basket of renewables, not just in wind power. Biomass, biofuels, solar, wind, wave and tidal power also need to be pursued. We must also develop innovative and much more efficient local distribution sources of electricity, which could make the traditional centralised grid obsolete.

There must also be investment in microgeneration. According to the Energy Saving Trust—an organisation specifically funded by the Government—by 2050, between 30 and 40 per cent. of the UK's electricity needs could be met by microgeneration—

Mr. Speaker: Order. The hon. Gentleman's time is up.

9.50 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Barry Gardiner): This is the first time in almost six years that an Opposition motion has been tabled by the Liberal party without the name of the right hon. Member for Ross, Skye and Lochaber (Mr. Kennedy) appearing above it on the Order Paper. I regret that it does not appear there, and so should the Liberal Democrats. Whatever disagreements we might have had with the positions adopted by the right hon. Gentleman, at least under his leadership his party tried to engage with the facts before reaching its conclusions. Today, however, his erstwhile deputy and would-be successor has reversed that process. Despite the fact that the country is in the midst of an energy review, and the consultation document is about to be launched, the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) has instructed his troops not to listen to any distracting facts that the public or the energy industry might bring forward. Like Jason, he has stuffed wool into his Argonauts' ears so that they cannot hear the siren voices—the voices of fact, investigation and open-minded debate.

The Liberal Democrats have a policy. In the motion on the Order Paper, they commit themselves to opposing

"the construction of a new generation of civil nuclear power plants",

come what may. Never mind the facts, never mind the quality of the argument; on this matter, under this leadership, the Lib Dems' minds are closed.

Sir Menzies Campbell (North-East Fife) (LD): Before the Minister gets entirely bound up in Greek mythology, will he tell us how he describes the Members on his own side of the House who oppose nuclear energy?

Barry Gardiner: The distinction is quite simple. The Government are open to listening to the arguments; the right hon. and learned Gentleman has cut it off and said that he will not listen to the arguments put forward in the energy review.

There is, however, one honourable exception on the Liberal Democrat Benches: the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) has apparently refused to sign up to the gagging order. In recent interviews in the *Sunday Herald*, *The Scotsman* and just about every other Scottish journal, he has dismissed the emotional arguments of his colleagues, saying that the new nuclear reactors could be "the least

worst option" for maintaining security of supply and reducing carbon emissions. He has also very sensibly insisted:

> "If, as may be the case, the answer were to be nuclear, in those circumstances it would not give me a problem. It would be responsible to consider nuclear as one of the options".

The hon. Gentleman is, of course, his party's Scotland spokesperson, and with his fine Scots quality of plain speaking, he has counselled, "We need honest information". As Nicol Stephen might say: "Oh no, John; no, John, no!"

I, too, am a believer in honest information, and as we approach the difficult issues that surround energy policy, it is important that we start with a clear and honest appraisal of our position. It is clear that our market-based energy policy has delivered significant benefits to the United Kingdom. The UK is on track to meet the Kyoto target of cutting greenhouse gas emissions. Although we are experiencing some price hikes in the gas market this winter, UK energy markets remain among the most competitive in the EU, on both industrial and domestic electricity and gas prices. The number of households in fuel poverty in the UK has fallen by more than 4.5 million since 1996, and more than 1 million vulnerable households have been assisted by the Warm Front scheme. The renewables obligation and the climate change levy exemption will result in support to renewables of £1 billion a year by 2010. As a result of the renewables obligation, last year saw the largest amount of renewable generation ever installed in the UK.

We have seen many changes to the energy landscape since the 2003 energy White Paper. Evidence on the adverse impact of climate change has continued to grow, and world prices for fossil fuels have increased by more than 50 per cent. over the past three years. Projected prices are now much higher than many people predicted at the time of the 2003 White Paper. North sea gas production has declined more rapidly than many predicted, so the UK has become a net importer of gas sooner than anticipated. We need to consider the risks of relying on imported gas when there is increasing sensitivity in relation to global energy issues.

The goals set out in the 2003 energy White Paper continue to provide the right framework for our energy policy, but as was stated and envisaged in that White Paper, we are keeping our detailed policy under review and are prepared to amend it in the light of experience.

The energy review will examine some extremely complex issues. It will not produce simple yes or no answers, as the Liberal Democrats have. There will be no single solution and no single silver bullet, which is why the review will look right across the energy landscape. On renewables, for example, at present, predominantly wind turbines will play a key role as the renewables obligation delivers increasing new generation capacity. But renewables cannot provide the whole answer, either on generation capacity issues or on our carbon goals.

Other renewables may emerge over time as significant players, such as microgeneration, wave and tidal, but currently only wind can provide meaningful low-carbon capacity at a cost comparable to that of existing non-renewable technologies such as gas, coal and nuclear.

My right hon. Friend the Member for Oldham, West and Royton (Mr. Meacher) argued passionately and with great knowledge, estimating that the UK can raise its renewables capacity to European levels, as the Liberal Democrats also propose. I trust, however, that he agrees that it will be difficult to do so if Liberal Members, and Liberal parties up and down the country, continue to oppose wind farms, as they have in North Devon at Fullabrook down; in Ross, Skye and Easter Ross on the Isle of Skye; in Porthcawl at Scarweather sands; in Penrith in Cumbria at Whinash wind farm; and, as their politicians did, at Totnes in south Devon, as well as at Durham and Denshaw in Lancashire.

We are also considering other means to cut our carbon emissions, such as carbon capture and storage. Our carbon abatement strategy includes £25 million of capital grants that, among other options, could be used to support a demonstration of capture-ready technology, not least through clean coal technology. That has been increased to £35 million as a result of the Chancellor's pre-Budget statement of 5 December.

While this is not a nuclear review, it would be wrong for the Government to dismiss that subject out of hand, without first considering the evidence. Nuclear might provide some answers, but there are major factors to be considered first, such as, what would be the implications for our carbon reduction targets of nuclear's share of the energy mix falling? What do the economics of nuclear look like, given the sharp rise in oil and gas prices? Of course, we will also need to consider the issue of waste management. That has been mentioned this evening.

I should stress, however, that the cost of our historic nuclear legacy is not solely a function of nuclear power generation; far from it. It represents the lifetime costs—about £56 billion, which the Nuclear Decommissioning Authority has estimated is necessary to clean up all its sites. That legacy is in part made up of experimental facilities created 50 to 60 years ago and without any consideration being given to future decommissioning and clear-up. It is important to note that some 80 per cent. of the costs relate to pioneering and experimental sites, including Sellafield and Dounreay. Those costs were never predicated on generating capacity. The costs of decommissioning modern nuclear reactors would be built in from day one, which was not the case with the facilities of earlier generations.

In conclusion, I want to make it clear that the dividing line in this debate between those on the Liberal Democrat Benches and those on the Government side is not that they are against nuclear and we are for it. It is that we go into an open and transparent public energy review with an open mind, willing to listen to all the arguments. The Liberal Democrats, in contrast, do not want to engage in that debate because their mind is closed.

However, the Liberal Democrats, having made up their mind and stated in their manifesto that they will replace nuclear power with renewables and energy conservation measures, must explain what—

Andrew Stunell *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

[Andrew Stunell]

The House divided: Ayes 63, Noes 309.

Division No. 125] **[9.59 pm**

AYES

Alexander, Danny
Baker, Norman
Barrett, John
Beith, rh Mr. Alan
Brake, Tom
Breed, Mr. Colin
Brooks, Annette
Browne, Mr. Jeremy
Bruce, Malcolm
Burstow, Mr. Paul
Cable, Dr. Vincent
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Clegg, Mr. Nick
Davey, Mr. Edward
Farron, Tim
Featherstone, Lynne
Foster, Mr. Don
George, Andrew
Gidley, Sandra
Goldsworthy, Julia
Hancock, Mr. Mike
Harris, Dr. Evan
Harvey, Nick
Heath, Mr. David
Hemming, John
Holmes, Paul
Horwood, Martin
Hosie, Stewart
Howarth, David
Hughes, Simon
Huhne, Chris
Hunter, Mark
Kramer, Susan
Lamb, Norman
Laws, Mr. David
Leech, Mr. John
Llwyd, Mr. Elfyn
MacNeil, Mr. Angus
Moore, Mr. Michael
Mulholland, Greg
Oaten, Mr. Mark
Öpik, Lembit
Price, Adam
Pugh, Dr. John
Reid, Mr. Alan
Robertson, Angus
Rogerson, Mr. Dan
Rowen, Paul
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Stunell, Andrew
Swinson, Jo
Taylor, Matthew
Teather, Sarah
Webb, Steve
Weir, Mr. Mike
Williams, Hywel
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wishart, Pete

Tellers for the Ayes:
Lorely Burt and
Sir Robert Smith

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Binley, Mr. Brian
Blackman, Liz
Blears, rh Hazel
Blizzard, Mr. Bob
Bone, Mr. Peter
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Gregory
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Philip
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dobbin, Jim
Dobson, rh Frank
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunne, Mr. Philip
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Forth, rh Mr. Eric
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Goodwill, Mr. Robert
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Patrick
Hamilton, Mr. David
Hands, Mr. Greg
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali

Mudie, Mr. George
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Spink, Bob
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walker, Mr. Charles
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Ian Cawsey and Gillian Merron

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments):—*

The House divided: Ayes 289, Noes 63.

Division No. 127] **[10.15 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Gregory
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dobbin, Jim
Dobson, rh Frank
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hamilton, Mr. David
Hands, Mr. Greg
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hewitt, rh Ms Patricia
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne

McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Owen, Albert
Palmer, Dr. Nick
Pleskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prosser, Gwyn
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Spink, Bob
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Ayes:
Gillian Merron and
Mr. Ian Cawsey

NOES

Alexander, Danny
Baker, Norman
Barrett, John
Beith, rh Mr. Alan
Brake, Tom
Breed, Mr. Colin
Brooke, Annette
Browne, Mr. Jeremy
Bruce, Malcolm
Burstow, Mr. Paul
Cable, Dr. Vincent
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Clegg, Mr. Nick
Davey, Mr. Edward
Farron, Tim
Featherstone, Lynne
Foster, Mr. Don
George, Andrew
Gidley, Sandra
Goldsworthy, Julia
Hancock, Mr. Mike
Harris, Dr. Evan
Harvey, Nick
Heath, Mr. David
Hemming, John
Holmes, Paul
Horwood, Martin
Hosie, Stewart
Howarth, David
Hughes, Simon
Huhne, Chris
Hunter, Mark
Kramer, Susan
Lamb, Norman
Laws, Mr. David
Leech, Mr. John
Llwyd, Mr. Elfyn
MacNeil, Mr. Angus
Moore, Mr. Michael
Mulholland, Greg
Oaten, Mr. Mark
Öpik, Lembit
Price, Adam
Pugh, Dr. John
Reid, Mr. Alan
Robertson, Angus
Rogerson, Mr. Dan
Rowen, Paul
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Stunell, Andrew
Swinson, Jo
Taylor, Matthew
Teather, Sarah
Webb, Steve
Weir, Mr. Mike
Williams, Hywel
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wishart, Pete

Tellers for the Noes:
Lorely Burt and
Sir Robert Smith

Question accordingly agreed to.

MR SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes the recent announcement of an energy review to assess future options on both the supply and demand for energy including the role of civil nuclear power; and notes the Government's energy policy as set out in the 2003 Energy White Paper, to make progress towards the goal of reducing carbon dioxide emissions by 60 per cent. by 2050, to maintain the reliability of energy supplies, to promote competitive markets in the UK and beyond and to ensure that every home is adequately and affordably heated.

PETITIONS

Hospitals

10.28 pm

Mr. Philip Dunne (Ludlow) (Con): I rise to represent the concerns of the residents of Bridgnorth and the surrounding area in the face of 10 per cent. cuts in health care provision in the county of Shropshire. I have a petition with 11,781 names, which states:

The Petition of users of Bridgnorth Community Hospital,

Declares that the future of Bridgnorth Community Hospital is under threat through the county-wide review of healthcare services seeking to find cuts to fund the £36 million of historic debt and £25 million of annual losses in the NHS in the County of Shropshire and Telford & Wrekin Unitary Authority. The petitioners are concerned to prevent cuts in services or worse, the threat of closure of the hospital.

The petitioners note the significant capital investment in Bridgnorth Community Hospital which is under way and are concerned to prevent cuts in services or worse, the threat of closure of the hospital.

The Petitioners therefore request that the House of Commons make the Department of Health aware of the petitioners concerns against cuts in services or closure of the hospital.

And the Petitioners remain, etc.

To lie upon the Table.

Mr. Dunne: I also rise to represent the concerns of the residents of Ludlow and the surrounding area, where 10,220 residents have signed a similar petition, which I shall read to the House.

The petition of users of Ludlow Community Hospital,

Declares that the future of Ludlow Community Hospital is under threat through the county-wide review of healthcare services seeking to find cuts to fund the £36 million of historic debt and £25 million of annual losses in the NHS in the County of

Shropshire and Telford & Wrekin Unitary Authority. The petitioners are concerned to prevent cuts in services or worse, the threat of closure of the hospital.

The Petitioners therefore request that the House of Commons make the Department of Health aware of the petitioners concerns against cuts in services or closure of the hospital.

And the Petitioners remain, etc.

To lie upon the Table.

School Milk

Motion made, and Question proposed, That this House do now adjourn.— *[Claire Ward]*

10.31

Mr. Lindsay Hoyle (Chorley) (Lab): This is obviously an interesting time to hold a debate on school milk. One could say that early-day motion 1329, "School Milk", has had a great effect. Proposals to abolish school milk have been withdrawn and we shall keep it.

Most Members will remember the great slogan, "Mrs. Thatcher—Milk Snatcher". Can we now say "Minister Knight has got it right", or "Lord Bach has brought it back"? There could be a lot of slogans on the back of this debate.

David Taylor (North-West Leicestershire) (Lab/Co-op): I am grateful to my hon. Friend for giving way. I hate to interfere with his rhetoric and his poetry. Does he agree that abolition of school milk was an early act of Mrs. Thatcher's that we reversed and that it is a pity that we have no plans to reverse one of her later acts—the decoupling of pensions from pay and the economy? In Chorley, North-West Leicestershire and throughout the country, children in 15,000 schools receive significant nutritional value from milk at a very low cost indeed, so will my hon. Friend congratulate a little more warmly the ministerial duo, Lord Bach and the Under-Secretary of State for Environment, Food and Rural Affairs, our hon. Friend the Member for South Dorset (Jim Knight), on what they have done in that regard? It is a huge step forward for nutrition and sends all the right signals for our public health agenda.

Mr. Hoyle: I agree and shall pay compliments to the Minister, if I am given a little more time.

School milk is important in a balanced diet, providing iodine and riboflavin. There are many reasons why school milk should be provided. We welcome the fact that the Government overruled departmental officials. After all, how much are we talking about? Savings of only £1.5 million. Thank goodness that politicians made the final decision and that it was the right decision. There is no doubt that providing milk for 15,000 nursery and primary schools in England will be of real and significant benefit. As has been pointed out, the Government pay only £1.5 million; the remainder is paid by the European Union. Would it not have been senseless for us to refuse EU money to provide the white stuff for children up to the age of seven?

I congratulate the Minister on the decision that has been taken. It is right that common sense has prevailed. It is important that the Government are listening to the views of parents, schools and MPs throughout the country, because their view is clear: keep milk in schools. Congratulations are due for the fact that that has happened.

Of course, a correct diet is important, and milk plays a significant part in that. We know how important milk can be to youngsters at school. According to the national diet and nutrition survey, the average daily intake of milk for children aged four to seven is 370 ml, and for those aged seven to 11 it is 277 ml. If children

[Mr. Hoyle]

receive 50 ml or less, if we are getting it right for children up to the age of seven, if the EU subsidy exists for children over the age of seven and if the cost is only £1.5 million for nursery and primary schools, why do we not ensure that all children up to the age of 11 benefit from school milk?

Mr. Peter Bone (Wellingborough) (Con): I congratulate the hon. Gentleman on securing this very important debate. Am I to understand that the EU would give us some money to subsidise milk in our schools and we are not taking it? For goodness' sake, let us get something back from the EU.

Mr. Hoyle: The good news is that we are taking money back, but we could take more money from the EU by extending the scheme up to the age of 11. Surely, we ought to be selling that on the benefits that milk brings. There is no doubt that children benefit from the calcium, other minerals and riboflavin—we can include iodine—that come from milk. The debate thankfully gives us the opportunity to recognise the importance of expanding the scheme and taking some of the money back from the EU.

Mr. David Crausby (Bolton, North-East) (Lab): Is it not bizarre that we should be even talking about the removal of milk from schools, while some hon. Members would advocate the introduction of fluoride in water? Does he agree that if he had to choose between milk and fluoride, milk would be in the best interests of our children?

Mr. Hoyle: Who could disagree with that? Of course, I welcome my hon. Friend's comments. Yes, I totally agree that milk is important, but the challenge now is to expand the scheme. For the sake of £1.5 million, what are we playing at? We know that if milk is not provided, parents can take an easy option and we see schools where children can get cans of Coke. The Government and, in fairness, MPs of all persuasions are committed to a healthy diet in schools. We are trying to get rid of the Coca-Cola machines and Pepsi machines—it does not matter which—and the bad diet must be removed. What better way of doing so—we are now seeing this happen—than to put in new machines that provide fresh milk? Unfortunately, people must pay for that, yet the European Commission is offering us money to expand the scheme. Let us not hesitate any more. Let us take advantage of that, because there is double benefit, not only to children in this country but to the farming community. That is why it was absolutely critical that we got it right—otherwise, there would have been a double whammy: not only would children not have had the benefit of milk, but there would have been a major effect on British farming.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I certainly had a bottle of milk every day when I was at school, and I have grown to be 6 ft 8 in. That shows the benefits of drinking milk. I am grateful to the hon. Gentleman for raising the issue of dairy farmers. Does he agree that it is extremely important for the Government to do even more to ensure that dairy farmers get considerably higher prices for the milk that they produce?

Mr. Hoyle: I absolutely agree. I can see that the rest of us only got a third of a pint at school; some got a litre of milk—it was obviously double Jersey—and we can see the benefit of that. On a serious note, it is important that we recognise what the scheme can do for farming, and what effect the schools market could have on farming. It is critical that that point is raised.

It is crucial that there is a fair farm-gate price for milk, and the benefit of that milk going into schools must continue. Farming in this country is dependent on that free milk being given, which is why we can give benefit to not only an older generation of children at school, but British farming. A new market can be created. We would not be saying, "It's the supermarkets or nothing" because schools could create a challenge to the supermarkets. By expanding the scheme, perhaps we could get a better and fairer price for farmers, which is important.

Mr. Philip Dunne (Ludlow) (Con): May I emphasise the importance of dairy farming? Prices are a matter of supply and demand, and if free school milk were withdrawn, it would be unlikely that that demand would be replaced by a demand for milk by parents and households. The element of demand would go from the marketplace, which would inevitably depress prices further. That would have a deleterious effect on the farming industry and many more farmers would thus leave it.

The importance of the debate resonates outside the House. Recently, the intervention of one of my hon. Friends had an impact on a major high street retailer. It was stocking chocolate oranges at the counter, but is now stocking apples and real oranges as a result of the intervention. I am impressed that the hon. Member for Chorley (Mr. Hoyle) has secured the debate and I hope that it will encourage even more schools to take up free school milk.

Mr. Hoyle: I am not quite sure who has all the chocolate oranges at Smith's any more, but that is another matter. The hon. Gentleman is quite right about the future of farming. We have a great chance to help farmers in the UK by ensuring that there is a market that we can expand as more children benefit from the nutritional value of milk.

I look around the Chamber and see my hon. Friends the Members for Middlesbrough, South and East Cleveland (Dr. Kumar), for Derby, North (Mr. Laxton), for North-West Leicestershire (David Taylor), for Heywood and Middleton (Jim Dobbin) and for Bolton, North-East (Mr. Crausby), as well as Opposition Members, who are taking a keen interest in the importance of not only farming, but the future of free milk in schools. Hon. Members on both sides of the House are supporting the benefits of free school milk and the benefits of that for British farming. Free school milk will play a key role in the future. There is no doubt that farmers in my constituency and dairy farmers throughout Lancashire welcome the opportunity to supply schools, and that must continue.

The Minister is sympathetic towards farming. I know that he takes on board such concerns because he has said in Westminster Hall that he is taking up the challenge of trying to ensure that there is a future for farming in this country, as we must do. I know that he will be listening tonight and taking on board what is said. He will say to people in the Department for Education and Skills, "Let us help young people in schools and also British farming." We have the backing of the National Farmers Union, farmers and schools—everyone who matters and is concerned. That was why parents could not believe that a statement came out at Christmas—of all times—saying that school milk was being taken away. That is the problem when bureaucrats get in charge of the media, but thankfully this is now about politicians putting things right and doing right by the children and farmers of this country.

There is no doubt that we all benefit from milk. I still get milk delivered at home. Entwistle has delivered to our family for years and long may that continue. There was a danger that if we eroded a market such as that for schools, we would affect the local farmers who deliver to the doorstep in any weather, be that rain or snow. When the supermarket is not there, I know that our local farmer is there to deliver to our doorstep. We have that advantage, and the situation is exactly the same in all our constituencies. There is no doubt that the issue is emotive.

I was pleased that about 50 hon. Members signed the early-day motion in support of free school milk. That showed what we could do. It showed that politicians can get things right by working together, and that people listen.

Jim Dobbin (Heywood and Middleton) (Lab/Co-op): I have been mulling over what my hon. Friend the Member for Bolton, North-East (Mr. Crausby) said about fluoride in water. Would a combination of free milk in schools and fluoride in water improve the dental health of young people throughout the country?

Mr. Hoyle: The debate is about free school milk and we have to stick to that subject.

It is Government policy to promote healthy diets and we have seen the introduction of free fruit in schools—they distribute the fruit that the Government fund. I say to the Minister that if we are willing to fund that, we must not continue to give up the EU money to which we are entitled. It is not often that we can get money, so we should take advantage of the opportunity. I have raised that subject with the Lancashire local education authority. It is a big education authority that delivers superb results through good schools, but it has failed to take advantage of the extra money that is available. LEAs can apply for an EU subsidy for milk provision, but they shy away from making up the difference. However, it would take only £1.5 million to enable school milk to be provided to children up to the age of 11.

David Taylor: As well as the benefits and strengths of the Government's approach, does my hon. Friend acknowledge that the critics have two valid points, to which we hope the Minister will respond? The first is that the cost of administering the scheme is substantial in relation to the subsidy that is given. Secondly, there is an issue of the type of milk provided—whether skimmed milk is better for young people than the whole milk that accounts for the greater proportion of the milk consumed.

Mr. Hoyle: As ever, my hon. Friend makes valuable points.

We have heard the announcement that school milk is to stay, but we want to make sure that that is not for the short term, but for the long term. That is the reassurance that we seek from the Minister. We also want the scheme to be extended, so what can he do in his capacity to get people round the table?

Mr. Crausby: Would it not make much more sense and make everyone happy to put fluoride in milk and provide milk to 11-year-olds? In that way, we would all benefit.

Mr. Hoyle: My hon. Friend had a full page in the *Bolton Evening News* saying how important school milk is, and it is very important. No doubt hon. Members here tonight will send out press releases saying, rightly, that this debate shows MPs at their best, delivering for our constituents. Thankfully, we have done that.

We have a good Minister and the right decisions have been made. We look forward to hearing what he has to say about the long-term future of school milk and about extending the scheme. What can he do through his good offices to work with the DFES? I am not sure where the report came from and which Department made the decision—was it DEFRA or the DFES? What we do know is that the bureaucrats made a decision and it took elected Members to overturn it. I thank the Minister for that.

10.48 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Jim Knight): I congratulate my hon. Friend the Member for Chorley (Mr. Hoyle) on having secured this debate on the important subject of school milk. Given his record, it comes as no surprise that the issue has attracted his attention. He is adept at keeping his finger on the pulse of developments in the milk sector. Tonight, he is adding to his already formidable reputation for having a profound knowledge of the dairy industry and for being a consistent and vigorous advocate for it through parliamentary questions and his participation in the Adjournment debate on milk prices in November last year.

I am grateful to my hon. Friend for raising this subject tonight, because it gives me the opportunity to talk about the importance of school milk and what the Government are doing to support it. There has been much discussion of the publication of the recent economic evaluation of the school milk top-up subsidy. I am glad to have an opportunity to clarify that matter, because some of my hon. Friend's interpretation of events needs a little clarification.

The subsidy scheme is long-established and valued by many, including many in all parts of the House, particularly by those campaigning for good childhood nutrition, and by the dairy industry, which sees the scheme as helping to encourage children to develop a lasting taste for milk.

[Jim Knight]

The Government are proud of their track record in improving children's eating. As my hon. Friend the Member for Chorley mentioned, we are aware that poor diet can create a barrier to learning, affecting the ability to concentrate as well as contributing to health problems in both the short and the longer term. That is a matter of concern to all of us, although we feel that as a Government we have made some headway.

The food provided in schools is a key component of many pupils' diet. Getting it right is vital. That is why, in March last year, the Secretary of State for Education and Skills announced a package of measures to help schools and local authorities transform school meals. A key measure was the establishment of the school meals review panel, whose recommendations for nutritional standards for school food seek to promote water, fruit juices and milk as the preferred drinks in schools. It is recognised that milk is a valuable component of a balanced diet and a healthier alternative to soft drinks. I should make it clear that when I talk about milk as part of a balanced diet, I mean skimmed or semi-skimmed milk.

The Department of Health is also playing its part in promoting a more balanced diet. For example, the school fruit and vegetable scheme provides a free piece of fruit or vegetable each school day to all children aged four to six attending local education authority-maintained infant, primary and special schools throughout England. It also operates a welfare food scheme, which, among other things, reimburses certain day care facilities for providing a third of a pint of milk free of charge to children under five attending for at least two hours a day. As part of the current welfare food scheme reforms, changes to the provision of milk in day care will be considered. However, we do not expect changes to be made until at least autumn 2006.

Against that background of developing support for improving the diet of children in school, supporters of school milk have queried why the report was commissioned. I hope to explain this. The EU funds a scheme that must be made available across all member states and subsidises the provision of milk to primary and nursery schools. Participation in the scheme is entirely a matter for schools or local education authorities. Parents generally pay the difference between the actual cost and the subsidy. The UK applies only the mandatory elements of the EU scheme, whereby the subsidy is payable on plain and flavoured whole and semi-skimmed milk and plain whole and semi-skimmed milk yoghurt. In practice, most milk is supplied as whole milk in one third of a pint servings. It is estimated that some 1.2 million children in England receive subsidised milk.

The EU subsidy on school milk was reduced in 2000. Since 1 January 2001, the UK Government have provided national aid to supplement the EU subsidy. The Government provide an annual maximum of £1.5 million in England, funded jointly by the Department for Environment, Food and Rural Affairs, the Department for Education and Skills and the Department of Health for this purpose. Annual expenditure has been in the region of £6 million to £7 million—that is, the EU scheme plus the national top-up. The Government provide funding for the supplement and, in practice, bear the cost of some 70 per cent. of the EU element. As has been said, administration of the scheme by the Rural Payments Agency and schools adds to its overall cost. That is an aspect of the report that we shall study closely.

The EU subsidy scheme and the national supplement are both highly thought of, but the fact that they are highly valued cannot exclude them from the Department's rolling programme of policy reviews. That is why the review was carried out. It is surely right that the Government should examine their programmes from time to time to assess whether they make the best use of public money. The report on the top-up's effectiveness and efficiency was commissioned from independent economists and was published on 4 January. At no point was a decision made by bureaucrats—that was the word used by my hon. Friend the Member for Chorley. The only decision that has been made is to carry on with the scheme. Up to that point, all we had was a very useful report from the independent economists. I defend my officials on that point.

The report found that the total whole milk subsidy per serving in December 2004 was just under 4p, with the top-up constituting 0.75p of that sum. On average, the remaining costs, which are usually met by parents, amounted to between 11p and 12p. The report was critical of the scheme largely on the grounds of its administrative cost and lack of clear rationale in terms of child health. A number of recommendations were made, including ending the top-up and spending the £1.5 million on the more targeted promotion of milk.

Together with colleagues at the Department of Health and the Department for Education and Skills, we considered the recommendations carefully, but—as has been pointed out—as politicians we decided for the following reasons that they should not be pursued and that the subsidy scheme should remain unchanged. As I have said, what children eat has caused considerable concern, and the subsidy contributes to the Government's wider programme to improve nutrition and tackle health inequalities. The report concentrated on the scheme's value for money and did not cover issues specific to deprivation. However, it concluded that the withdrawal of the top-up could lead to 16 per cent. of school heads giving up participation in the scheme, which could affect more vulnerable children in particular. We think it important to maintain a clear message on the role that school milk plays when we try to promote healthier alternatives to soft drinks in schools and focus on improving nutritional standards. All those factors helped to persuade us that now is the right time to alter a scheme that involves a relatively small amount of public money, but that forms a significant plank in the Government's nutrition programme.

One of the report's key recommendations was that funding should be expanded for the successful elements of existing programmes to increase teenagers' milk consumption, and my hon. Friend the Member for Chorley clearly feels strongly about extending the scheme to secondary schools. In 1996, the previous Government ended the subsidy for secondary schools largely due to public expenditure pressures and chose to focus attention on younger children. All Governments

face public expenditure pressures, and must make choices, and we believe that there are other ways to develop milk provision in secondary schools.

The Government have a part to play in promoting milk consumption, but the industry also needs to maximise the opportunities arising from the good work funded by the taxpayer, which is, after all, to its benefit. That is why we applaud the imaginative initiative operated by the industry and the Milk Development Council, which has led to milk bars being set up in secondary schools. There are now some 1,000 milk bars in England and Wales and, by all accounts, they have proved to be very attractive to teenagers, who are not the easiest people to please in my experience and certainly in my home. The Milk Development Council should be praised both for that initiative and for its other schemes that promote the provision of milk in schools, because it has done some tremendously good work in that area.

I shall resist the temptation to dwell on fluoride in milk, which is an ingenious idea. Fluoride is an issue that has preoccupied previous Health Ministers at the Dispatch Box, but I have listened to enough of those debates in my limited period in Parliament to know that it is easy to get sidetracked on that issue, so I shall stick to the subject of this debate. However, I pay tribute to my hon. Friends for their work on not only that issue, but the importance of school milk in their constituencies—the people of Bolton and elsewhere should be proud of their representation in this House.

The continuing success story on school milk together with the fact that the new school food standards will take into account appropriate levels of nutrient intake—including calcium, which can be lacking in older children—was another reason not to divert money from the subsidy scheme.

We also bore in mind the possible negative effects on the dairy industry of any shift from the scheme in a period of far-reaching change. I noted the comments made by Conservative Members in support of the industry. I am sure that hon. Members on both sides of the House are well aware that it is having to absorb the effects of common agricultural policy reform and of moving towards a more free-market system. Given that Members on both sides of the House agree with using a free-market system, I should emphasise that it is inappropriate for the Government to intervene directly on pricing. That does not mean, however, that we are not pursuing the initiatives that we have discussed in previous debates in respect of the Dairy Supply Chain Forum and our ongoing discussions about the milk market with supermarkets and the Office of Fair Trading.

We are addressing concerns about low farm-gate prices and the increased concentration and buying power of the large multiple retailers. At this time of change for the industry, with those sorts of pressures, we should encourage the next generation of consumers to take advantage of the nutritional benefits of milk and provide stability for the dairy industry at a time when there is so much change elsewhere.

For those reasons, we have decided not to make any changes to the top-up scheme. We believe that an early announcement would stop further unnecessary speculation on the report's findings. Understandably, given the nature of the media reporting of this independent report, people believe that the decision—

The motion having been made after Ten o'clock, and the debate having continued for half an hour, MADAM DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at one minute past Eleven o'clock.

House of Commons

Wednesday 18 January 2006

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

WALES

The Secretary of State was asked—

Small Business (Government Regulation)

1. **Mr. Henry Bellingham** (North-West Norfolk) (Con): When he next expects to meet representatives of small business organisations in Wales to discuss central Government regulation of business. [41794]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): My right hon. Friend the Secretary of State and I have regular meetings with representatives of the business community to discuss issues that concern them. In fact, my right hon. Friend the Secretary of State will be attending a CBI Wales reception tomorrow in north Wales.

Mr. Bellingham Is the Minister aware that over the past eight years, Britain has fallen from fourth in the world competitiveness rankings to 12th—the Principality has fallen by a similar amount. Is he aware that the Welsh CBI, Welsh chambers of commerce and the Welsh Federation of Small Businesses are saying that the cause of the fall is excessive regulation and that they are worried about possible job losses? Does he agree that if it were not for the extra jobs in the public sector, unemployment in Wales would probably be going up?

Nick Ainger: The hon. Gentleman's last statement was not true. There has recently been significant growth in the private sector. For example, in the third quarter of 2005, some 4,800 new small businesses were created in Wales. The hon. Gentleman claimed that the CBI and other business organisations were concerned, but let me give him some other quotes. Today's edition of *The Western Mail* says that a report by the Royal Bank of Scotland states that Wales begins 2006 with new momentum and confidence. It is reported that the Welsh economy picked up pace at the end of 2005, with growth in output and the acceleration of new orders suggesting that firms are confident about business prospects in the year ahead. That is the reality in Wales.

Ian Lucas (Wrexham) (Lab): Does my hon. Friend agree that it is a gross misrepresentation to suggest that new jobs in Wales are being created only in the public sector? My constituency has had renewable manufacturing jobs in the energy sector, and we have an unemployment rate of 2.5 per cent. Will he commend the Assembly for the introduction of business laboratories, which are bringing into small business people in towns such as Wrexham who have never experienced entrepreneurship before? Those people commend the stability of the manufacturing sector and business generally, and I think that the Government are doing an excellent job.

Nick Ainger: Not surprisingly, I totally agree with my hon. Friend. The facts speak for themselves. More than 1,300 grants totalling £40 million have been given to small businesses in Wales under the investment grant programme. I think that my hon. Friend was referring to the Technium programme. We have invested £150 million in 13 Technium sites, and new businesses are being developed, research is going ahead and jobs are being created. That, again, is good news for Wales.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): The Minister boasts about the number of start-ups, but fails to tell us the number of businesses that have closed down. With unemployment rising in Wales, it is more important than ever to address the regulatory burden that inhibits small businesses. Following the publication of the Legislative and Regulatory Reform Bill, what targets has he set for cutting the burden of regulation on Welsh business, and will he publish those targets?

Nick Ainger: It is not for me to set those targets, but a measurement exercise is under way to establish the baseline. May I welcome the hon. Lady to her first Welsh questions? The fact is that the Legislative and Regulatory Reform Bill is the most radical such measure anywhere in the world. The CBI, the Institute of Directors, the Federation of Small Businesses and the British Chambers of Commerce are totally supportive of it and see it as a major way forward on reducing regulation. It will build on what we achieved during our presidency of the European Union. The Commission is now withdrawing 68 pending laws and simplifying more than 220 pieces of legislation. That situation contrasts with the 8,100 statutory instruments that were passed in the last three years of the Conservative Government.

European Structural Funding

2. **Mr. Wayne David** (Caerphilly) (Lab): What decisions have been reached on the future of European structural funding in the objective 1 area of Wales. [41795]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): On 16 December 2005, the European Council reached agreement on the European Union budget for 2007–13. As a consequence, west Wales and the valleys will qualify for the highest level of European funding and will continue to benefit from substantial European structural fund receipts for the

next seven years. Work is already well under way by the Assembly to prepare the new round of programmes that are due to commence in January 2007.

Mr. David: I thank the Minister for that reply. May I point out that Caerphilly county borough alone has attracted £36 million of objective 1 funding in the current funding period, which has created no fewer than 11,300 new jobs? Is that level of investment likely to continue under the new funding arrangement that has been agreed?

Nick Ainger: Absolutely. The deal means that the level of structural funds coming into Wales for the next six to seven years will be the same as we have received in the last six to seven years. It will total around £1.3 billion, which will be on top of the Assembly's block grant. The success of the programme so far means that probably, by the end of 2006, more than 40,000 new jobs will have been created; the unemployment rate in west Wales and the valleys will fall at twice the rate of the rest of the UK; and we will see full-time earnings in west Wales and the valleys growing twice as fast as in the rest of the UK. We can build on that huge success now that we have secured the great victory of getting objective 1 funding up to 2013.

Mr. Roger Williams (Brecon and Radnorshire) (LD): West Wales and the valleys is not the only area in Wales that benefits from structural funds; certainly, the rural areas of Powys and the urban areas of Newport and Cardiff also benefit. Will those areas continue to get support under the new budget arrangements?

Nick Ainger: Yes, they will. Under the competitiveness and employment programmes the rest of Wales will qualify. The level has not yet been decided, but those areas will continue to benefit, perhaps even more so in certain places because the support could be more targeted. That is dependent on negotiations in Brussels.

Huw Irranca-Davies (Ogmore) (Lab): May I urge my hon. Friend to note the £19.8 million that has been spent in my constituency and that of my hon. Friend the Member for Bridgend (Mrs. Moon) under objective 1? Will he note also that this party was initially criticised because nobody thought that we could deliver objective 1, and nobody thought that we would do it this time either, but once again we have proved the Opposition parties completely wrong?

Nick Ainger: That is absolutely right. At the beginning, we were told that we were not going to get objective 1; we did. Then we were told that we would not get the Treasury backing, and we did. Then we were told that it would not work, and it did—we not only created all those jobs but raised average earnings and addressed our infrastructure. Finally, we were told that because we were being so successful, we would not get objective 1 again, and we must do the deal urgently or we would lose it. The Opposition, particularly Plaid Cymru, were wrong every time. This is a major victory for Wales. We should accept that all the way along, over the past seven years, this Government have delivered objective 1 for Wales.

Ministerial Visits

3. **Mr. Elfyn Llwyd** (Meirionnydd Nant Conwy) (PC): How many times he has visited constituencies in north and mid-Wales since 1 October 2005. [41796]

The Secretary of State for Northern Ireland (Mr. Peter Hain): I visited on 22 October. I am pleased to inform the hon. Gentleman that I will be visiting several locations in north Wales tomorrow and again next month.

Mr. Llwyd: So that is once in that long period, which is what I would expect from a part-time Secretary of State for Wales. If the right hon. Gentleman went to Gwynedd and north Wales, people would tell him that there is one NHS dentist available for the whole of north Wales. His support for the vacuous and specious plan for an all-Wales police force is laughable. In the elegant words of his colleague the hon. Member for Clwyd, South (Mr. Jones), it is "bloody nonsense"—*[Interruption.]*

Mr. Speaker: Order. The hon. Gentleman should not be using intemperate language, even in a quote. I noted more than one supplementary, so we will let the Secretary of State answer.

Mr. Hain: Intemperate language from an intemperate party that does not represent Wales. The truth is that north and mid-Wales have been doing much better under this Government, with almost 50,000 extra jobs created since 1997, work about to start on a £14.8 million new community hospital in Porthmadog, and a £9.9 million community hospital in Holywell. Whether on health or employment, Labour is delivering for north Wales, and the Tories, the Liberal Democrats and Plaid Cymru have consistently failed north Wales.

Albert Owen (Ynys Môn) (Lab): My right hon. Friend the Secretary of State for Wales has certainly been no stranger to my constituency since he was appointed to his post, and neither have his parliamentary Under-Secretaries. Moreover, since October 2005, I have led numerous delegations to the Wales Office, which the Secretary of State has received, to discuss the important issues concerning my constituency, including the future of Wylfa nuclear power station and Anglesey Aluminium Metal Ltd, to name but two. Will the Secretary of State revisit my constituency to see new companies such as BioCycle Ltd, which has just been set up providing 24 new jobs, and which has won a Green Apple environmental award in 2005?

Mr. Hain: Not surprisingly, I welcome that question. On the numerous visits that I have paid to my hon. Friend's constituency of Ynys Môn, I have seen the consistent transformation of the appalling economic situation that we inherited from the Tory Government. Employment is up, new businesses are starting up, and the island is being transformed, especially since my hon. Friend was elected as its Member of Parliament.

David T.C. Davies (Monmouth) (Con): When the Secretary of State for Wales next makes one of his rare appearances in mid-Wales, will he take note of the crisis

that has been caused by bovine tuberculosis? Will he also explain to the farmers in the area why the National Assembly for Wales appears set to reject all the evidence that TB is passed to cattle by badgers, in direct contrast to the Government in England, who are at least taking some note of the expert advice that they have been given?

Mr. Hain: I do not believe that anybody believes anything that the hon. Gentleman has just said.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): First, may I thank the junior Minister for his warm welcome? When the Secretary of State next goes to north and mid-Wales, will he talk to people about their concerns over the governance, command structures, time scale and funding of the police restructuring programme? The Home Office has said that there will be no new money to fund the proposed changes. Will the Secretary of State now address the question that he failed to answer on 2 November, and tell concerned council tax payers in Wales by how much their bills will increase to pay for these plans?

Mr. Hain: First, I join my hon. Friend the Under-Secretary of State for Wales in welcoming the hon. Lady to her first Question Time in her new post. May I remind her that my first decision as a Wales Office Minister back in 1997 was to abolish the nursery vouchers that she had introduced as a Tory Minister?

Policing would be much better in north Wales and other regions of Wales if we had an all-Wales force that was able to tackle the important level 2 issues such as terrorism, drug dealing and serious organised crime by having the capacity to deliver, which the small forces do not have at the moment. The Home Secretary has made available additional funding to those police authorities that are able to join the restructuring, which will benefit neighbourhood policing and equip our policemen to protect us more safely in our communities right across Wales.

Unemployment

4. **Mr. Stephen Crabb** (Preseli Pembrokeshire) (Con): If he will make a statement on unemployment in Wales. [41797]

The Secretary of State for Wales (Mr. Peter Hain): Unemployment in Wales is at an historic low, and is lower than in the UK as a whole.

Mr. Crabb: I am disappointed by the complacency shown by the Secretary of State and his Parliamentary Under-Secretary this morning. Are they not aware that unemployment across Wales has been increasing for 10 consecutive months, in some constituencies by up to 35 per cent.? With Welsh manufacturing output slumping in the past year by 6 per cent. and the Chancellor's public sector jobs splurge coming to an end, is there not a real danger that much of the excellent progress that we have made on the Welsh job front since 1992 is now starting to unwind?

Mr. Hain: Not at all. The hon. Gentleman claims to speak for a constituency that has the fourth highest business start-up rate in any part of the United Kingdom, in which small businesses are booming because of the economic climate that the Government have created, in which unemployment has halved, and in which new opportunities are being created all the time, including the Bluestone holiday project. In Milford Haven, up to 700 construction jobs have been created through the construction of the new liquefied natural gas plant project. Pembrokeshire is booming under Labour; it was failing under the Tories.

Paul Flynn (Newport, West) (Lab): Does my right hon. Friend recall that, when he and I were first elected to the House in the dark days of Thatcherism, unemployment was our main concern? Now it is not an issue until it is dredged up by the right hon. and hon. piffle artists on the Benches opposite. It is a matter of celebration that EADS Defence Systems—a great leviathan of an international company—has opened its new factory at Glyndwr House in Newport. It will act as a high-tech magnet to bring many jobs to Newport, Gwent and the rest of Wales.

Mr. Hain: Indeed. The latest jobs announcement is vital. The Newport area is now a magnet for high-tech investment in the defence industry and in other parts of the economy. That goes to prove what my hon. Friend says about Wales succeeding under the Labour Government as it has never succeeded before. There are 118,000 more people in jobs in Wales than when the Tories were last in office.

Hywel Williams (Caernarfon) (PC): How does the Secretary of State respond to the Joseph Rowntree finding that 40 per cent. of people in low-income households have someone who is in work? That is in-work poverty, up sharply from 30 per cent. in the mid-1990s, with 150,00 Welsh people in in-work poverty. Is not poverty in Wales poverty in work or out of it?

Mr. Hain: The number of workless households is still an important problem. It was terrible when we came into office and it is still not as good as it should be. We are tackling it with many of the measures that Plaid Cymru Members sometimes vote against. I hope the hon. Gentleman will support us next time.

Lembit Öpik (Montgomeryshire) (LD): Is the Secretary of State aware that numbers employed in full-time Welsh agriculture have fallen by 55 per cent. since 1997, that over 600 manufacturing jobs have been lost in mid-Wales since 2001, and that even now significant manufacturing jobs, such as the 120 jobs at the cheese processing plant at Felinfach, are under threat? In that context, is he willing to meet me and a delegation of representatives from the Farmers Union of Wales, the National Farmers Union and the Mid-Wales Manufacturing Group to discuss what measures we might take to reverse that trend?

Mr. Hain: Of course I should be happy to receive such a delegation, although I point out that despite the situation that the hon. Gentleman describes in that particular plant, there are 15,000 vacancies right across Wales. The difference is that when people lose their jobs

through restructuring, including in the agricultural industry, it is regrettable and unfortunate, but compared with the Tory years, there are other jobs to go to and a support mechanism in place to provide reskilling and retraining and to assist people into more opportunities.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I thank the Secretary of State for his warm welcome to me at the Dispatch Box. Given the loss of 500 jobs at the Defence Aviation Repair Agency St. Athan site, and given that the Government spent over £100 million of public money on the construction of the Red Dragon facility without ensuring its future, does the Secretary of State agree with the Select Committee on Defence that their decision on Red Dragon was incomprehensible and showed a clear lack of joined-up government? Does he support an investigation by the Wales Audit Office and the National Audit Office into that disgrace?

Mr. Hain: The Ministry of Defence has made it clear that it fully expects to recover its investment in the Red Dragon project by April 2007. That has left Wales with a highly marketable first-class facility to attract new investors. Up to 300 jobs are coming in 18 months, and St. Athan is well placed to bid as an excellent location for the defence training review jobs. I fully support that very strong bid, and the opportunities at St. Athan will make it an excellent site for that project.

Train Services (Rhondda)

5. **Chris Bryant** (Rhondda) (Lab): What representations he has received regarding the quality of train services in the Rhondda. [41798]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I am conscious of the concerns felt by my hon. Friend and others on this subject, especially in relation to overcrowding. The Welsh Assembly Government are investing £50 million over the next 14 years to enhance capacity on the Valley Lines network. This has already provided an almost 20 per cent. increase in seats and doubled the length of 15 peak-time trains every weekday, but more must be done to meet increasing demand.

Chris Bryant: Would my hon. Friend buy a car that broke down every 2,500 miles? Trains in the Rhondda break down on average every 2,367 miles, largely because Arriva Trains never bothers to maintain the trains properly. Will my hon. Friend call Arriva Trains senior management into his office, give them a proper grilling and point out to them that third-class rail service was meant to have been abolished 43 years ago, not perpetuated in the Rhondda?

Nick Ainger: As I have said, I am conscious of my hon. Friend's concern. I have already asked Arriva Trains to meet me and explain what they plan to do to replace the Pacer trains, which have an appalling track record. That is essential, because demand from people travelling from the Rhondda, other valleys and the vale of Glamorgan into the Cardiff area is clearly increasing. Those people need and deserve quality transport, which Arriva should deliver as quickly as possible.

Employment Levels

6. **Mr. Martin Caton** (Gower) (Lab): if he will make a statement on employment levels in (a) Gower and (b) Wales. [41799]

The Secretary of State for Wales (Mr. Peter Hain): Over the past year, employment levels in Wales have been at an historic high. Gower also enjoys high employment, with an employment rate that is higher than the Wales average.

Mr. Caton: Employment levels have improved dramatically since 1997 in my constituency thanks to the Labour Government, but some Gower people who work over the border in Llanelli at the MOD establishment at Llangennech face losing their jobs, along with the constituents of my hon. Friend the Member for Llanelli (Nia Griffith), whom I commend on her work defending those jobs. Despite an excellent performance record, the facility is threatened by a proposal that will reduce the quality of service to our armed services, that will fail to achieve the predicted savings and that will inevitably undermine the local economy. Will my right hon. Friend press his colleagues in the Ministry of Defence to think again?

Mr. Hain: I am happy to discuss the matter with my colleagues in the MOD, but the Secretary of State for Defence and his team have had to make tough decisions to equip our forces in order for them to remain the finest fighting force in the world. However, a support team is in place to help anyone who leaves their job to find alternative employment.

Mr. Nigel Evans (Ribble Valley) (Con): Will the Secretary of State for Wales tell the House whether he is proud that on his watch one of the major exports from Wales is manufacturing jobs?

Mr. Hain: I am surprised that the hon. Gentleman has the cheek to ask that question, because manufacturing jobs were massacred in Wales under the Tories. The truth is that manufacturing output and exports have continued to remain relatively stable in Wales. Almost every month, we attract new manufacturing companies to Wales, and we are driving up the value-added, high-tech manufacturing sector with the support of this Labour Government, who have provided a macroeconomic climate that is conducive to high-level manufacturing.

Defence Aviation Repair Agency

7. **John Smith** (Vale of Glamorgan) (Lab): what recent discussions he has had on the future of the Defence Aviation Repair Agency, St. Athan; and if he will make a statement. [41800]

The Secretary of State for Wales (Mr. Peter Hain): I have such discussions regularly. RAF St. Athan is a world class resource with a high-tech skills base, which we point to when we seek to attract further investment in Wales.

John Smith: In light of the Defence Committee report on St. Athan, which has been published today, will my right hon. Friend assure me that he will do everything that he can to make sure that the mistakes made by the MOD are not repeated on a much bigger project, the defence training rationalisation programme, by ensuring that the proposals are considered openly and transparently and that the final decision is based on merit and merit alone and not on back-door deals?

Mr. Hain: I am sure that the Secretary of State for Defence and his team will ensure that the decision is made on merit. St. Athan offers an excellent solution as the location for the defence training review. One of the bidding consortiums, Metrix, has made St. Athan a major element of its bid, which has my support and that of the Welsh Assembly Government. I am sure that that bid will be considered on its merits, which are excellent.

Adam Price (Carmarthen, East and Dinefwr) (PC): The Defence Committee report criticises the lack of joined-up thinking between the National Assembly for Wales and Whitehall, which is the understatement of the century. If, as Amicus claims in its evidence in the report, Morgan Stanley proposes the closure of the remaining site, will the Wales Office oppose that proposal?

Mr. Hain: We have been working very closely on that and we will continue to do so. The truth is that whatever decision has been made as regards St. Athan in the interests of restructuring the armed forces, there are still excellent opportunities. Three hundred more jobs are already on the way in 18 months' time, and there is the prospect of a strong bid for the defence training review jobs. It has a bright future and we will work very hard to secure that.

Julie Morgan (Cardiff, North) (Lab): Does my right hon. Friend agree that the key issue—*[Interruption.]*

Mr. Speaker: Order. We are being unfair to the hon. Lady who is addressing the House.

Julie Morgan: Does my right hon. Friend agree that the key issue is to try to retain the critical mass of expertise that has been built up in aeronautical repair work at St. Athan, where many of my constituents work? What will he do to try to keep that expertise there?

Mr. Hain: My hon. Friend is right—there is a fantastic expertise and tradition that has served the defence industry very well. That is why we are working hard to attract new projects. We have already been successful and I am confident that we can be so in future, because it is an ideal location for defence work and for the defence training review jobs that the MOD will decide upon in due course.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [42852] **Sir Robert Smith** (West Aberdeenshire and Kincardine) (LD): If he will list his official engagements for Wednesday 18 January.

The Prime Minister (Mr. Tony Blair): This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House I will have further such meetings later today.

Sir Robert Smith: I must draw the attention of the House to my entry in the Register of Members' Interests as a shareholder of Shell.

I am sure that the Prime Minister will agree that at a time of high energy prices and concerns over supply we should be doing all that we can to maximise oil and gas production. Given the worries in north-east Scotland that we might not achieve that potential, even though there is more than 30 years of work still left to do, will the Prime Minister agree to meet a delegation of concerned constituents and industry representatives to hear how this country can unlock the maximum wealth of the oil and gas waiting on our doorstep?

The Prime Minister: I am perfectly happy to meet the hon. Gentleman and any constituents or business interests that he wishes to bring to see me. It is obviously important that we get the right regime for the North sea—that is what we try to do—but he is certainly right to say that energy policy is a major issue for the coming years.

Natascha Engel (North-East Derbyshire) (Lab): Will the Prime Minister join me in condemning one of the most disgraceful decisions by Liberal-led Chesterfield borough council in closing the only available swimming facility in one of the most deprived wards near my part of the constituency in Staveley?

The Prime Minister: Yes, I think that on balance I can. I join my hon. Friend in condemning that decision. It is extremely important that we invest in community facilities; that is why the Government are putting major sums into that. I hope that local authorities follow the Government's lead instead of cutting those facilities.

Mr. David Cameron (Witney) (Con): With rising deficits in the NHS, huge costs of pension reform and tighter pressures on public spending, how can the Prime Minister claim that spending at least £600 million a year on his ID card scheme is a good use of public money?

The Prime Minister: Because if we introduce an ID card scheme and reduce identity fraud, that makes a major difference to the costs of Government and the costs of doing business. In today's world, if we want to

tackle illegal migration, crime and identity fraud, using the new biometric technology to have ID cards is an important part of doing so.

Mr. Cameron: But we face those problems and threats today; these cards will not come in until 2013. The Prime Minister could use the money to buy 20,000 extra police officers or to have 24-hour security at our ports. Will he accept that almost every Government IT programme has massively overrun? What guarantee can he give that his estimates are right, whereas the London School of Economics, which talks about costs of £14.5 billion—almost half the entire budget of the Department for Education and Skills—is wrong?

The Prime Minister: First, if the right hon. Gentleman's concern is that ID cards will not be introduced quickly enough, he should work with us to ensure that they are introduced more quickly, but that is an absurd reason for not introducing them. As for the calculations made by the LSE, I think that I am right that, although the report was put out under the LSE's name, it was actually written by the leading campaigner against ID cards on the ground of civil liberties. So I do not think that it is an entirely objective assessment.

The right hon. Gentleman should think again about ID cards, which are an important, indeed, essential way of tackling illegal migration and crime in the early 21st century. Perhaps I may put it like this: they may be the future, not the past.

Mr. Cameron: When it comes to who is working with the Prime Minister, perhaps he could answer the following question. It has been widely reported that the Chancellor does not back ID cards and would scrap them, so will the Prime Minister give a guarantee that, when the Chancellor takes over his job, the scheme will be continued?

The Prime Minister: I certainly can give a guarantee that the Government as a whole are absolutely behind ID cards—the Chancellor himself has provided the start-up costs. Why are ID cards so important now? Because we know, from all the available evidence, that identity fraud is on the increase—that is bound to happen in the modern world. Many people, including the former leader of the Conservative party, reached the conclusion that we need identity cards, and it is right to do that now because the biometric technology is coming in. Other countries are moving towards biometric passports and we will have to do that. The largest part of the cost of an identity card will be the biometric passport, which we must have. I assume that the right hon. Gentleman is in favour of the biometric passport; perhaps he could elucidate that—we know that his policy tends to shift a little quickly nowadays.

We need the identity card to fight crime, illegal migration and identity fraud in the early 21st century and the costs will be largely met by the biometric passport.

Mr. Cameron: I think that I should remind the Prime Minister that these sessions are about me asking questions on behalf of the public and him answering on behalf of the Government. If he wants to switch that around, he can hold a general election. Does not he have a choice: think again or plough on with what will become a monument to the failure of big government?

The Prime Minister: I totally disagree with him. I apologise for asking policy questions but the right hon. Gentleman's policies change so quickly—almost on a day-to-day basis—that sometimes it is a good idea to inform myself simply to keep up with where he is at any one time.

With the greatest respect, he should think again about the matter. We will have to introduce biometric passports—I know that he agrees with that—and we will therefore have to make enormous changes in the years to come for the vast bulk of people who have passports. Identity fraud is also a major and growing problem. People throughout the world are moving towards identity card systems because they are necessary to tackle the problems of today's world. Of course there is a cost to identity cards but there is a cost to identity fraud in so many different ways. As the argument progresses, I suspect that he will find himself in the same position as he has been on rather a lot of policies recently, from the patient's passport to selection in schools and from the environment to social justice—I could go on; it is a long list. At the next general election, I suspect that he will be standing on his head on ID cards, as he has done on so many other issues.

Mr. Jim Devine (Livingston) (Lab): My right hon. Friend will know that, this week, the leader of a minor political party in Scotland announced that he would run for the Scottish Parliament next year. Not only has he put his name down for the constituency, which he will lose, but he has put himself first on the list, which he may win. Many of my constituents are asking whether it is fair that he has two bites at the democratic cherry. Does my right hon. Friend agree that it is an affront to democracy when losers can become winners?

The Prime Minister: Putting himself high on the list scores high on pragmatism but not on principle. In any event, I think that he will lose.

Sir Menzies Campbell (North-East Fife) (LD) *rose—*
[Interruption.]

Mr. Speaker: Order. I must allow the right hon. and learned Gentleman to be heard. Hon. Members had some fun last week but he has a right to address the House.

Sir Menzies Campbell: Following the tragic murders at Soham, Sir Michael Bichard, in a report published over 18 months ago, made 31 recommendations. Can the Prime Minister tell us how many of them have been implemented?

The Prime Minister: I cannot tell the right hon. and learned Gentleman precisely how many have been implemented since Michael Bichard produced his report, but we will ensure that legislation is introduced

to implement that report. Michael himself said the other evening that

"the Department for Education and Science have been working hard since the inquiry on producing a single barring scheme and they've kept me in touch with . . . what they were doing, and I'm very impressed with the work actually that they've done."

Sir Menzies Campbell: The Prime Minister will know that one of the key recommendations of the Bichard inquiry was a police computer system designed to share intelligence about sex offenders. Can he tell us why the IMPACT computer system is reported to be three years behind schedule, and when does he expect it to be fully functional?

The Prime Minister: I cannot give the right hon. and learned Gentleman the reason off the cuff, but I will write to him. However, since 1997—this is an important point that should be made in light of all the recent perfectly understandable controversy—there has been a tightening, not a loosening, of the system. It is worth pointing out that people have taken these types of decisions in very difficult cases going back many, many decades. Of course, it is important that we introduce Sir Michael Bichard's recommendations, and tomorrow my right hon. Friend the Secretary of State for Education and Skills will talk about further safeguards that we will introduce and which, I very much hope, will command the support of the whole House.

Mary Creagh (Wakefield) (Lab): How will the Prime Minister's respect agenda help my constituents in Wakefield who live on estates near problem families? Does he agree that talk of sacking so-called underperforming police officers, as some hon. Members have suggested, does nothing to boost police morale in west Yorkshire?

The Prime Minister: I think it is important to recognise that where the police and local authorities are using those antisocial behaviour powers they are making a real difference. My hon. Friend will know of such cases in her own constituency, and hon. Members up and down the country will know of the impact of the legislation. Of course, it is important that we make sure that everyone is aware of that. All local authorities are using the antisocial behaviour legislation, but the new powers will allow authorities to evict people from their homes if they are making life an absolute misery for people in their local communities. Despite the fact that some people have described those powers as a gimmick, I think that they will be used and will make an important difference, as is the case with the ability to close down crack houses and houses used for drug dealing. The reason that antisocial behaviour measures are increasingly being used is that they are increasingly effective where used.

Q2. [42853] **Peter Luff** (Mid-Worcestershire) (Con): I agreed with the Prime Minister in the Liaison Committee, when he told me that

"the reorganisation of local police is something where it really is sensible to listen to local people."

However, a uniquely detailed public consultation—*[Interruption.]* I will read that again for the benefit of the Prime Minister, because I do not think that he heard it properly. He said that

"the reorganisation of local police is something where it really is sensible to listen to local people."

A uniquely detailed public consultation by the West Mercia police authority revealed overwhelming public opposition to a merged west midlands police force. If the Prime Minister meant what he said, will he ask the Home Secretary to set aside his support for a merged force and open his mind to alternatives that would meet his strategic objectives?

The Prime Minister: It is important that we listen to local people, and I can assure the hon. Gentleman that we will do so. Of course, many different things could happen, including forces coming together for certain strategic tasks that they are better able to fulfil on a common, rather than singular, basis. I can assure him, however, that we will listen carefully to what people say, including in his constituency.

Chris Ruane (Vale of Clwyd) (Lab): On Monday this week, I attended the funeral of 14-year-old Tom Harland, one of the four cyclists killed in the worst cycling accident in British history. Will the Prime Minister join me in extending sympathy to all the families of those who died. My right hon. Friend the Secretary of State for Wales has asked for a report into the accident. Will the Prime Minister ensure that if lessons can be learned from this tragic accident they will be learned and that practices and procedures will be changed?

The Prime Minister: I would like to express, I am sure on behalf of the whole House, our deepest sympathy and condolences to the families of those who were so tragically killed. I understand that there is a continuing police investigation, and my right hon. Friend the Secretary of State for Wales has asked for a full report, and will visit the site himself. I can assure my hon. Friend that we will learn whatever lessons are necessary to learn, and act upon them.

Mr. David Cameron (Witney) (Con): May I associate myself with the Prime Minister's remarks about the dreadful accident to which the hon. Member for Vale of Clwyd (Chris Ruane) referred? On climate change, Government Departments have a target for getting 10 per cent. of their energy from renewable sources? Given that five of the biggest Departments were meeting that target before it was set, could the Prime Minister be a little more ambitious?

The Prime Minister: To be fair, we are being immensely ambitious on renewables. We have placed an obligation on energy suppliers to supply increasing proportions of energy from renewables, which will be worth something like £1 billion to the renewable industry by 2010. In addition, we are providing £500 million over the next few years to help to develop renewable and low-carbon technologies, and we have a target of 10 per cent. renewable generation by 2010 and 20 per cent. by 2020. Renewables capacity has increased by 9 per cent. in the past couple of years alone. Therefore, with respect, we are being highly ambitious.

Mr. Cameron: I welcome what the Prime Minister has said, but targets for Government Departments are

something over which he has control and about which he could be more ambitious—[HON. MEMBERS: "How?"] Hon. Members shout "How?", but the answer is pretty obvious—by raising them. The National Audit Office said that the Government policy was not stretching and the Environmental Audit Committee said that it was bizarre and highly unsatisfactory. In advance of next week's energy review, what is the Prime Minister planning to do about the fact that carbon emissions from Government Departments have gone up and continue to rise?

The Prime Minister: Of course we want to make sure that Government Departments have stretching targets, which are, indeed, in place, and it is always important to examine how they can be increased. If we are talking about carbon emissions overall, however, that involves not simply Government Departments but the whole country. If we are to reduce carbon emissions, one important way of doing so is the climate change levy, which will save 3.7 million tonnes of carbon by 2010. It is unfortunate that the right hon. Gentleman's spokesman said yesterday that his party is still against the climate change levy. I know that the right hon. Gentleman also has a proposal, to which he has committed the Conservative party, for a statutory reduction in carbon emissions every year, monitored by an independent body. I must say to him that he should think through carefully the consequences of that policy, because in some years, for all sorts of reasons, such as the weather, carbon emissions might go up, and he would then have to increase fuel taxes significantly. He should therefore think through his opposition to us on the climate change levy, which is working, and his support for a policy that I would say is a trifle dodgy, although I understand the motives behind it. If we consider his environmental policy, where it is sensible it is in agreement with the Government's, and where it is not in agreement with the Government's, it is not sensible.

Q3. [42854] **Jim Dobbin** (Heywood and Middleton) (Lab/Co-op): Thankfully, people are living longer, but with increasing life expectancy comes increasing demand for improved social care. Next Wednesday, I will have the privilege of introducing a ten-minute Bill on palliative care for the terminally ill, and last November the NHS Confederation published a paper asking for wider access to palliative care. Does the Prime Minister agree that despite increased investment in the hospice movement, extended care is essential for the protection of vulnerable and elderly people?

The Prime Minister: I agree with my hon. Friend, and the forthcoming White Paper on community health and primary care might offer some support for what he says. We are also investing about £12 million in an end-of-life palliative care proposal, which will help people to get access to such care. He is absolutely right in what he says, and let me take this opportunity to commend the hospice movement once again for all its superb work.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): On the issue of respect, does the Prime Minister respect the views of General Sir Michael Rose, who believes that he should be impeached for his role in the Iraq debacle?

The Prime Minister: I do not agree with him, obviously, for reasons that will not surprise him. I think the great thing about a democracy is that people are entitled to different views, but I must tell Sir Michael, and indeed the hon. Gentleman, that I think it is also a great thing when 10 million or more Iraqis vote in a democratic election for the first time. If we are under pressure in Iraq from people who are trying to stop them from having a democracy, our job is to stand up for the democrats against the terrorists and insurgents. I think, with respect, that that is the right position.

Q4. [42855] **Laura Moffatt** (Crawley) (Lab): Well over 1,000 homes in Crawley have been insulated under the warm front scheme. Provision ranges from simple insulation to full central heating. Older people are cosy in their homes, and young people are able to study, play and achieve their potential. Does my right hon. Friend agree that such measures are real ways of reducing poverty, rather than just talking about it like the Opposition?

The Prime Minister: My hon. Friend makes an important point. It is not merely that so many people have benefited from the warm front programme; in 1996 some 4 million households suffered from fuel poverty, and that has now fallen to 1 million. In many cases that is a result of measures taken by the Government, particularly the additional help for families on low incomes and for pensioners. It is an excellent example, along with the new deal for the unemployed, of social justice in action, not theory.

Mr. Richard Bacon (South Norfolk) (Con): The Prime Minister could not explain the reasons for the police computer delay in answer to an earlier question. Why, then, should we believe what he says about identity cards, given that they are above all else a Government computer project?

The Prime Minister: They are not simply a Government computer project. I have just given the reasons for identity cards in replying to the right hon. Member for Witney (Mr. Cameron), but let me say this to the hon. Gentleman. If we note the number of occasions on which people require identification to gain access to services—not just in respect of Government, but in respect of their private sector transactions—it is obvious that in today's world, a proper source of identity provides a very important way of achieving greater efficiency—

Mr. Bacon: What about the computer project?

Mr. Speaker: Order. The hon. Gentleman should let the Prime Minister answer. *[Interruption.]* I am not responsible for the content of the answers. I cannot allow an hon. Member to question the Prime Minister and then shout across the Chamber.

The Prime Minister: On the subject of computer technology, let me say that it is not as if, in respect of either passports or identity throughout the western world, there are not well-tried systems for identity cards. The Conservative party must make up its mind about whether its real objection to identity cards is based on

civil liberties—an objection which I think is completely misplaced. What the Conservatives are really doing is raising issues related to computer technology as a smokescreen for their true opposition, which I think is completely out of touch with the instincts of the British people.

Q5. [42856] **Mr. David Winnick** (Walsall, North) (Lab): If the leaked reports are accurate, and the telephones of Members of Parliament are to be tapped—which represents a change of policy after some 40 years, and I hope that the reports are not accurate—will my right hon. Friend pledge that before any change is made, there will be a proper debate and vote in the House of Commons? Constitutional issues are involved, and I hope my right hon. Friend recognises that.

The Prime Minister: I can tell my hon. Friend—this may help other Members as well—that at some point we will present a proposal. We have already said that, and parliamentary answers have been given.

Let me make one thing absolutely clear. The reason why this is an issue has nothing to do with—as has been reported—my desire to tap Members' phones in the wake of terrorism, Iraq or anything else. It is an issue—and I hope that we can have a proper discussion about this across the House—because of the recommendations of the intercept commissioner. I am obliged to reflect on those recommendations, and I will reflect on them. I will obviously discuss them with colleagues, and we will present proposals when we are ready.

Mr. John Redwood (Wokingham) (Con): How does selection according to aptitude in modern languages differ from selection according to academic ability in modern languages?

The Prime Minister: The reasons have been given by the Department for Education and Skills and the Select Committee on Education and Skills for many years. I hope that the right hon. Gentleman will join us—and, now, his right hon. Friend the Member for Witney (Mr. Cameron)—in saying that up to 10 per cent. selection according to aptitude in specialist schools is fine, but condemning a return to academic selection.

Q6. [42857] **Hugh Bayley** (City of York) (Lab): Has the Prime Minister seen the report from Sheffield Hallam university, published today, which shows that the Government's policies for tackling antisocial behaviour are working? Does he agree that reducing crime and antisocial behaviour is possible when there is a good partnership between statutory and voluntary bodies, such as the partnership between the police and Walmgate residents in York, which drove drug dealers off the local streets? Does my right hon. Friend recognise that such joint working is happening in many of our hon. Friends' constituencies, and that it is not at all a gimmick, as the Leader of the Opposition claims?

The Prime Minister: My hon. Friend will have noticed the ridicule heaped on antisocial behaviour legislation by the Conservatives. Of course, the report to which he refers indicates that there were massive changes as a result of those powers being used. Families reported a great reduction in antisocial behaviour because of the eviction of those who were causing real trouble in local neighbourhoods. I have to say to the Conservatives, who seem to be against this antisocial behaviour legislation, that again, they are completely out of touch with the British people. The fact is that people in local communities believe that there should be certain rules, that a certain amount of order should apply in those communities, and that those who consistently fail to show respect and responsibility towards others should be dealt with. Where summary powers such as on-the-spot fines, antisocial behaviour orders, dispersal orders and the ability to evict people who are causing a nuisance in local neighbourhoods are used, they work. They should be used more often, and they should have the support of all Members of this House.

Q7. [42858] **Bill Wiggin** (Leominster) (Con): The Prime Minister will be aware that when cattle fail the TB test, they need to be destroyed. However, why, when an error may have occurred, is there no appeal process and no opportunity for the farmer to be heard? Instead, verbal bullying, threats and intimidation have been levelled at a constituent of mine, Mrs. Booton. I wrote to the Department for Environment, Food and Rural Affairs on 5 December and I still have not had a reply. Will the Prime Minister investigate these appeals? I am worried that, if people do not co-operate, the Government's policy for sorting out this disease will be seriously undermined.

The Prime Minister: I know that proposals are being introduced to deal with bovine TB. Obviously, I do not know about the particular incident that the hon. Gentleman mentions, but I am perfectly happy to look into it, discuss it with my right hon. Friend the Secretary of State Department for Environment, Food and Rural Affairs and get back to him.

Mr. Speaker: I call Mr. Skinner.

Mr. Dennis Skinner (Bolsover) (Lab): Thank you very much, Mr. Speaker—it is like Christmas day, birthday and Boxing day all rolled into one. Earlier, my right hon. Friend was being challenged on the question of carbon emissions. Will he take into account that one reason why carbon emissions increased was that, when the Tories were in power, they closed down the clean-technology plant in Yorkshire? Will he ensure that we keep on board the few pits that remain? Is he aware that an attempt is being made to get a loan to save 288 jobs at Harworth colliery? Will he have a word with the Chancellor of the Exchequer, who is sat next to him? All that Harworth wants is a guaranteed loan, and those jobs can be secured. Is he playing?

The Prime Minister: I thank my hon. Friend for reminding us that, whatever the problem, the origins always lie with the Conservative party. I know that the Department of Trade and Industry is looking carefully at the application submitted by that colliery. I cannot give him an answer now, but I will certainly look into the matter.

Q8. [42859] **John Penrose** (Weston-super-Mare) (Con): Will the Prime Minister please arrange an urgent review of the financial settlement for NHS dentistry

funding in Weston-super-Mare? As he undertakes that review, will he bear it in mind that the vast majority of adult provision of such dentistry in Weston-super-Mare is undertaken by just one practice, which deals with 22,000 patients, and that it has been told that, starting this April, it will have to cut patient numbers by 30 per cent.?

The Prime Minister: I understand that this is a problem and of course, one reason why we are trying to get more dentists into the NHS is precisely in order to deal with it. I am afraid that, in the end, as a result of the contract, which was made in 1990, we cannot force dentists to come back in and to provide NHS services. But we are doing our best to recruit more NHS dentists, and I hope that the hon. Gentleman will support us in that.

Q9. [42860] **Mr. Mark Hendrick** (Preston) (Lab/Co-op): My right hon. Friend will be aware that the Opposition have tabled a number of amendments to the Work and Families Bill. Despite their so-called willingness to stand up to big business, are they not scared of family-friendly policies, and is that not corroborated by today's *Financial Times*?

Mr. Speaker: Order. The Prime Minister is not responsible for the Opposition. I think that he is on the record as saying that.

Dr. Richard Taylor (Wyre Forest) (Ind): If he has not done so already, will the Prime Minister find time to read at least the summary of the report from the Health Select Committee on primary care trusts? If he agrees with the thrust of the summary, will he try to persuade Ministers in the Department of Health that the proposed reorganisation of the NHS, the 25th since 1982, is the wrong one at the wrong time?

The Prime Minister: I do not think that it is the wrong time to consider these matters, given the shift to practice-based commissioning and payment by results. It is important that we look at the right way to configure the PCTs, and that is something that people are consulting on. However, the hon. Gentleman will know from his constituency—and, after all, he has a special interest in the matter—that there has been major investment in health care over recent years. Contrary to some of the publicity today, the result of that investment is the fact that waiting lists are at the lowest level since 1988. Also, many people who used to wait two years for an operation now get it within months.

Q10. [42861] **Paddy Tipping** (Sherwood) (Lab): Although real progress was made last year towards making poverty history, the results of the World Trade Organisation discussions in Hong Kong were disappointing. What steps is my right hon. Friend going to take to give impetus to the process, so that we can move towards fair trade?

The Prime Minister: We are in discussion with our principal allies, in Europe, America and elsewhere, about how we push the WTO talks on. It is important that the offer in those talks is bold and ambitious. The talks are about trade and services, as well as agriculture. We need Europe and America, as well as the emerging countries such as Brazil and India, to do more in terms of opening up their markets. The benefits of a successful trade round for all of us, not just the poorest people in the world, will be considerable. I assure my hon. Friend that we will continue to do all that we can to achieve that.

Points of Order

12.32 pm

Mr. Alex Salmond (Banff and Buchan) (SNP): On a point of order, Mr. Speaker. At Question Time, the Prime Minister appeared to give credence to reports, which previously I had thought were stuff and nonsense, on the interception of communications or contacts with MPs. He said he would reflect on the matter. Does not this matter touch on parliamentary privilege? If such interceptions were performed within the precincts of the Commons, would it not be a matter for you to reflect on, as well as the Prime Minister? Will you come back to the House with an opinion on that before the Prime Minister decides to intercept our communications, whether for reasons of terrorism or because of rebellious Labour Back Benchers?

Mr. Speaker: The hon. Gentleman raises an important matter. I will reflect on what he said, and on what the Prime Minister said. The question places a responsibility on my shoulders, as I cannot discuss security matters on the Floor of the House. However, the hon. Gentleman will understand that I take the matter very seriously indeed.

Albert Owen (Ynys Môn) (Lab): On a point of order, Mr. Speaker.

Mr. Speaker: I do not want to get into a lengthy discussion on this matter.

Albert Owen: It is a separate point, Mr. Speaker, of which I have given your office notice. I seek your advice and guidance in respect of questions tabled by one hon. Member about another hon. Member's constituency. At today's Wales questions, the hon. Member for Scarborough and Whitby (Mr. Goodwill) asked specifically about the decommissioning and closure of the Wylfa power station in my constituency. That has caused great concern to many local companies and people. I have spoken to the hon. Gentleman, who told me that he submitted the question on the instructions of his Whip, but what is your guidance on this matter? Will you also advise me about hon. Members visiting other hon. Members' constituencies?

Mr. Speaker: In another life, I was a Back Bencher, and I did not listen to the Whips all that often. Perhaps it is best to lead by example in that respect, but I remain a constituency MP and I understand that sensitivity is required in these matters. When an hon. Member asks a question about another constituency, he should contact the relevant Member of Parliament. He might be asking the question for national policy reasons, and I understand that in this case the question was to do with nuclear power. We need to be sensitive about these matters, but that should not deny any Member of Parliament the opportunity to ask a question about something in another hon. Member's constituency. Every hon. Member likes to protect their constituency and their rights within it.

Mr. David Winnick (Walsall, North) (Lab): Further to that point of order, Mr. Speaker. I much appreciate the points that you have made in reply to the point of order about the possibility of wire tapping being reintroduced for Members of Parliament. I have said to the Prime Minister that I consider that a constitutional issue. I am very pleased indeed with your response on the matter.

Mr. Speaker: Thank you. I repeat that I have a responsibility for this House and the privileges and rights of its Members.

Rehabilitation Leave

12.35 pm

John Robertson (Glasgow, North-West) (Lab): I beg to move,

That leave be given to bring in a Bill to provide a statutory right to rehabilitation leave for newly disabled people, and for people whose existing impairments have changed; and for connected purposes.

In line with the Government's welfare to work agenda, the Bill aims to ensure that people who develop a disability during their working lives, or whose existing disability deteriorates, are supported to remain in employment where reasonably practicable. In particular, it provides a statutory right for newly disabled employees to have their employment capacity and support needs properly assessed and addressed, and, in addition, where necessary, to have a period of leave to adapt and undergo rehabilitation and retraining before returning to work.

Let me give an example of the kind of person I want to help. This is an actual case. Michael works for a firm in the electronics testing industry. About six years ago, he started to lose his sight. He wanted to keep working, and his employers valued his skills. RNIB Scotland provided advice on how to reorganise his work and apply the latest technology. The Government's access to work scheme met most of the costs. Now aged 30, he is still working for the company, in a slightly different job, but still using his IT expertise.

The type of job-retention policy that the Bill deals with is known as rehabilitation leave, or sometimes disability leave. The use of "leave" helps make it clear that the person in question wants to get back to work. It is explicitly identified as an example of reasonable adjustment in the code of practice relating to part 2 of the Disability Discrimination Act. It is also a feature of the Warwick agreement, with which the Government and the trade union movement agree. Rehabilitation leave is, moreover, a tried and tested policy, having been piloted by a number of high-profile private employers in the public sector.

Why, then, is there a need for the Bill, and what difference would its passage make? Quite simply, it is needed for two reasons. First, unemployment among disabled people in this country remains stubbornly and appallingly high. Secondly, it is illogical to support disabled people to get off benefit and into employment—a policy I agree with—while at the same time allowing those in work who develop a disability to join, needlessly, the ranks of the pensioned-off or those on incapacity benefit.

Disabled people are almost five times more likely than non-disabled people to be out of work and claiming benefits. The UK's employment rate among blind and partially sighted people, for example, is a staggering 75 per cent. An estimated 3,000 people additionally join the dole queue each year because they develop a sight problem while still in employment.

Yet so much expert support and equipment is available to assist employees and employers alike, much of it available under existing Government programmes, such as the access to work scheme. The Bill would ensure that employees and employers are supported at the critical time when they need it—namely, at the onset of a disability and while the newly disabled person is still employed. The alternative, which unnecessarily befalls tens of thousands of newly disabled people each year, is for them to lose their job. That often happens because the employer does not know what support is available or because they have not had much experience of dealing with disabilities among employees and so are understandably fearful.

When someone is coping with a disability, they need help and support. We must not fail them. To become unemployed in those circumstances is a human and an economic tragedy. It undermines the individual's confidence, risks skills becoming out of date, and often leads to long periods of unemployment. Many disabled people never return to work. That results in a drain on the state, it burdens pension funds and represents a significant loss of expertise to industry, not to mention the additional recruitment costs for employers to replace staff.

Sometimes legislation is needed to ensure that good sense and best practice prevail. The law on wearing seat belts is perhaps a good example. This Bill is both sensible and necessary. None the less, I freely accept that the Government will have to develop some existing schemes, such as access to work, to ensure that at least some of the costs of the employment assessment, and any reasonable adjustment measures required, can be offset by the employer.

The Government will also need to ensure that state benefits are temporarily payable to those employees who may not receive wages or sick pay from their employer during a period of rehabilitation leave. I believe that, at relatively little cost, the Government will be able to ensure that any regulatory burden on employers resulting from this Bill is kept to a minimum.

There will of course be times when the nature of a disability, or of a particular workplace, will mean that it is unreasonable or even impossible to expect that a newly disabled person can remain in their current job, or even be redeployed. Rehabilitation leave is not a job guarantee scheme. The law of reasonableness will still apply. But surely it is sensible to give a newly disabled employee the right to have their circumstances properly assessed and a chance to adjust so that they can continue in employment if possible. Are we not morally honour-bound to help and support the people of this country into employment? My Government have put that at the centre of their policies over the last eight, nearly nine, years. I ask them to continue those policies and take another step forward and support this Bill.

Question put and agreed to.

Bill ordered to be brought in by John Robertson, Mr. Tom Harris, Mrs. Iris Robinson, Mr. Jimmy Hood, Miss Anne Begg, Mr. Ian Davidson, Rosemary McKenna, Dr. Alasdair McDonnell, Mr. David Hamilton, Ms Dari Taylor, Hywel Williams and Julie Morgan.

Rehabilitation Leave

John Robertson accordingly presented a Bill to provide a statutory right to rehabilitation leave for newly disabled people, and for people whose existing impairments have changed; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 10 March, and to be printed [Bill 114].

ELECTORAL COMMISSION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) and Order [15 December 2005],

That an Humble Address be presented to Her Majesty, praying that Her Majesty will re-appoint as Electoral Commissioners, with effect from 19th January 2006:

(1) Jonathan Glyn Mathias for the period of two years; and

(2) Sukhminder Karamjit Singh CBE for the period of four years.—*[Kevin Brennan.]*

Question agreed to.

Orders of the Day

Work and Families Bill

As amended in the Committee, considered.

New Clause 1

ADMINISTRATION OF STATUTORY LEAVE PAYMENTS

'The Secretary of State shall make regulations providing that any employer employing fewer than 50 persons may transfer to the Secretary of State responsibility for the administration of payments to that person's employees of—

(a) statutory maternity pay,

(b) adoption pay,

(c) additional statutory paternity pay, and

(d) ordinary paternity pay.'. —*[Norman Lamb.]*

Brought up, and read the First time.

12.44 pm

Norman Lamb (North Norfolk) (LD): I beg to move, That the clause be read a Second time.

Although we strongly support the purposes of the Bill as a package, we must recognise its impact on employers, especially small employers. It is incumbent on us all to ensure that its impact on employers is kept to a minimum. That has clearly been the Government's view, which they have expressed at various times.

The Government's 10-year strategy for child care, published at the same time as the pre-Budget report in 2004, made a commitment to consider the case for what the Revenue document, with which the Government have provided us, described as "direct payment"—a term I shall use in making the case for the new clause. Their starting point suggests that they saw the possible benefits of direct payment. Indeed, Labour's manifesto repeated the commitment to help employers. It made a commitment to increase paid maternity leave

"while simplifying the system for employers".

That commitment has been constantly stated.

The paper from Her Majesty's Revenue and Customs, which the Government have helpfully supplied, refers to the consultation that took place in the run-up to publication of the Bill. It talks about meetings with a consultation panel to discuss the issue; the panel included payroll experts and representatives from small and large employers. Interestingly, the Government's paper confirms that the employer representatives on that panel, in essence, support the new clause. They recognised that concern was greatest among small employers and that large employers did not want to introduce direct payment, as it would cause them unnecessary complexity and they would prefer to administer the system themselves. They recognised that there would be benefits for some small employers. The paper and common sense suggest that the benefits would be felt most by employers who still use manual payroll systems, where the process for making payments is more time-consuming than in an automated system.

The paper confirms that if a system were introduced based on the provisions of the new clause, or something akin to them, the cost of its introduction would be reduced. It gives a figure for start-up costs of £38 million—rather than £75 million—for a simple

[Norman Lamb]

system, directed to assist small employers who choose to transfer responsibility to the Government. The paper accepts that the ongoing yearly costs would inevitably be substantially less than the £50 million it cites.

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): If we accept the figure of £38 million that the hon. Gentleman gives, what benefit to small business would accrue each year?

Norman Lamb: The paper refers to a total net benefit of £1.1 million. The figure for small employers, defined by the national insurance contribution threshold of £45,000 a year, would be about £400,000 a year, but the benefit would be focused on employers whose costs are much greater than average—those who decide that it is in their interests to transfer the administration to the Government, presumably because they have manual systems that they judge will take too much time to administer themselves. So the paper nowhere identifies how much that would benefit those employers whom the new clause would help.

Helen Jones (Warrington, North) (Lab): What estimate can the hon. Gentleman give of the number of employers who would wish to transfer their responsibilities in the way that is suggested in the new clause?

Norman Lamb: I cannot give an estimate of the number, and it is not necessary to do so to make the case. The HMRC document confirms the fact that the employers' representatives on the Government's consultation panel advocated a system that would allow the right to transfer responsibility to the Government to be focused particularly on small employers. In essence, the new clause builds on the case put by the employers' representatives on the Government's panel and recognises the fact that large employers see no benefit in the proposed system. They are left out of the equation. The focus is simply on those employers who would benefit by transferring the system to the Government.

According to the HMRC paper, small employers said that they would benefit. The paper also correctly recognises that every employer is different—employers have different payroll methods—so rather than simply seeking to transfer the responsibility for all payments to the Government, the new clause would give employees the power to decide whether they want to take advantage of the right. Under the new clause, we seek to recognise the facts that are set out in the HMRC document by excluding large employers, who would not benefit, from the right to transfer.

The paper also confirms that approximately 40,000 women employed by small employers—those employers who make national insurance contributions of up to £45,000 per annum—are in receipt of statutory maternity pay. I cannot begin to estimate the cost of the Government employing an administration to operate on the opt-in principle dealt with in the new clause, but if we are talking about a total of 40,000 women and only a proportion of their employers choose to transfer, I can imagine that the size of the unit that would be required to administer the system for the Government could be very limited and therefore could be provided at vastly lower cost than that set out in the HMRC paper. The paper itself concedes that the costs would be significantly lower when dealing with an opt-in system of the sort that we recommend.

I have already dealt with the net savings, but I want to say a word about whether we can rely on the figures set out in the Government's paper. We all accept that any regulatory impact assessment is inevitably only an estimate, because it considers what would happen in the future. There must inevitably be doubt about how accurate those estimates are likely to be in practice. The concern of many in the small business community is that the paper underestimates the time taken to administer those arrangements, particularly by small employers who operate manual systems.

The paper obviously considers average times for employers, but the new clause focuses on those small employers with manual systems who are trying to cope with everything, who do not have a director dedicated to dealing with payroll and staff issues and where a one-man or one-woman operation is trying to keep the whole show on the road, as well as dealing with all this. In those cases, learning and understanding what is involved in the payment of maternity or paternity pay, when the employer may not have had someone in that situation for some years, is a time-consuming operation. It is very easy to underestimate the burden that that imposes on employers. If that burden can be lifted and transferred to the Government—as they clearly envisage would be appropriate, provided that the costs are not too high—it seems right to do so.

Mr. Sutcliffe: That is recognised in the 104.5 per cent. that can be returned to small businesses. That percentage contains an element to meet those costs.

Norman Lamb: I am grateful to the Minister for making that point. Page 2 of the HMRC paper states that the additional 4.5 per cent. is intended to compensate businesses for the employers' national insurance contributions.

Mr. Sutcliffe: Well?

Norman Lamb: The point is that that part of the scheme will not do what the Minister says it will do: it is not intended to cover the cost of administering the scheme. Given that he clearly understands that there is a case for ensuring that an element of the payment covers the administration costs, if he rejects the new clause will he consider increasing the percentage repayment as an alternative? I am happy to give way if he would like to intervene.

Mr. Sutcliffe: I do not want to take all the hon. Gentleman's time, and we will have a great deal of time for the debates this afternoon. I want to emphasise the point that the Government acknowledge the position of small businesses. I think that a lot of the hon. Gentleman's information relies on the brief issued by the CBI, and we have told the CBI that we will be prepared to talk to small businesses and to ask them how we can help them to administer what we know is a culture change in the Bill.

Norman Lamb: I am grateful to the Minister for those comments. If we can take them as a willingness to consider the possibility of increasing the percentage repayment, I am sure that small business would be delighted to hear that. I am not entirely convinced that he has that in mind, even though he has indicated that he thought that the payment included something to cover the cost of administration.

Mr. Alan Reid (Argyll and Bute) (LD): Does my hon. Friend agree that, because the 104.5 per cent. figure is based on a certain level of employers' national insurance contributions, it will often apply to employers with about 15 or 16 employees, whereas the extra money will not apply to those employers with between 15 and 50 employees who would be covered by the new clause?

Norman Lamb: Yes. A very limited benefit will apply to only the very smallest employers. As my hon. Friend rightly says, many employers in the category caught by the new clause, who would benefit from the right to transfer responsibility back to the Government, will get no assistance in covering NI contributions and only 92 per cent. of statutory maternity pay back from the Government. If the Government are not prepared to go down the route that we suggest, they should consider whether they are prepared to increase the percentage repaid to employers.

I am not sure whether HMRC's assessment adequately takes into account the cash-flow benefits for small employers in not having to make the payment in the first place. At the moment, every week, they must pay the woman on maternity leave or the man on paternity leave. If the responsibility were transferred to the Government, those payments would not come from small employers' systems at all. I am not sure of the repayment time at the moment—it would be helpful if the Minister could confirm it—but a cash-flow burden is imposed on businesses for the period that the money is out of their systems. Those businesses would be assisted if the Government took over responsibility for making the payments. I do not think that the assessment made by HMRC adequately takes that into account.

HMRC's calculation takes account of the fact that many employers have complex remuneration packages because of pension contributions and so on. It says that all those burdens remain with the employer, but the remuneration packages of most small employers are much simpler than those of large employers, so the burdens would not be relevant if they were not part of the remuneration package in the first place.

1 pm

The Government's response is to try to solve everything by handing out a CD-ROM to employers—that is their get-out-of-jail card. They will also provide employers with a "teach yourself" package that will give them everything that they need to administer the system. However, the Government do not understand that the voluminous guidance that comes out of the Department of Trade and Industry in itself puts an administrative and regulatory burden on employers. In my previous life as an employment lawyer, I was constantly aware that employers were swamped by "teach yourself" guides and guidance notes on how to interpret regulations, such as the working time directive. Small companies are struggling to maintain their businesses, let alone do all the administration that goes with that, but the Government want to give them yet another "teach yourself" guide and burden. The proposal is not the panacea that the Government think that it is.

I have outlined the thinking behind new clause 1. I realise that the Government have stated an intent to help businesses, especially small businesses, to deal with the new burdens on them. However, we have seen little action to back up that intent. The Minister looks distressed by what I say, but it is the truth. Little has been done through the Bill to ease the burden on employers. In a nutshell, the assessment by HMRC understates the costs for employers. If we had the opt-in system about which we are talking, the cost to the Government would be significantly less. I know that the Minister is a reasonable man, so I hope that he will accept our arguments and that there will be no need to divide the House.

Mrs. Eleanor Laing (Epping Forest) (Con): We want the Bill to work, which is why we have joined the Liberal Democrats in tabling new clause 1. The hon. Member for North Norfolk (Norman Lamb) explained eloquently and thoroughly the reasoning behind it, and we also discussed the matter at some length in Committee. He has cited all the statistics and arithmetical reasons that explain why we think that the Bill would be considerably improved with the addition of new clause 1 and I will not repeat his arguments—I agreed with what he said.

We understand that if the Bill is to work, its measures must have the confidence of those who will be affected by it. I am especially worried, as ever, about burdens on small businesses. Again and again, the Government bring forward ideas. Those ideas are sometimes good in principle, as is the case with the Bill. The Bill's intention of improving the work-life balance not only for parents—both mothers and fathers—but for people with caring responsibilities is good, but as ever, the Government will not take responsibility for administering their proposals. They expect, and indeed require, others to do so, and in this case, as in so many other cases, those others will be small businesses.

Mr. Mark Prisk (Hertford and Stortford) (Con): I hate to interrupt my hon. Friend's flow, but does she realise that the people to whom she just referred are also parents? The irony of the Government's position is that self-employed parents might be able to spend less time with their families because of the administrative burden that we are debating.

Mrs. Laing: My hon. Friend is correct. It is undoubtedly true that when we talk about helping parents and carers, and thus improving matters for children, we are talking about all families in the country. Some families consist of employees, while others consist of employers. No one is suggesting that they should be treated differently. We want to improve matters for all families, so my hon. Friend makes a pertinent point.

As ever, the matter comes down to a question of balance. New clause 1 would help small businesses considerably by taking away from them the burden of administering maternity and paternity leave and pay. It

[Mrs. Laing]

would thus be easier for small businesses to concentrate on the matter on which they should concentrate: in a nutshell, making money. Time is money for a small business person. If employers have to spend more time than is necessary on administrative matters, they are, by definition, spending less time on running the business and making a profit. If a business makes a profit, it allows more jobs to be created and, perhaps, the payment of bonuses to employees. It is in everyone's interest that businesses run efficiently and well. The days of employers taking everything out of a business and employees putting in all the effort are gone—well, we hope that it does not happen any more, at least in 99 per cent. of cases. Most good employers know that if they treat their employees well, they will have a better work force and thus better businesses.

We return to the question of balance. Most people in Britain today are employed not by large businesses and multinationals, but by small businesses. What happens to small businesses thus has a knock-on effect on most employees. If employers spend too much time on administration, their businesses suffer and become less profitable, which might mean that they have to make employees redundant, or not take on more employees. A successful business will create employment and provide better conditions for employees, and a business is more likely to be successful if the administrative burden is removed from it.

Mr. Stewart Jackson (Peterborough) (Con): Does my hon. Friend agree that there seems to be a dichotomy in the Government's position? They are unwilling to accept new clause 1, but on Second Reading, at column 645 of *Hansard* on 5 December 2005, the Secretary of State for Trade and Industry said that the Government estimated that the new provisions would affect only a small number of small businesses. One thus wonders why they are not willing to accept the reasonable measure that we are considering.

Mrs. Laing: I agree. My hon. Friend makes a very good point. I was about to mention the cost question, the Minister will not be surprised to hear.

In Standing Committee A, on 13 December, at column 53 of *Hansard*, when we were debating an amendment about the central administration of benefits and statutory pay, the Minister gave us some remarkable figures. He said that the cost to small businesses would be in the region of £400,000 a year. That is quite low, and if that were to be the cost, it would be reasonable. Yet the cost to Government, the Minister told us, of doing exactly the same would be £75 million in start-up costs and £15 million annually. I do not suggest for a moment that the Minister gave those figures in anything other than good faith, but I am amazed, and have been since 13 December. Where do those figures come from? The difference between £400,000 and £15 million is enormous, and it beggars belief that the figures can be accurate.

I do not believe that £400,000 would be the effective annual cost to small businesses throughout Britain. It must be much, much higher. When we pass the Bill, as I hope we do, we shall be asking businesses to take on an even greater task than they have at present, and give more and more flexibility to their employees. I agree with that in principle. It is right that maternity arrangements and pay should be as advantageous as possible because, as a society and an economy, we need women to do two jobs. We need them to produce children and we need them to be economically active in the work force.

Norman Lamb: The hon. Lady referred to the figure of £400,000 as the cost for small businesses and made the point that it may well be much higher. Is not the issue also the rather unquantifiable time that it takes someone who is trying to cope with everything to deal with this burden on top?

Mrs. Laing: Yes, and that is exactly the point that I am about to make. We are asking businesses to give extra flexibility to their employees. That means that we are asking them to make administrative arrangements for people to be away from their work duties. We support that; it is right. Families need that time; children, particularly new babies, need that time. I know personally that it is vital, as I seem to be running around in circles. This is my son's first week at real school, and I am trying to take him there in the morning and pick him up in the afternoon, although I will not be there this afternoon. We are fortunate. We have great flexibility in our hours here—they are long hours but they are quite flexible. If we have that privilege, so should as many other employees in the country as possible. I am completely in favour of that.

1.15 pm

We are, however, asking an employer, first, to make arrangements to provide that flexibility, and secondly to administer a replacement employee, perhaps from an agency, to do the work that is not being done by the person on leave. We are asking the employer to pay money to the employee, and to go through a further administrative form-filling experience of claiming it back from the Government and then balancing the accounts. The hon. Member for North Norfolk made the cash-flow point very well. Instead of a very simple arrangement between employer and employee for the payment of wages, tax and national insurance, the situation becomes much more complicated, and it all takes time. As I said before, to an employer or small business man, time is money. The very effectiveness of the businesses that we are trying to encourage and support is threatened by what we are asking them to do in the Bill.

In new clause 1, we recognise that we are asking businesses to take on extra burdens because that is right for the economy, society and families, good for employers and businesses, and good for employees, so the Government ought to help in the administration of that burden. The Government promised to be deregulatory—that is the biggest joke I have ever heard. The Chancellor makes speeches about deregulation; the Government count the regulations and say how many there should be. My understanding—the Minister will correct me if I am wrong—is that if a new regulation is introduced, some other regulation has to be abolished to keep the regulatory burden balanced. That is certainly not happening. The Chancellor likes to talk about these

things, but in reality that is not what the Government are doing for the employers and employees in UK businesses.

Michael Jabez Foster (Hastings and Rye) (Lab): It is enormously difficult to decide what regulation to get rid of when another is introduced. The hon. Lady has said what a good idea these regulations are. Can she give an example of a regulation that she would get rid of, to help us out?

Mrs. Laing: Yes—exactly what new clause 1 proposes. The entire content of my speech is the answer to the hon. Gentleman's question. I propose that as we require an extra burden to be put on businesses by the regulations on maternity and paternity leave being introduced by the Bill, we should at the same time remove from small businesses the burden of administering those regulations.

Mr. Sutcliffe: I read with interest the *Financial Times* this morning, which says, "Tories back concerns over parental leave". The hon. Lady was quoted as saying that she was concerned about fathers taking days off. Is she saying that, contrary to what her party said on Second Reading and in Committee, it does not accept the culture change and principles underlying the Bill because the Government are not prepared to consider one aspect of the issue—direct payments?

Mrs. Laing: Not at all—far from it. I did not think that I was wrongly quoted in the *Financial Times*; I thought that it was a well-balanced explanation of the situation, although I admit that I have not yet read it, so I will have to check it very soon. I am utterly consistent with everything that my hon. Friends and I said in Committee. We entirely back the principle of the Bill. The hon. Member for Hastings and Rye (Michael Jabez Foster) asked me a pertinent question: if a regulation is to be brought in, which one would we take out? As I said, all this is a question of balance. We are asking small businesses to take on extra burdens, and it is the Government's responsibility to help them with those burdens. It is simply not fair to expect small businesses to do the Government's work of collecting taxes and paying out benefits. That is what the civil service is for.

Michael Jabez Foster: Is the hon. Lady simply talking about who should pay for the regulations, rather than whether the regulations should be introduced? I thought that she was arguing that certain regulations were unnecessary. However, she now seems to be arguing about who should pay. What substantive regulations would she get rid of?

Mrs. Laing: It is not just a question of who pays; it is a question of who administers the regulations. The hon. Gentleman has misunderstood my point. Theoretically, the provisions in the Bill should not cost small businesses anything, because they will be reimbursed for the statutory maternity and paternity pay that they pay out. They could choose to pay additional maternity and paternity pay, but that would depend on the business, and on the contract between a particular employer and employee. The issue is one of who does the administration involved.

The Government continually fail to recognise this problem. We are the party of small business, and we do recognise it. I can still hear my father complaining, as he sat up late into the night—often past midnight—year after year, filling in forms and administering the part of his business that he was required to administer by the Government. This was at its worst under the Labour Government of the 1970s, when there was a recession in the building industry. I will never forget the effect that that had on my father and the rest of our family, or the enormous strain caused by the Government's imposing great difficulties on small businesses. It is not difficult to run a business, but it is difficult to keep all the regulations straight and do everything that the Government require. That is mostly what makes businesses go out of business, and I do not want to see that happening.

The intentions of the Bill are good, and I can confirm, in answer to the Minister's question, that whatever the *Financial Times* says, we back the intent of the Bill. We are in favour of the really good provisions that it contains, because they will help families, employees and employers alike. However, we want the new regulations to work properly, and it is simply unfair to impose extra burdens on small businesses. They are the lifeblood of our economy and our society, and they must be helped, protected and nurtured, not burdened by extra red tape, regulations and costs.

Mr. Mike Weir (Angus) (SNP): I welcome this opportunity to make a small contribution to this debate. As I said on Second Reading, I support the Bill because it introduces important new rights for workers. However, I also find myself strangely in agreement with much of what the hon. Member for Epping Forest (Mrs. Laing) has said about small businesses, although I should gently remind her that I ran a small business during the 1980s and 1990s, and regulation under the previous Conservative Government was every bit as bad as under any Labour Government. Whoever is in power, the amount of regulation for small businesses never seems to get any less.

My experience of running a small business leads me to support the new clause. I was surprised, however, to see that it stipulates the figure of 50 employees, as any business employing that many people would be considered relatively large in my neck of the woods these days, given the direction that the rural economy has taken over the past few years. Before I was elected to the House, I ran a small business as a country solicitor, and I recognise the hon. Lady's description of her father's frustration. The reality of running such a business is that employers do not do the VAT, the tax and the PAYE between the hours of 9 to 5 while they are in the office. That is when they try to make some money. They do those things in the evenings or at weekends. They go home at night and sit up until midnight, or often later, wrestling with these things. I was a solicitor but I am afraid I never truly got to grips with PAYE.

The Minister must realise that we are not just talking about tax regulation and maternity and paternity pay. Every business is subject to regulations from many other agencies as well. The cumulative effect of all these regulations, and the amount of time that anyone running a business has to spend dealing with them, will have an impact on that business. In my own case, there

[Mr. Mike Weir]

were masses of regulations that had built up from the Law Society of Scotland and the Financial Services Authority. Eventually, we decided that it was not worth the candle to go through all that, and that it would be better to junk our financial services business altogether because of the amount of regulation involved. There were good reasons for those regulations, because of what had happened in the financial services industry, but they became a huge burden for small businesses, which were doing their best to provide a service in small-town areas. The time spent dealing with those regulations impacts on a business, because it eats into the time that can be spent doing other things, such as spending time with the family.

A particular difficulty with these regulations could be the complexity of the interaction between the times when a mother and a father take their maternity and paternity leave. There could be difficulties with dealing with the statutory pay involved. That is another reason for considering ways of making it easier for small businesses to deal with these regulations, because they could get into difficulties if both parents were not working for the same employer. There would have to be interaction between the employers involved, as well as the Inland Revenue, and that could present problems. Transferring the obligation to the Revenue might provide a way round that, but there could still be an inherent difficulty if one party were with the Revenue and the other were not.

Mr. Sutcliffe: The hon. Gentleman is describing the reason why we want to consult on how to deal with the additional paternity leave. We shall do that, and we shall have discussions with small businesses about the issue. I am concerned that the hon. Gentleman seems to be talking about regulation in general, rather than the direct payments proposed in the Bill. Does he consider a benefit of £400,000, following an investment of £38 million, to represent value for money for the taxpayer?

Mr. Weir: If the figures are correct, it would not appear to do so. I must echo what the hon. Member for Epping Forest said earlier: the figures seem incredible for what I would have thought to be a relatively simple operation. The Minister says that I am not talking about the specific measures in the Bill, but we cannot divorce those measures from the impact that other regulations have on small businesses. They have a cumulative effect. This might only be a small regulation that we are passing—although it is an important one—but it will be yet another regulation on top of all the other regulations that businesses have to deal with.

I accept that there is a need for many of these regulations in the modern world. I do not subscribe to the theory that we should just throw all regulations out of the window. We have to have regulations, but they must be minimised, and we must do everything that we can in that regard when imposing new laws for the social good. The Bill will be for the social good of families, but we must also minimise its impact on business and on those families who run businesses. There could be other ways of achieving that. In my experience, many small businesses now outsource their PAYE and other tax work to local accountants because of the increasing complexity of the work involved. However, there is a cost involved in doing that. The more the accountant has to do, the greater the cost will be. Many small businesses are already struggling to make a living—there is a pretty hard business environment in some areas—and they would not be able to bear such costs.

I am inclined to support new clause 1. I appreciate that the Minister is going to consult on the provision, but this might not be the best way of dealing with the issue. We must find a way of minimising the impact on small business of these very good policies.

1.30 pm

Mr. Stewart Jackson: When speaking in this place, it is always a good rule of thumb to speak about something that one is vaguely acquainted with. That is a personal credo which is not always followed by other Members, but I hope to follow it today, as in a previous life I was a business adviser with Business Link. I well remember the days when I would trudge round Europe's largest industrial estate at Park Royal. As I would knock on the door and go into those very small micro-businesses, some with fewer than five staff and many with fewer than a dozen staff, the most dread words that I could say were, "I'm from the Government and I'm here to help your business."

That was rather unfair, and I take this opportunity to pay tribute to the sterling work done by Business Link. It does an excellent job. It is important to recognise the struggle that small businesses face every day to make ends meet. The points about cash flow made by the hon. Member for North Norfolk (Norman Lamb) and my hon. Friend the Member for Epping Forest (Mrs. Laing) are well made. Whether by the British Chambers of Commerce, the Institute of Directors or the CBI, much comment has been made about the speed and quantity of regulations coming from Government.

I should like to explain in a wider context why I support the Bill from a political as well as a personal point of view. To be slightly partisan, I resent the implication that the Labour party—the Government—has a monopoly on concern for working people and on care about work-life balance, that amorphous group of policies dealing with quality of life issues. That is not true. My party should not be pigeon-holed as a party that is not progressive, that is not modern, and that is unwilling to look at Britain as it is today, rather than as it was. I strongly support the views of my right hon. Friend the Member for Witney (Mr. Cameron) in that respect.

Similarly, I am not speaking today as a mouthpiece of big business. To me, big business has good parts and bad parts. The bad parts are supermarkets and banks, which are my own bugbear. But that is not free enterprise and competition. Free enterprise and competition is the invisible hand of Adam Smith, which my hon. Friend the Member for Epping Forest no doubt invoked when speaking about her father, a good Fife man.

We care about working families and we welcome the Bill because we think that in general it will be successful, it will make an impact and it will help with aspects such as bonding between parents, quality time, and nurturing and protecting family life. I say that not because I am some wishy-washy Liberal, although they are in the

news this week, but because that is good, practical, economic common sense. I reiterate the comments of my hon. Friend the Member for Epping Forest that small business people have families too and they want quality time. If they have mortgaged their house or remortgaged their business and gone cap in hand to the bank, their right to have a family life is important too. We should do everything we can to mitigate the pressures on them.

I turn to the issue of paternity pay. In Committee the hon. Member for Burnley (Kitty Ussher) was offended by the fact that men are paid more than women and consequently that paternity pay was an issue. That is a fact of life. There are cultural issues involved in the non-take-up of paternity rights. Men are often at a higher level in the hierarchy and are better paid than women, and they perceive that their careers will be damaged if they take paternity pay and avail themselves of paternity rights.

I referred earlier to the dichotomy in the Government's position, and I sense a slight weakening in resolve on the Minister's part with regard to new clause 1. The Government are effectively saying, "We are going ahead with paternity rights. We want more men to have that work-life balance, but there are not many of them, so don't worry about it." If that is the case, the Government should consider new clause 1 with an open mind.

We should be careful about the amount and proximity of regulations coming through to small businesses. There is both anecdotal and empirical evidence suggesting that we should not inadvertently bring about discrimination. If a business is struggling at the margin, business people will look at the legislation coming through and make a judgment about the impact that it will have on them. If the future of the business is a matter of life or death, they may well decide that they do not want to employ a young woman of childbearing age or a younger man. That is discrimination. I make no excuse for it, but if the Government are not sensitive to that degree of regulation and the burden that it places on businesses, they will find that the people they most wish to help—young families, mums and dads who have to work to pay the mortgage and meet the costs—will be discriminated against.

I am concerned particularly about paternity rights because I am unsure about the figures. Are they based on social studies, demography or statistics compiled centrally by the Department of Trade and Industry? I am not clear how straightforward and transparent the figures are and what impact they will have on small and medium-sized enterprises. For instance, the indicative estimates of the cost of paternity pay are anywhere between 12 and 21 per cent. That is potentially an 80 per cent. overrun. For the right to request flexible hours, the indicative cost is anywhere between just under £30 million and £120 million, which is a pretty substantial difference. That is a concern to me. One might say flippantly that the figures could have been prepared by the architects of the Scottish Parliament, but I would not go that far.

The issue is balance, as my hon. Friend the Member for Epping Forest said. We must get the balance right. We all care about making sure that the economy is improved, that businesses grow, and that families are not put under stress to the extent that they disintegrate as a result of getting the work-life balance wrong. None of us wants that. Given that 97 per cent. of the UK's gross domestic product is generated by small businesses, many of which are micro-businesses and innovative businesses, we must not throw the baby out with the bathwater or crack the golden egg. No more similes.

I broadly support the Bill. My experience as a business adviser is that where they can, people who run businesses will do their best to comply with regulations if they think they are fair and if they think others are complying with them. If they think the regulations are unfair and that the Government are not listening to them or their representative organisations, they will avoid them, the scheme will not work, and ultimately the Government will not achieve their aims. With that, I give the Bill a broad welcome. I hope that when the Minister speaks later, he will address the concerns that I raised today.

Mr. Alan Reid: The Bill is important and I welcome the rights that it extends to working families, particularly the rights that relate to the clause, concerning maternity, paternity and adoption pay. However, there is a downside to the Bill, as other hon. Members have pointed out—the extra burden of administration that it will place on employers, especially the owners of small businesses.

I shall quote from a document that I am sure the Minister is familiar with, the 2005 Labour party manifesto. It states on page 77:

> "We will therefore increase paid maternity leave to nine months from 2007—worth an extra £1,400—with the goal of achieving a year's paid leave by the end of the Parliament while simplifying the system for employers."

Norman Lamb: The CD-ROM!

Mr. Reid: My hon. Friend the Member for North Norfolk (Norman Lamb) is correct. The Government made a commitment to simplify the system for employers, but it seems to consist of a CD-ROM and a do-it-yourself guide. That is not simplifying the system for employers and that is not what employers read into the Labour party manifesto.

I hope that the Government accept new clause 1, because we are trying to assist them in implementing their manifesto. New clause 1 would transfer responsibility for the administration of payments for maternity, adoption and paternity pay from a person's employer to Revenue and Customs. The procedures involved are complicated, and they will become even more complicated with the introduction of additional paternity pay, because in most cases parents work for different employers, which introduces an extra level of complexity.

The Government have referred to a cost-benefit analysis produced by HM Revenue and Customs, which claims to show a minimal benefit. However, that cost-benefit analysis considers only statutory maternity pay and does not attempt to examine issues such as adoption pay or paternity pay. Many small business owners challenge the assumptions in the cost-benefit analysis—in particular, they take issue with the time that the report assumes that it will take them to perform the necessary tasks. Employers who have examined the

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report say that it will take them far longer to carry out those tasks than the analysts from Revenue and Customs suggest. It is questionable whether the savings to employers set out by Revenue and Customs will accrue from the transfer of direct payments, and it is also questionable whether the benefits to employers will be as low as the report suggests.

We need to take account of the great burden on small employers who come across new working procedures for the first time. A big employer with large human resources and IT departments will handle the new processes easily, but a small employer who is faced with working out additional paternity pay for the first time will find that it takes a great deal of time, even with the help of the Government's CD-ROM and do-it-yourself guide. As hon. Members have said, that time is often late at night, and if the employer tries to deal with the matter during the day, it distracts them from trying to grow their business and create jobs.

New clause 1 states that companies with fewer than 50 employees should be given the choice between running that part of the payroll themselves or transferring it to HM Revenue and Customs, which should be able to run such procedures more easily given the benefits of scale. That would compensate small employers—the Government are giving small employers more work by introducing new rights for workers, and they should help them by taking on that part of the administration. It is vital that we free up small employers to enable them to grow their businesses, and we can do so by giving them a choice on the burden of administration.

Finally, I remind the Government of their manifesto commitment, which I hope that they honour today.

Mr. John Redwood (Wokingham) (Con): I rise to support my hon. Friend the Member for Epping Forest (Mrs. Laing) and other hon. Members who support new clause 1. I am non-executive director of three companies cited in the register, but I am, of course, not speaking on their behalf or at their request.

The Minister should ask himself two important questions before he asks the House to reject the new clause. The first question has partially emerged in the debate: what has become of the Prime Minister's policy, which is very good, that a regulation should be struck off for every new one that is imposed? No equal and opposite regulation is being struck off to balance today's sizeable one.

The hon. Member for Hastings and Rye (Michael Jabez Foster) asked my hon. Friend the Member for Epping Forest which regulation we would strike off. If he had been present in the House just before Christmas, he would have witnessed my leading for the Opposition from the Front Bench and setting out a wide-ranging deregulatory policy, which includes 63 specific ideas for the Government, and we have sent those ideas to different branches of the Government in the hope that some of them will be incorporated. Indeed, a Minister suggested the beginnings of one such idea in an overnight briefing to the papers, and perhaps the House will have the courtesy of being told whether it is true—it would be nice to feel that as a Member of Parliament, one is sometimes the first to hear such things rather than the last.

1.45 pm

We have identified plenty of regulations that could be struck off to add to the good workings of the British economy and reduce the burden on people and businesses, but they fall outside the scope of the debate on new clause 1. One sometimes wonders whether Ministers belong to the same Government as the Prime Minister. The Prime Minister has made some extremely good speeches, such as his speech on deregulation, but the opposite of what he has said is happening day by day. As has been said, this provision is a good example of something happening in exactly the opposite direction from that set out by the Prime Minister and without the action to balance the situation enjoined by him. My hon. Friend the Member for Epping Forest has made it clear that she supports the proposal, but on the condition that offsetting deregulation, which has not been introduced, takes place.

The second question about which the Minister should think more carefully concerns cost. It is unsatisfactory that we should debate such an important measure with no credible figures from the Government, and I find it unbelievable that we are discussing a cost of only £400,000. If we examine the Government's assessment of the impact of the legislation, the gross figure for the regulatory impact of the legislation is cited as £575 million a year, if one adds up the highest estimates. The Government say that there could be offsets of £209 million a year against that figure—£196 million of those offsets are extremely optimistic, but let us give them to the Government. In short, according to the Government's own regulatory impact assessment, we are discussing about £400 million of extra cost.

We are being asked to believe that the important part of the cost imposed on small businesses will amount to some £400,000, so it is not worth exempting small business—although it will cost the Government a mind-blowing £39 million to deal with the problem, it will save small businesses only £400,000. I know that anything that this Government run is considerably less well run than it would be in the private sector—productivity is a far bigger problem in the public sector than the private sector—but it is difficult to believe that they are so monumentally incompetent that they would spend £39 million to save £400,000 a year. I put it to the Minister that the truth of the position is that a bigger element of the £575 million that the Government have identified will be attributable to small business, and that it would therefore be a useful saving for small businesses in implementing the measure to transfer the work burden from them to the Treasury in cases in which small businesses would like that to happen.

I understand that my hon. Friend the Member for Epping Forest and other hon. Friends have in mind an opt-in system, which means that if by any chance the Government are right and there are no real costs to the measure for small businesses, those small businesses would be happy to administer the measure themselves and the Treasury would not be troubled. However, I suspect that the measure will involve substantial cost. It would be a very good idea for small businesses for the Treasury to do the work, if we discover that the cost estimates are far from adequate.

It is fundamental that a Government who claim to believe in deregulation should set out accurate and detailed costings that have weight and carry credibility

both with this House and with those outside who are interested in such matters. This is yet another example in which the regulatory impact assessment is on the whole vague and incredible. Where the regulatory impact assessment is specific, it comes up with some very large numbers, which the Government have passed by and cannot explain. We should not ignore the £390 million cost which the regulatory impact assessment states that the Government must pay, which means that the total cost of the measure taking the Government cost and the net private sector cost in the RIA will be around £800 million.

The Government must remember that they have no money of their own. They have only the money that they collect from us as individuals and from the business community, so the £390 million of so-called Government cost is also a cost on business and individuals who work for those businesses, just as much as the £400 million cost is a direct charge on the private sector.

I urge the Minister to think again. If he will not, and if he remains inclined to tell hon. Members that he does not want new clause 1, will he please explain when we will have proper figures for the costs and a proper off-set under the terms of the Prime Minister's policy?

Mr. Prisk: It is a pleasure to follow my right hon. Friend the Member for Wokingham (Mr. Redwood), who, like every other speaker in the debate, supported new clause 1. I trust that the Minister will make it a full house and I look forward to his contribution on that basis.

New clause 1 is an eminently sensible provision. I do not often associate the Prime Minister with being eminently sensible, but it follows his original idea last year of a one-in, one-out approach to regulation, to which hon. Members have referred.

The background to the new clause is crucial. The administrative costs of the regulatory burden are especially important to the smaller employer. All hon. Members recognise that, for a smaller business, the costs are disproportionate to any perceived benefits. Conservative Members support the principle of the Bill, which aims to get the right balance between work and families. That is not questioned. The debate is about how to strike the balance and why the Government's original promise that they would seek to cover the administrative costs aspect of the deal has changed. That is at the heart of the new clause.

The administrative burden is already becoming difficult for small businesses to bear. The Federation of Small Businesses has highlighted the fact that each small business has to put aside an average of 28 hours a month to comply with Government information requirements and regulations. Given that, according to Government figures—we shall trust them for the purpose of this exercise—there are some 4 million small businesses, that is bad not only for the individual enterprise but for the productivity of the United Kingdom's economy. It cannot be right that so much time is spent on dealing with Government requirements and not on generating wealth.

Let us imagine what those businesses could achieve without losing that time. They could spend it generating prosperity and especially in employing new people or to generate new products and services. As the hon. Member for Angus (Mr. Weir) highlighted, that time is also lost to the families of those who run small businesses. If we are to be fair and balanced in ensuring that we help families, we cannot ignore the rights of the self-employed mother and father.

The payroll burden is of especial concern to smaller businesses. Other hon. Members dealt with the administrative burden, so I shall not allude to it in detail. However, there is also the difficulty in a small family business of employers, who may know their staff well, having to ask the difficult questions about relationships that are essential if they are to run a payroll system properly. That is often ignored and overlooked. My hon. Friend the Member for Peterborough (Mr. Jackson) eloquently highlighted that we must not forget that those who run small businesses have families. That is a key point.

Let us consider new clause 1 and why I support it. I hope that the Minister can provide some thorough replies to my questions. First, I believe that the burden should be lifted on a quid pro quo basis. Is it no longer the principle that one regulation should be removed for another? The new clause would achieve that and I am therefore interested in the Minister's reply to that question.

Secondly, the point has been made, especially by the hon. Member for North Norfolk (Norman Lamb), about cash flow. As politicians, we often assume that the most important monetary aspect of a business is profit, and we are wrong. The most important aspect for small businesses is often cash flow. If cash flow is negative, sooner or later, there will be no small business. That point is often forgotten, so I want to stress it. A direct payment scheme will free up significant cash flow in small businesses and may be the one thing that prevents them from going out of business. I hope that the Minister will bear that in mind.

Thirdly, let us consider the controversy about costs. To refresh my memory, I read what the Minister told us in Committee. For the benefit of hon. Members who did not serve on the Committee, I shall quote him. He said:

> "I said that the costs of the direct payment scheme were estimated to be up to £75 million in set-up costs and £50 million in annual running costs ... the benefits for employers were estimated to be around £1 million per year, of which only £400,000 would accrue to small employers."—[*Official Report, Standing Committee A*, 13 December 2005; c. 52.]

Does the Minister really mean that small businesses can do something for £400,000 that costs the Government £50 million annually? Where does the figure of £38 million come from? What is the difference between that and the figure of £50 million?

Mr. Sutcliffe: The hon. Member for North Norfolk (Norman Lamb) used the figure of £38 million when he explained the application of new clause 1 to 50 people.

Mr. Prisk: That reaffirms my concern because of the difference between an apparent benefit of £1 million to employers, who can clearly run the scheme for that sum, and £50 million, which the Government have to spend on running it instead. Even if we put aside the £75 million of set-up costs, we are still considering an extraordinary difference in efficiency. As my right hon. Friend the Member for Wokingham said, that tells us an

[Mr. Prisk]

enormous amount about either the extraordinary efficiency of the private sector and why we should support it or the extraordinary inefficiency of the Government. Or perhaps it tells us something else: that the Government do not wish to engage in the process, are embarrassed by the promise that they appear to have made and therefore accentuate a difference that is not quite what the Minister claims.

I am interested in the Minister's explanation of the illogic of a position whereby one organisation can spend £50 million on administering something that many other organisations, which, one would assume, would be a little less efficient because there are many of them, can do for only £1 million. That is illogical and I hope that the Minister can enlighten us about that in his usual fashion.

My final point, which is of especial concern to business representatives, is to ask why the Government have reneged on what businesses regard as a promise. In all my talks with various business organisations—the Forum of Private Business, the Federation of Small Businesses or the CBI—they were crystal clear months ago about the fact that they had an agreement with the Government. Their phraseology was that the Bill was "part of a package" and they were willing to support it on that basis. They have changed their position because it appears that the package is no longer available. They perceive that the Government have reneged on it.

We have seen what was written in the Labour party manifesto. Business has been given some assurances and now we find a different settlement. When the Minister responds, will he tell us exactly what he or the Secretary of State agreed with business representatives, especially the CBI, so that we can better understand why they feel so aggrieved?

Fairness is at the heart of the new clause, which tries to ensure that we can allow families who work for small businesses to have a sensible balance in their lives, with the quid pro quo of ensuring that the smallest businesses that are run by people who have families can have some of the burden lifted. People in business believed that the Government were making that promise. The purpose of the new clause is to fulfil it.

2 pm

Mr. Sutcliffe: I thank the hon. Member for North Norfolk (Norman Lamb) for tabling new clause 1. It was not unexpected, given the extent to which we debated the issue in Committee, and there are strong views among the Opposition parties, who have come together to support the new clause and clearly wanted to pursue the matter further. Those views were emphasised by the CBI, which wrote to my right hon. Friend the Secretary of State just before Christmas withdrawing its support for the Bill because the direct payment issue had not been resolved to its satisfaction. Understandably, a number of Opposition Members spoke in support of the new clause today, but in raising the issue of regulation in general, as the right hon. Member for Wokingham (Mr. Redwood) did, they lost sight of the balance that we are trying to achieve in the Bill and of the issue of direct payment. We consulted fully on the Bill, and sought the opinions of a range of organisations in the business community and the voluntary sector, as well as of stakeholders on whom the measure will impact. In fact, the Government were congratulated on the consultation and on the time that we took before introducing the Bill.

Norman Lamb: Does the Minister accept that, as a result of the consultation the employers' representatives to whom the Government talked supported our approach? The paper by Her Majesty's Revenue and Customs says:

"In the face of the mixed response from employers,"—

that is a reference to the fact that there is support for the Bill among small business, but not among larger employers—

"their representatives suggested Direct Payment should be optional".

That is precisely what the new clause seeks to achieve. The paper says:

"Such a scheme could be developed."

Does the Minister therefore accept that the representatives consulted by the Government support what the new clause is trying to achieve?

Mr. Sutcliffe: No, I do not. I shall come on to the work of the Committee later.

The hon. Member for Epping Forest (Mrs. Laing) said that it was a question of balance. I agree. We must consider what provides value for the money for the taxpayer when administering the system. We made it clear at the outset that we are committed to delivering the work and families legislation in a way that strikes the right balance between the needs of children, families and employers. We looked at a range of issues that affect employees and employers. At the time of the 2004 pre-Budget report, we made a commitment to consider the possibility of direct payments as a way of easing the administration of leave and pay. After careful consideration, we concluded that the scheme would be out of proportion to the benefits accruing, representing neither good value for money for the taxpayer nor a significant saving for employers. Hon. Members asked about costs and it was estimated that set-up costs would be up to £75 million with annual running costs of £50 million.

Those costs should be contrasted with an estimated net benefit for employers of about only £1 million a year. A figure of £38 million was mentioned, but if we accepted new clause 1, which applies to employers with 50 employees or fewer, HMRC's analysis would be relevant. I accept that hon. Members wish to question the figures as they try to make their case, but those figures were widely available. In the CBI response, no one questioned the figures or the detail, nor did they offer alternative figures to explain why the direct payment scheme would work. There would not be any net benefit for the taxpayer or, indeed, small businesses. As for the cost to business of the whole Bill, the majority of costs fall on the Government, as the Treasury reimburses business for statutory maternity, adoption and paternity pay at 92 per cent. for large businesses and at 104.5 per cent. for smaller businesses. As the right hon. Member for Wokingham said, that is worth about £390 million a year. Small businesses will bear only a small proportion of the costs of the Bill. For example, of

the £29 million to £43 million net cost to business of extending maternity and adoption pay, small businesses will pay only £1 million to £8 million.

We have taken the problems for small businesses into account. I do not think that there are differences between us on whether the self-employed or small businesses are affected, but we must achieve the right balance. We are not starting from scratch, as we already have statutory maternity and paternity pay. The principle of the Bill has been accepted by all parties. I raised an article in today's *Financial Times* with the hon. Member for Epping Forest (Mrs. Laing). I accept that she has not had time to read it, but it suggests that the Opposition have changed their view on paternity leave and fathers taking time off when their child is born. In earlier debates, however, she backed what we are trying to achieve.

Mrs. Laing: May I reiterate that, whatever impression has been given, we support the basic principle of the Bill? Fathers should be allowed to take time off when their children are born.

Mr. Sutcliffe: I accept that the hon. Lady is sincere and I accept the view of the hon. Member for Peterborough (Mr. Jackson) that the Labour party does not have a monopoly when it comes to political parties caring about employees and working conditions. The proof of the pudding, however, is the action that is taken. The Opposition talk about attacking business where necessary, but the article gives the impression that, in this instance, paternity leave may not be appropriate.

Mr. Prisk: The Minister says that the proof is in actions, not words, but the business community clearly understood that there was a one-for-one package. Why, therefore, did the Minister not back his words with actions?

Mr. Sutcliffe: In Committee, as I hope to show later, I discussed areas in which the Government are helping business by trying to support it—

Norman Lamb: With a CD-ROM?

Mr. Sutcliffe: The hon. Gentleman may attack the CD-ROM proposal, but we have regular meetings with small businesses to look at what can be done. We have set up Employee Direct, particularly for small businesses, to see what can be done about the burden of regulation and to try to make sure that we ease it.

In the context of direct payments, much has been made of the cost of such payments. In its response, the CBI attacked us, saying that we were trying to hide the figures. That is the not the case—the figures are on the website and have been placed in the Library. HMRC took a great deal of advice from a specially convened advisory group of payroll experts who were representatives of both large and small employers, payroll bureaux and software developers. HMRC's own analysts also carried out extensive analysis that was published on its website when the 2005 pre-Budget report was published.

Having given the House the headline figures, which demonstrate why a direct payment scheme would neither offer good value for money for the taxpayer, nor offer employers the savings that they might have hoped for, I will briefly explain why, even if we opted for a direct payment scheme employers would still be left with administrative responsibilities.

Mr. Nigel Dodds (Belfast, North) (DUP): Given the doubts expressed today about the costs and the burden on small businesses in particular, can the Minister give the House an assurance that if the new clause is not accepted—I sincerely hope that it will be—he will keep the matter under review? If the costs are much greater to small businesses, will he look at the provisions in new clause 1 again and revisit the matter?

Mr. Sutcliffe: I am happy to give the House an assurance. The Government do not think that the direct payment scheme, given the cost both of setting it up and of its administration, is appropriate. However, regulations will flow from the Bill and we will have to consult with small businesses on regulations on additional paternity leave and so on. The hon. Member for North Norfolk rightly pointed out that the figure of 104 per cent. related to the national insurance contribution. We will consider whether we need to change the position as to who can access the 104 per cent. We will also consider how we can further relieve the burden on small businesses, but I do not want the House to run away with the view, which understandably comes from the Opposition, that because we are not providing direct payments, we are not prepared to consider the burdens on businesses, particularly small businesses. In the context of the Bill, I have tried to outline where the burden on small business lies.

Mr. Prisk: Is not the Minister embarrassed that what would cost £1 million if run by business will, it appears, cost £50 million if his Department runs it? Is not that an embarrassing statement in terms of the protection that he and his colleagues are meant to provide to the public purse?

Mr. Sutcliffe: No, I am not embarrassed, but I understand why the hon. Gentleman is trying to distort—that might be too strong a word—the position. The effect on certain small businesses that have written payrolls rather than more technologically developed ones is complex, and that has been included in our calculations.

Mrs. Laing: If we accept the Minister's calculation of what the provision would cost the Government or the taxpayer to administer, will he accept that £400,000 is not a realistic figure to put on the cost to small businesses? It is not just a question of how many stamps are required and how many letters they post but of the time and the additional burden involved. Surely the overall cost for small businesses must be far greater than £400,000.

Mr. Sutcliffe: I am prepared to accept the word of the payroll experts and the experts at Revenue and Customs who have come up with those figures. The time involved in administration is incorporated in those figures.

Even if cost were not an issue, there are other issues relating to direct payment that would increase administrative responsibilities. In many instances, the

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scheme would add new responsibilities for employers, which I am sure is not what Members want. I therefore hope that Members will allow me a little time to explain why the Government believe that the actuality of a direct payment scheme, as well as the burden of costs, would not benefit employers.

Norman Lamb: Does the Minister accept that, even though there are some new burdens in passing information over, even the Government's regulatory impact assessment accepts that those are less than the saving that would be made? The RIA assesses it as a small saving of £1 million, but those burdens are still less.

Mr. Sutcliffe: I fear that, however eloquently I try to explain the position in relation to direct payments, Opposition Members have already made their minds up. They have decided that they want this scheme and, no matter what explanation I give, they will push for it to be developed. I ask them to bear with me a little further.

A direct payment scheme would add new responsibilities for employers. Because statutory maternity pay and other payments listed in the new clause are wage replacements, which are subject to the full range of payroll deductions and paid net, direct payment would mean Revenue and Customs becoming a temporary payroller for SMP and other statutory payments to employees of potentially any employer in the country, taking off the full range of payroll deductions. Employers would not, however, lose all their current tasks and responsibilities in relation to those payments. For example, they would remain responsible for making earnings-based contributions such as employers' national insurance contributions and employers' contributions to occupational pension schemes. They would also continue to be responsible for completing periodical returns such as the employer's annual return. Many employers also provide occupational maternity and paternity pay on top of the statutory minimum, which is something that the Government welcome. Handing responsibility for statutory payments to the Government would still leave such employers with the responsibility of making those occupational payments, in addition to having to pass on new information to Her Majesty's Revenue and Customs.

2.15 pm

For a direct payment scheme to work properly for both employers and Revenue and Customs, a potentially complex two-way information exchange would be necessary, which, as I have pointed out, would impose new burdens on employers. HMRC would require detailed information to be provided by employers to high standards of accuracy and to tight time limits in order to take on that function, and employers would still need information from HMRC to fulfil their obligations and to take back the payroll at the end of the direct payment period.

During the work and families consultation, many people, including the ad hoc advisory group of payroll experts, pointed out that such complex information exchanges could not realistically take place without error. Dealing with the consequences of errors would fall to the employers as a new burden, as employees would in the first instance turn to their employers for an explanation. Of course, the errors would also affect the employees concerned.

Given the cost of a direct payment scheme, it does not represent value for money for the taxpayer, which is why we have not moved forward with such a scheme. The administration of such a scheme would not benefit businesses, particularly small businesses.

Mr. Prisk: The key word in the new clause is that companies "may" transfer responsibility. Such companies can make their own sensible assessment as to whether it is right in their circumstances. No compulsion is involved—the new clause would merely allow them to make that transfer. Does the Minister therefore accept that companies are better able to judge that than he is?

Mr. Sutcliffe: With due respect to hon. Members, the bulk of the reason for their position is that the CBI has withdrawn its support for the Bill because of the issue of direct payments—*[Interruption.]* It is important to see direct payments in the context of the whole Bill. The CBI and most employers' organisations support the principles of the Bill, as do all political parties.

Because of the costs involved, we not believe that a direct payment would represent value for money for the taxpayer. It would not provide the benefits that hon. Members claim, not only because of the costs involved but because of the administration of the scheme. The issue of cash flow was raised with regard to small businesses, but small businesses can apply for funding upfront in relation to the administration of schemes. Throughout the process, we have consulted small businesses and the business community about how to deal with the issue.

I am unlikely to be able to change the view of Opposition Members, given the positions that they have set out. I hope that they will take in good faith what the Government have said about the costs of a direct payment scheme and that they understand that such a scheme would not work for the reasons that I have given. I hope that the hon. Member for North Norfolk will withdraw the motion.

Norman Lamb: Liberal Democrat Members are not satisfied with the Government's response and will seek to divide the House on the new clause. The Minister says that our whole position is driven by the CBI, but it is long-standing Liberal Democrat policy and part of our election manifesto. I am delighted that Conservative Members added their names to our new clause and that the CBI supports Liberal Democrat policy, which seems an entirely good thing. We are not responding to any change of position from the CBI—our position has been the same throughout, and we tabled such a proposal in Committee, as the Minister knows.

I repeat that we strongly support the Bill, which provides new rights that are thoroughly welcome and will help in achieving a better work-life balance for families. As the Conservative spokesman mentioned, however, it is important to ensure that there is

confidence in the changes and reforms introduced, and that the Government bring business with them. The Government must acknowledge that they have a problem. For example, it is not good that the CBI has withdrawn its support, because the Bill ought to be a package of proposals around which everyone can unite. The Government have lost that big tent, to coin a phrase, and they ought to be thinking about how they can recover that position.

The hon. Member for Hertford and Stortford (Mr. Prisk) just reiterated a point that I, and others, have already made: this is all about giving employers a right. They might seek to transfer responsibility to the Government if they considered that that was in their interests. Self-evidently, the new clause is directed at the employers who would benefit most in terms of cost savings.

I want to deal briefly with what has been described as the incredible disparity between the assessed cost of the Government's running the scheme—50 million quid—and the assessed savings for employers—£1.1 million. That is based on the regulatory impact assessment. I support the RIA process in principle, but we need to be clear about the severe limitations imposed by the way in which such assessments are conducted. They tend to be self-serving, in that they are prepared by the Departments that seek to benefit from them. Her Majesty's Revenue and Customs obviously does not want an additional responsibility, so self-interest is involved in the delivery of an assessment that is discouraging from the point of view of employers.

We should bear it in mind that many small employers still make their calculations manually. It seems incredible to me that the saving to employers should amount to only £1 million, while it would cost the Government £50 million to operate the scheme on an automated basis. That simply does not make sense. We believe—as, I think, do the Conservatives—that the employers' costs have been underestimated, and the Government's costs have been overstated.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Is this not yet another illustration of why we need an independent body to assess the quality of regulatory impact assessments? The House would then be better informed of where the true figure might lie.

Norman Lamb: I entirely agree. There must be an element of independence in the RIA process, for, without it, the figures simply cannot be robust enough. There should also be a reassessment once the regulation has been introduced. Perhaps the Minister will confirm that that will happen. He said that he would keep the matter under review in response to an intervention, and, a year on, we ought to establish what the actual costs have been.

A number of factors have led us to conclude that this assessment is wrong. I heard what the Minister said at the end of his speech, but I still believe that, for many employers statutory maternity and paternity pay has cash flow implications which could be avoided if the payments were made directly by the Government. We should also bear in mind the time taken away from wealth generation. The time spent on completing a manual declaration could be spent on making money—generating wealth for the business. I bet that the assessors did not calculate that loss adequately.

Mr. Sutcliffe: The assessors did take account of those figures, but the Government are taking a number of other measures to help small businesses improve their payroll systems and are considering better ways of giving them information. The hon. Gentleman must accept that. He is speaking out of context.

Norman Lamb: With due respect, I am not entirely sure what that intervention was meant to achieve.

Mr. Sutcliffe: It made me feel better.

Norman Lamb: In that case, I welcome it, because the Minister is a good friend. *[Laughter.]* That has clearly caused a lot of trouble. I had better move on.

A simplistic exercise could be undertaken at a desk in Whitehall to calculate the total cost to employers, but such an exercise would not take account of the time involved. Imagine a small business with a manual payroll system and one boss, man or woman, trying to run everything: trying to keep the money coming in, and at the same time having to deal with additional administrative burdens. I do not think that the RIA takes adequate account of that either.

The hon. Member for Angus (Mr. Weir) made a good point about the cumulative effect of one regulation after another. Others pointed out that business people have families themselves, and must often do the work late at night or at weekends when they too could be improving their work-life balances. There is another important point, which has not been mentioned today but which should be borne in mind. Members of Parliament may have staff who take maternity leave. I face the delightful prospect of two staff members' taking maternity leave this year. *[Interruption.]* There is nothing further to be said about that. There is no scandal. There is no skeleton in my cupboard.

Mr. Stewart Jackson: Busy in North Norfolk.

Norman Lamb: Busy in North Norfolk, yes. One is in London and the other is in North Norfolk. *[Laughter.]* I am getting myself into trouble here.

Mr. Deputy Speaker (Sir Michael Lord): Order. Perhaps I can help the hon. Gentleman. Perhaps he should get on with discussing new clause 1.

Norman Lamb: I am grateful for your guidance, Mr. Deputy Speaker.

My point is that we Members are compensated for the cost of having a member of staff on maternity leave. The cost of replacement staff is paid by the Fees Office. People who run their own businesses are not compensated in that way and must incur an additional burden in paying for replacement workers.

If the Minister is intent on rejecting the new clause, we will press it to a vote, but in any event I urge him to look again at the percentage repayment. As he has conceded, the 104.5 per cent. for small businesses does not compensate them for the administrative burden. When

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he intervened on my speech earlier, he accepted that they should be compensated. The Government ought to act according to their words, and increase the amount given back to employers.

Mrs. Laing: Has not the Minister demonstrated that the Government simply do not understand how small businesses work? It seems that they are about to reject a new clause that has the support of everyone else in the House.

Norman Lamb: One does get that impression. The only Member to speak against the new clause was the Minister. He was on his own: not a single member of his party supported what he was trying to do.

We will press the new clause to a vote, because the Government have not stuck by their promise to help small businesses introduce the system. We ought to be bringing small businesses with us, and the Government are failing in that regard.

Question put, That the clause be read a Second time:—

The House divided: Ayes 212, Noes 292.

Division No. 128] **[2.28 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, Mr. Gregory
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clegg, Mr. Nick
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Gauke, Mr. David
George, Andrew
Gidley, Sandra
Gillan, Mrs. Cheryl
Goodwill, Mr. Robert
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Hermon, Lady
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horwood, Martin
Hosie, Stewart
Howarth, David
Howarth, Mr. Gerald
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Newmark, Mr. Brooks
Oaten, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Shapps, Grant
Shepherd, Mr. Richard
Simpson, Mr. Keith
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Dr. Richard
Teather, Sarah
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Mr. Roger Williams and Andrew Rosindell

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John

Begg, Miss Anne
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blair, rh Mr. Tony
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Butler, Ms Dawn
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clelland, Mr. David
Clwyd, rh Ann
Coffey, Ann
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Patrick
Hamilton, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Iddon, Dr. Brian
Iranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lloyd, Tony
Lucas, Ian
MacDougall, Mr. John
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Ian Cawsey and
Mr. Alan Campbell

Question accordingly negatived.

New Clause 3

REVIEW OF ADDITIONAL PATERNITY AND LEAVE PAY

'The Secretary of State shall review and publish a report on the effectiveness of regulations made under—

(a) sections 80AA and 80BB of the Employment Rights Act 1996, and

(b) sections 171ZEA to 171ZEE of the Social Security Contributions and Benefits Act 1992,

every year in which the regulations are in force beginning 12 months after the regulations are made.'.—*[Mrs. Laing.]*

Brought up, and read the First time.

Mrs. Laing: I beg to move, That the clause be read a Second time.

New clause 3 might appear somewhat opaque, but it would require clauses 3 to 10 to be reviewed after one year. We touched on some of the issues in our debate on new clause 1, but this proposal deals specifically with additional paternity leave and additional statutory paternity pay.

The Bill goes much further than the Government's original proposals, which suggested that mothers' rights to maternity leave and maternity pay would be transferred to fathers. In effect, it creates new rights for fathers.

We are not against paternity pay in principle. We accept that it is good for families if new fathers can be with their babies in the months after they are born. It is especially important for working mothers to have the support of fathers when a child is very small. That is a crucial time, and the Government's proposals are absolutely right in principle but, as ever, the question is one of balance.

As I said in the debate on new clause 1, it is very important to balance the needs and rights of employers, and especially small employers, with those of employees. Only by striking the right balance will we be able to achieve the optimum result for the economy and for society. It is true, of course, that a work force that is treated well will be more efficient, and that employers who treat employees reasonably will get better employees and run better businesses.

2.45 pm

We accept that all the proposals under discussion today have an economic as well as a social imperative, but we have tabled new clause 3 because we remain concerned about the mechanics of how paternity leave and paternity pay will work. We support the principle, but no one knows what will happen in practice.

The debate on new clause 1 revealed a stark and unarguable truth—that no one knows how much it will cost businesses to administer the proposals in respect of maternity and paternity pay and leave. It may cost £400,000 every year, or £5 million—the gap is enormous. Were the monetary costs involved estimated at a ball-park figure of between £500,000 and £2 million, it would be reasonable to accept them, and we should do so happily enough. However, there is not a ball park but a whole town of difference between the estimates.

I think that even the Minister will accept that we have no idea of how much the proposals in the Bill will cost business. If I am wrong, I should be happy to give way to him.

Mr. Sutcliffe: I shall wait until later.

Mrs. Laing: The Minister says that he will wait, and that is fair enough, but I believe that even he does not know the cost to small businesses—monetary and otherwise—of administering and paying for the rights created in the Bill. If he does not know that, it is fair to say that no one does.

If I address my remarks specifically to small businesses, it is not because I have no sympathy for or understanding of big business. However, large firms have human resources departments, and full-time accountants and tax experts, and so on. Proportionately, therefore, they will have to put less time and effort into bringing into the Bill into effect. I hope that the Minister will agree about that.

Mark Tami (Alyn and Deeside) (Lab): Does the hon. Lady accept that what we need is a level playing field? Will not small businesses that treat their staff properly consider that they are being penalised because of bad employers that do not grant reasonable leave to fathers?

Mrs. Laing: I see what the hon. Gentleman is saying, but I would say that we need not so much a level playing field as to try to make all employers do what good ones already do. We had an excellent debate in Committee on paternity leave, and I am sorry to see so few members of the Committee here, although there are some—notably the hon. Member for Cardiff, North (Julie Morgan) and my hon. Friend the Member for Broxbourne (Mr. Walker). Examples were given of times when men had found an excuse to be absent from work on the day that their child was born, or the day after, or the day after that. They would give any excuse other than what might be construed as the soppy excuse that their wife was having a baby and they would leave work that afternoon. When I say "soppy", incidentally, I do not mean that I think it a soppy excuse; indeed, Mr. Deputy Speaker, I am not sure whether soppy is parliamentary language, and I apologise unreservedly if it is not. The point is that we all know the way in which men sometimes talk to other men, and it is often the case that there is not always universal sympathy for a man who thinks that his place on the day on which his child is born is beside his wife and child. There are people who think that he should be anywhere else in the world. It is generally agreed, however, that a man should, of course, have the right to paternity leave.

It is far better that employers and employees are given the opportunity to be honest about this matter. Examples were given in Committee of where expectant fathers would give all sorts of excuses for not being at work when they were in fact attending the birth of their child. The really good thing about the Bill is that it encourages, and indeed enables, employers, and employees, to be honest. If a man wishes to be present at the birth of his child and be with his wife and child the following day and for a little while thereafter, he should be able to be honest about it, and a good employer, as the hon. Member for Alyn and Deeside (Mark Tami) said, will recognise that he will get more out of his employee if he is flexible about giving leave. That is what is good about the Bill.

What is not good is that we do not know what the effect will be on small businesses, and therefore on the economy as a whole. That is why we tabled new clause 3, requiring the Secretary of State to review and report on the effect of clauses 3 to 10 during every year in which the regulations are in force, beginning 12 months after they are made. That, of course, could be just over a year

from now, and the Minister might be able to tell us what we all suspect, which is that £400,000 is not anything like the real cost to business of administering the new rights in the Bill.

I hope that the Bill will pass today, but I hope that the Minister will tell us in 12 months' time that the regulations are working smoothly and well, that employers have adjusted very well to the way in which paternity leave is being sought and given and paternity pay paid. I hope that he will be able to tell us that the administrative problems are few. I hope he will be able to say that, but we do not know.

The Bill would be the better for having new clause 3 added to it. I said earlier that it is essential that Bills such as this one command the respect of all who have to implement them. The Bill would command far more respect if it required that we review its operation after a year. We would thus be able to see what was really happening on the ground. So often, the House and the other place deliberate at length on what ought to be done, what laws passed, what regulation made and how different people ought to behave. We then discover afterwards that there were unintended consequences of the laws that we have passed.

I do not want the Bill to go wrong. I want it to succeed. If we have the assurance that the Secretary of State will come back in a year to tell us how an essential part of the Bill is progressing and how it is affecting businesses, employers, employees and the economy as a whole, we could have far more confidence in it.

Mr. Sadiq Khan (Tooting) (Lab): I sympathise with what the hon. Member for Epping Forest (Mrs. Laing) said. It is clear that she has been given a difficult brief by the men in green suits and pastiche ties who run her party, even if they are better, I suggest, than the grey men in grey suits who used to run it. They clearly need to be seen to be close to business, but the front page of today's *Financial Times* and new clause 2, which is not being taken today, rather give the game away.

The implication of what the hon. Lady said is that the Secretary of State and the Minister do not spend a considerable amount of their time talking to businesses and listening to what small businesses and employers have to say. That is, of course, absurd. The idea that they speak to business or small employers only once a year and that only once a year would they relay those people's views back to the House is absurd. This back-door sunset clause—for that is what the new clause is—attacks the paternity leave that we introduced for birth and adoption. It attacks, indirectly, additional statutory paternity pay for birth and adoption, and it attacks additional statutory maternity pay and the rates of pay and period of leave that we are introducing. The platitudes of the hon. Member for Epping Forest on the wonders of paternity pay and her statements that the Government have, of course, got their policy right in principle, are also absurd. There is no sincerity in them.

Mrs. Laing: Throughout the passage of the Bill, the hon. Gentleman has made it his business to misinterpret everything I say, to put words in my mouth and to make out that I am saying things that I am not saying. Every word he just said was nonsense. We support the Bill.

Mr. Khan: The proof of that can of course be found in two things, to deal with any assertion of misinterpretation. One, of course, is *Hansard*. The other is form. If we look at the form of the official Opposition, we see that new clause 3 was not present in Standing Committee. In addition, they have form on opposing paternity pay provision when it was first introduced back in late 2001. I shall give the hon. Lady the opportunity to intervene if she wants to say that her party and her leader did not vote against the introduction of paternity pay in late 2001. I note her silence.

Mrs. Laing *rose—*

Mark Tami: Will my hon. Friend give way?

Mr. Khan: Of course.

Mr. Deputy Speaker: Order. I do not think that we want to go down the road of history. The hon. Gentleman ought really to confine his remarks to the new clause before the House.

Mr. Khan: I am grateful, Mr. Deputy Speaker. I was simply trying to answer, pleasantly and courteously, the spurious allegation made against me.

Mark Tami: The Opposition claim to support this measure, so why have they tabled a new clause that would make it appear to employers that it was a temporary measure that would last only a year?

3 pm

Mr. Khan: My hon. Friend spots the elephant trap that the Opposition wish us to fall into. As for the Trojan horse of the sunset clause, I suspect that a focus group held over the weekend told them that it was a good idea. However, I shall not dwell on the reasons behind the tabling of new clause 3. Without the new clause, the Bill will not lead to a doomsday scenario, as the Opposition have predicted, because we have introduced other family-friendly measures.

Mrs. Laing: Will the hon. Gentleman give way?

Mr. Khan: No, I will not give way. The hon. Lady has had the opportunity to make her contribution, welcome as it was.

New clause 3 would remove certainty and clarity for families who wish to plan when to have their children and for businesses and employers who wish to employ workers from the widest—

Mrs. Laing: On a point of order, Mr. Deputy Speaker. The hon. Member for Tooting (Mr. Khan) is not interpreting the new clause correctly. It would have no effect on the Bill, and he is inadvertently misleading the House in suggesting that it would. It would not take away any part of the Bill: all it would do is require the Secretary of State to provide a report.

Mr. Deputy Speaker: The Chair is reluctant to get involved in the debate, but the hon. Gentleman should

[Mr. Deputy Speaker]

be careful that he does not confuse new clause 2 with new clause 3. He must confine his remarks specifically to new clause 3.

Mr. Khan: Absolutely, Mr. Deputy Speaker, and that is what I was doing—

Mr. Deputy Speaker: Order. If the hon. Gentleman had been doing so, I would not have made the remarks that I have just made.

Mr. Khan: I hear what you say, Mr. Deputy Speaker.

The problem with new clause 3 is the burden that it would place on the Secretary of State to report once a year and the lack of clarity and certainty that it would mean for families and employers. I know that my hon. Friend the Minister listens carefully to the sensible words spoken by hon. Members, and I ask that he rejects new clause 3 and fulfils our manifesto commitment to continue to build on the family-friendly policies that we have introduced since 1997.

Norman Lamb: I was becoming confused by the talk of elephant traps and Trojan horses, but I think that I understand the points made by the hon. Member for Tooting (Mr. Khan). The hon. Member for Epping Forest (Mrs. Laing) talked about the paucity of attendance by members of the Committee, but I wish to point out that the Liberal Democrats have a 100 per cent. attendance.

I support the new clause in part. It would be eminently sensible to review how regulations are working a year after their implementation. I accept that the hon. Gentleman was talking about an annual review of the regulations, but the general concept of revisiting regulations to see how they operate in practice is good and should not divide us politically. I appreciate that the Conservatives are trying to reinvent themselves, but to give the Government work for the sake of it by reviewing the regulations every year into the future seems a little over the top. However, the administration of the regulations, especially in the transfer of rights from the mother who gives up some of her maternity leave to allow the father to take paternity leave, will be complex, and the Government might not get it absolutely right. It would, therefore, be worth while looking at how the regulations are working after a year to ensure that they are working as well as possible or whether they need tweaking to ensure that their operation is not overly complicated for employers, or for mothers and fathers seeking to take advantage of those rights.

I support the principle of review, therefore, but not every single year.

Mr. Charles Walker (Broxbourne) (Con): I wish to make a vicious and premeditated attack on the Minister, and I make no apology for doing so. In my dealings with him in my former life as a director of Blue Arrow, I found him an excellent listener and very sympathetic to the needs of business. If that has destroyed his future political career, I still make no apology for saying it.

It is nice for me to make a speech—and I am sure that it is also a relief for you, Mr. Deputy Speaker—on a subject on which I have a small degree of expertise, as a former director of Blue Arrow, a recruitment company that places some 20,000 people in work a week. As the Minister is aware from our discussions, the labour market has changed for the better over the past two decades, under both Conservative and Labour Governments. These days, 50 per cent. of the work force are male and 50 per cent. female. Indeed, it is predicted that by 2010 women will make up 53 per cent. of the work force.

The change in work patterns has also seen a change in child-rearing responsibilities. In my case, my wife would not want me to be involved in any way with child-rearing, because she thinks that I am completely useless at it, and I am happy not to be involved. However, many women have excellent husbands whom they feel they can trust to share child care duties. In such cases, we have to accept that some men will want to take paternity leave to spend time with their children and release their wife to continue her career, perhaps in a higher paying job.

The recruitment industry welcomes the extension of paternity leave, because we think that we shall make a bit of money from it. Fathers will want to take time off and there will be a consequential cost to small businesses in filling those positions. Recruitment companies often pay a higher hourly rate to temporary workers because they do not have access to the same level of in-work benefits as their permanent colleagues. Recruitment businesses also charge a margin on top of the hourly rate that can be as high as 20 per cent., so the cost to small business can be very real.

The other issue that small businesses face is losing a key member of staff. I know that the issue is the same when they lose a valuable female member of staff, but the provision will mean that they will lose valuable male members of staff. If a small business employing fewer than 10 people loses one of its star performers for 10 or 12 weeks, it can leave a big hole to fill. Yes, the business can get a temporary worker to cover the role, but the skill set required may be such that the temporary worker cannot hope to fill the vacancy properly.

I agree that we do not want a sunset clause, but I urge the Government to report to the House in 12 months and let us know how the regulations have been working. That could be done through a statement or a report. Paternity leave will be a new concept and it will take time for businesses to get their heads around it. It will also take time for fathers to get their heads around how to access and manage their new right. If we can ensure that regulation is thought through thoughtfully, implemented thoughtfully and followed up thoughtfully, it will be a great reassurance to Members on this side of the House. It might also be a reassurance to Labour Members and I am sure that it would be a reassurance to business.

Mr. Weir: The hon. Member for Tooting (Mr. Khan) was a little hard on the hon. Member for Epping Forest (Mrs. Laing), who made some interesting points in her speech, although I cannot support the new clause, as I shall explain.

The introduction of paternity leave is most important, as I have said before. When my youngest daughter was born my wife had to stay in hospital before and after the birth, which made things difficult. I had a young daughter to look after and had to change my work patterns. As I was self-employed I was able to do so by working late some nights, but many husbands do not have that opportunity. Far from making excuses, it is actually difficult for many men to take paternity leave for practical reasons so the introduction of statutory paternity leave is important for them.

I am concerned about the wording of the new clause:

"The Secretary of State shall review and publish a report on the effectiveness of regulations".

I was not entirely clear what the hon. Member for Epping Forest meant by "effectiveness"; she referred several times to the effect on business and the costs to business, but that is only one side. There may be an effect on business, but I am interested in the effect on families and employees and how they react to and deal with things. Effectiveness goes two ways; it is not just about cost.

My worry about the wording is: what happens if after a review we find that the measure is costing business x millions and the situation cannot continue? Are we seriously saying that having granted paternity leave to employees we should tell them that it costs too much and we shall abolish it? That is not a practical proposition.

Mrs. Laing: The hon. Gentleman is absolutely right. If the new clause does not seem sufficiently wide, its wording is deficient and I take responsibility. Perhaps I am not as good a lawyer as he. He is right: it is not just a question of costs. If the Government accept the new clause and the Minister makes an assessment of effectiveness, there must be a full assessment of the effect on everyone involved, especially employees and fathers.

Mr. Weir: I thank the hon. Lady for that clarification. Indeed, if she had used the word "effect" instead of "effectiveness" she might have avoided many of the problems.

Another problem is that the review would be annual, beginning in a year's time. That is wholly and utterly impractical. We are introducing an important new right and it will take time for it to bed in. We need to know about its effects over a longer period. After only one year, relatively few people will have taken advantage of that right, and by its nature its impact will vary from year to year. We cannot take one year in isolation and say that the effect has been x. The effect in year two may be vastly different.

We need a bedding-in period of at least five years to give a real view of how the measure is working. If the new clause had proposed a review after five years to assess the impact and to consider what we should do if there were detrimental effects either on business or, more important, on employees, I could have supported it, but I cannot do so with its current wording.

The analogy of the elephant trap was interesting—I can see the Trojan horse falling into it. There are too many dangers in passing a clause worded in that manner. It could have the unintended consequences to which the hon. Member for Epping Forest referred. There are too many ifs and buts. The point about holding a review is valid, but it must take place only after a reasonable period to see whether the regulations have bedded in.

I shall not support the new clause if the hon. Lady puts it to a vote, but I urge the Minister to assure the House that after a reasonable period—perhaps the end of this Parliament—we shall have a review of the effect of the regulations. On Second Reading, I expressed concern about the fact that a mother and father could not take maternity and paternity leave at the same time, which would have been extremely useful in my situation, if my wife and I had been in employment. Many aspects of the impact of the regulations on employees need to be assessed. Perhaps a review could reconsider the year's leave and split the time up in different ways to allow a crossover period. It could also consider the effects on small businesses that we discussed in our earlier debate. The review is fine but a year is far too short a period.

3.15 pm

Mr. Sutcliffe: I am grateful for the opportunity to hold this debate. The hon. Member for Angus (Mr. Weir) has outlined, in relation to its wording, why we cannot support the new clause, but I am happy to accept the spirit and intention of what it tries to achieve. I am grateful for the contributions of the hon. Members for North Norfolk (Norman Lamb) and for Broxbourne (Mr. Walker) and of my hon. Friend the Member for Tooting (Mr. Khan). It was always a great pleasure for me to meet the hon. Member for Broxbourne in his former capacity, and I hope that I have not done too much damage to his career or mine by saying that. His experience in the field has been vital in informing our debate.

Of necessity, we expressed a wide range of views on direct payments, as there is great strength of feeling about the differences between us. With paternity leave, however, we are looking at culture change; we are trying to ensure that there is a continuous process whereby employers offer the best support for their employees.

The measure has not come out of thin air; it is the result of consultation and discussion. One of my concerns has been that the pace of change in the world of work is so dramatic that it is important for the Government, employers and employee representatives to keep up with the requirements of the people that we represent. Research on how the existing rights for statutory paternity pay and leave are used shows that fathers want the flexibility to spend more time with their babies in the first year and are taking advantage of the leave and pay available.

The Department of Trade and Industry supported the Equal Opportunities Commission survey, "Fathers in the First Year", which looked into how much time fathers took off work when their child was born, as well as the attitude of fathers and their partners to fathers' caring role. The hon. Member for Broxbourne told us about his wife's view. I am sure that we have some parenting courses that he could follow.

The world is changing and it is important that we achieve that culture change. The hon. Member for North Norfolk spoke about the need for great care in drawing up the regulations. I agree that it is important

[Mr. Sutcliffe]

that we get that right, and under the affirmative regulation principle, we are taking plenty of time to ensure that we do so.

Norman Lamb: On Second Reading, the Secretary of State for Trade and Industry undertook to attempt to get the draft regulations ready before the Committee completed its deliberations. That did not happen, and they are still not ready. Would it not have been better to allow the House to see the regulations at least to assist in the debates on such matters?

Mr. Sutcliffe: My right hon. Friend made that offer—if it was possible—but he also said that we need to ensure that we get the detail right and to consult thoroughly and widely, and we are happy to do so with Opposition parties. I have certainly done that when involved with previous Bills, and we welcome any support from Opposition Members in the way that we try to administer doing so. The regulations will go through the affirmative procedure—Parliament will have an opportunity to discuss them—and that is the proper way to proceed.

My hon. Friend the Member for Tooting is quite right. He was consistent during the debates in Committee. He is attacking not the hon. Member for Epping Forest (Mrs. Laing) personally, but the idea that comes from the right hon. Member for Witney (Mr. Cameron), who says that there are times to stand up to business and times to show that family-friendly employment policies are being considered—a point made in an earlier discussion by the hon. Member for Peterborough (Mr. Jackson). However, the evidence shows that the right hon. Member for Witney is attacking paternity leave and running behind what the CBI has said about it. That is why my hon. Friend the Member for Tooting is right to be consistent in saying that those warm words are not good enough and that actions count. We need to see those actions.

It is important to review how the system works for the reasons outlined by the hon. Member for Angus. We want it to work. We want it to be appropriate. We want it to be right. However, the annual review suggested in new clause 3 is not appropriate; it would not represent a good use of taxpayers' money—something that is of genuine concern to the hon. Member for Epping Forest. For those reasons, I hope that she accepts the spirit of what we are trying to achieve. I welcome any contribution that she wants to make on the regulations when they are drafted. I also hope that, in light of my recommendations, she will withdraw the motion.

Mrs. Laing: The Minister has been most convincing. He used the magic phrase that always makes me sit up and pay attention—"taxpayers' money". We discussed that matter in Committee on many occasions. I consider the Conservative party to be the guardian of taxpayers' money, but the Government often want to spend so much of it, and it is up to the Opposition to defend the taxpayer. So I am quite persuaded by the Minister's argument, but it is even more pleasing that he says that he accepts the principle of what I have said about the effect of new clause 3.

Of course, the hon. Member for Tooting (Mr. Khan) has his job to do as well. It is quite astonishing that, because I am saying something in 2006 that is broadly in agreement with what the Minister and the Government are saying, he must hark back to what the Conservative party said five years ago. Not so long ago, the Labour party was in favour of the common ownership of the means of production, but I do not hark back to that all the time to try to find something on which we disagree. What we said five years ago is not relevant; what we say now is relevant, and I am saying now that we are in favour of statutory paternity leave.

Mark Tami: The problem is that Labour Members find it very difficult to know what "now" means, because the concept seems to get shorter and shorter: the Opposition's policies change by the second, not even by the minute.

Mrs. Laing: No, the problem is that Labour Members are very worried about the rising popularity of the Conservative party, but I appreciate that we cannot debate that matter within the terms of new clause 3. So I will take that no further, but I notice that the hon. Gentleman loyally echoes the words of the Prime Minister earlier today. If political parties could not review their polices in light of a changing world and a changing society, what is the point of political parties and what is the point of Parliament as a place to propose ideas and to have debates and arguments? That is what Parliament is all about. I am pleased to say that that is what we are doing effectively this afternoon, and the Minister has done it so effectively that he has persuaded me: I am happy with his assurances that he will return to the House and that we will have such an opportunity in future.

The hon. Member for Angus (Mr. Weir) is right to say that exactly one year is perhaps too soon. Perhaps we need rather more flexibility in the way in which the Government come back to the House to review their legislation. However, I can assure the House that, if the Minister does not return to the House to report on a review of the way in which the legislation is working, the Opposition will ensure that the matter is debated in a year or so, thus ensuring that the House has the opportunity to consider not just the effectiveness of regulations that we hope to pass today, but their effect, as the hon. Member for Angus rightly says—there is no better education than that of a Scottish lawyer—so I beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

Clause 13

ANNUAL LEAVE

Mr. Sutcliffe: I beg to move amendment No. 2, in page 11, line 27, at end insert—

'(4A) Regulations under this section may not make provision in relation to the subject-matter of the Agricultural Wages (Scotland) Act 1949 (c. 30) (as that Act had effect on 1st July 1999).'.

The amendment reflects the fact that holiday entitlements and rates of pay for agricultural workers in Scotland are devolved to the Scottish Parliament. The minor technical amendment ensures that the current limited devolution is preserved.

Mr. Alan Reid: The Minister is quite right that the matter is devolved to the Scottish Parliament. The Scottish Agricultural Wages Board sets the minimum wage as well as holiday entitlement. It is obliged to set a minimum wage that is above the national minimum wage and a holiday entitlement that is greater than that laid down in the Working Time Regulations 1998. Will the Minister assure the House that the future holiday entitlement of agricultural workers in Scotland will not lag behind that laid down in UK or European regulations?

Mr. Russell Brown (Dumfries and Galloway) (Lab): While I appreciate that my hon. Friend the Minister indicated that the amendment is technical, I share the concerns of the hon. Member for Argyll and Bute (Mr. Reid). I regret to say that although we have a national minimum wage in this country, there are all too often some who would like to attack the protection that is offered through the Scottish Agricultural Wages Board. Like the hon. Gentleman, I merely say to my good friend the Minister that I hope that the amendment will offer protection to agricultural workers in Scotland and that they will not be worse off in any shape or form compared with workers in other parts of the country.

Mr. Weir: I had not intended to speak to the technical amendment, but I have been interested by what hon. Members have said. As the Scottish Agricultural Wages Board is a devolved body, it is up to it to decide what to set. I would hope that members of the board, being good Scots, would set rates that were higher than those in other parts of the country, although I accept that there is no guarantee that that will happen. However, as an independent body, it would have the right to set such rates.

The number of people working in agriculture in Scotland has declined steadily over the years. Many people who work in agriculture, especially those who are seasonal workers, come from eastern Europe to work for short periods. Will the Minister confirm that they are covered by regulations on the national minimum wage, rather than the Scottish Agricultural Wages Board, and that the amendment thus covers people who are permanently engaged in agriculture, rather than seasonal workers?

Mrs. Laing: I also realise that the amendment is technical, so I do not intend to speak for long. Devolution is complicated, so we can forgive the Government for not getting the drafting perfectly right from the beginning and thus having to table the amendment. It is much better for technical amendments to be considered on Report than for us to have to spend hours and hours upstairs considering statutory instruments to make devolution work. We all want devolution to work, so we welcome the amendment.

Mr. Sutcliffe: I am pleased that hon. Members' contributions show that we were right to table the amendment. This is a matter for the Scottish Parliament. It will be guided by the Low Pay Commission on the national minimum wage and by the European Union on the working time directive and hours. I am sure that the Scottish Parliament will note what hon. Members have said.

Amendment agreed to.

Schedule 1

LEAVE AND PAY RELATED TO BIRTH OR ADOPTION: FURTHER AMENDMENTS

3.30 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Meg Munn): I beg to move amendment No. 1, in page 20, line 9, at end insert—

"1A In section 106 of ERA 1996 (replacements) in subsection (2)(a) after "adoption leave" insert "or leave under section 80AA or 80BB (additional paternity leave)".'.

This amendment will support employers in managing the new entitlement to additional paternity leave. The Government recognise that employers are concerned about their position when they take on a new employee to cover a woman's absence on maternity leave. Those concerns were raised on Second Reading. They were also discussed in Committee during debate on an amendment tabled by the hon. Member for North Norfolk (Norman Lamb). We recognise that the same issues will be of concern to employers taking on new staff to cover an absence due to additional paternity leave.

An employee with 52 weeks' service is, of course, protected from being unfairly dismissed. It is right that employees are protected in that way; the Government reduced the qualifying service from two years to one in 1999. However, we recognise that it is also right that we make the management of maternity, adoption and additional paternity leave as straightforward as we can for employers, and that includes making the management of employees they take on to cover maternity, adoption or additional paternity leave as straightforward as we can.

Section 106 of the Employment Rights Act 1996 provides that where an employee is taken on to cover an absence caused by pregnancy, childbirth or adoption leave and is dismissed because the original employee returns from the absence, they will be treated as having been dismissed for a substantial reason which would mean that the dismissal was not unfair, provided that the employer had acted reasonably.

Section 106 is intended to protect employers who take on employees to cover maternity or adoption leave. It enables them to dismiss the replacement employee when the original employee returns from leave. The replacement employee is also protected since section 106 applies only where the replacement was informed in writing when they were appointed that their employment would be terminated when the original employee returned to work, and the dismissal will be fair only if the employer acted reasonably and fairly and followed proper procedures in carrying out the dismissal.

[Meg Munn]

As well as maternity and adoption leave, section 106 includes replacements taken on to cover maternity or medical suspensions and other absence caused by pregnancy.

Mr. Walker: Will there be a requirement for notice of any form of redundancy payment to be given to an individual being dismissed when a women returns from maternity leave? What period of notice and conditions will be attached to that dismissal?

Meg Munn: The hon. Gentleman will be aware that the Bill extends the notice that women returning from maternity leave give to their employer, enabling the employer to give more notice to the replacement employee. My understanding is that there will not be issues of redundancy as this is not a redundancy situation.

Mr. Walker: A woman returning to work could say, "I'll be coming back in two or three months". Will there be a requirement for the employer to notify the temporary employee that they will be moving on? It would be fair for the temporary employee to have as much notice as possible that they will not required in future.

Meg Munn: My understanding is that nothing in the Bill changes the current arrangements, and clearly the employer has to follow the correct procedures. Having the extended notice helps the replacement employee. They need to be told at the outset that they are a replacement and that they will finish at that point. The proper procedures should be followed. I hope that that reassures the hon. Gentleman.

The amendment will allow section 106 to be extended to include the dismissal of employees taken on to cover absence due to additional paternity leave. In the majority of cases, such an absence will be short and the replacement employee will not have enough continuous service with their employer to enable them to claim unfair dismissal. However, there may be circumstances, including where additional paternity leave is taken on the death of the mother, where the father's absence is long enough to allow the replacement to clock up one year's service and be able to claim unfair dismissal. The extension of section 106 will provide certainty to employers managing the new entitlement to additional paternity leave. Employers will know that they can take on a replacement to cover the absence without concern about their ability to end the replacement employee's contract. I commend the amendment to the House.

Norman Lamb: If my amendment on a related point has triggered the Government to spot this anomaly, I am obviously delighted. This measure appears eminently sensible, and we must ensure that in all the different circumstances—maternity or paternity leave, or adoption—the employer and the employee are in the same position. The amendment will regularise that situation, so as to ensure that in the few cases in which someone takes extended paternity leave beyond a year, they will not be in a different position from anyone else. We support the amendment.

Mr. Henry Bellingham (North-West Norfolk) (Con): I was not on the Committee for this Bill, and I would like to ask the Minister and her colleagues a quick question. The proposal in the amendment seems so obvious and logical in the context of the Bill, and I wonder why it was not in the original Bill. Why was it necessary for the Government to table this amendment? I applaud them for so doing, but I wonder whether there is a good reason why the proposal was not considered in the first place.

Meg Munn: First, I am delighted that the hon. Member for North Norfolk (Norman Lamb) is delighted. Secondly, to respond to the hon. Member for North-West Norfolk (Mr. Bellingham), the amendment will ensure that the regulations are clear and that everyone fully understands the position. As I said in my speech, the expectation is that, given the arrangements, there will be very few occasions on which additional paternity leave will last longer than a year. However, as hon. Members know, we are a listening Government and we respond to people's concerns. We wanted to do everything that we could to make the position clear, and that is why we have tabled the amendment at this stage.

Amendment agreed to.

Order for Third Reading read.—[Queen's Consent, on behalf of the Crown, signified.]

3.36 pm

The Secretary of State for Trade and Industry (Alan Johnson): I beg to move, That the Bill be now read the Third time.

This Bill, which has enjoyed a positive reception from both sides of the House during its passage, is pro-family and pro-business. These aims are not mutually exclusive, but mutually supportive. Flexible working increases the number of people who are able to work, which widens the talent pool for business. More importantly, it gives parents a genuine choice when making the difficult decisions about how they balance their work and family lives. That is why these measures are an essential component of an enabling state.

The Bill extends paid maternity and adoption leave. It extends to carers of adults the right to request flexible working. It also gives fathers the opportunity to play more of a role in their child's upbringing, and it makes it easier for employers to administer these rights. These are progressive policies that respond to profound changes in our workplaces and our homes.

It is therefore curious to read that the Leader of Her Majesty's official Opposition, the right hon. Member for Witney (Mr. Cameron), is apparently against the measures. Having pronounced his commitment to social justice and espoused the causes of trusting people and sharing responsibility, he now sides with some of the more reactionary elements of society in arguing to prevent fathers from exercising a choice with their partners to take a more prominent role in caring for their child.

I know that the right hon. Member for Witney, together with his hon. Friends on the Conservative Benches, voted against every single family-friendly

measure that this Government have introduced, from extending maternity leave, maternity pay and paternity leave to the right to request flexible working. They also voted against giving adoptive parents help for the very first time in dealing with the difficult task of taking children into their homes. We genuinely hoped that there had been a change of heart, and that there would be a progressive consensus behind the Bill.

Mr. Bellingham: The Minister will remember that, for a couple of years during the last Parliament, I shadowed him when he was a Minister of State. We consistently supported a number of family-friendly measures. We certainly gave our wholehearted support on adoption rights. Perhaps, going back a bit further, the Opposition might have taken a more anti-family stance, but for the past four years or so we have supported the Government on many occasions. Yes, we have had our differences with them over employment legislation, but we have also supported them time and again.

Alan Johnson: I remember when we dealt with the Employment Bill in 2001. The hon. Gentleman's memory is faulty. Conservative Members opposed the Employment Bill on Second Reading on 27 November 2001. That Bill contained every element that I just mentioned. It was supported with fine words in Committee. I well remember the principle being acceptable, but when it came to the crunch and the vote, Opposition Members, including the right hon. Member for Witney, voted against every single measure. Although we hoped that there had been a change of heart and that there would be a progressive consensus behind the present Bill, that seems not to be the case, but I still hope that Members in all parts of the House will support the Bill this evening.

Progressive politicians should certainly back the Bill, because progressive businesses back it—not just the biggest businesses, which find it easier to invest in human resources policies, but small businesses too. In many cases, small businesses are far ahead of larger businesses in their enlightened approach to employment relations. They do it almost instinctively, as we found when we researched the original employment relations policies introduced in the early part of the century.

The economics are clear. It costs £80 to handle a straightforward flexible working request, for instance, but it costs £4,800 to recruit a new employee. That is why 90 per cent. of flexible working requests are being accommodated, according to a CBI survey. That is why Miles Templeman, director general of the Institute of Directors, which was against the original proposals back in 2000–01, now says:

"Our members, by and large, support family-friendly policies."

The CBI accepts in principle the Government's desire to extend family-friendly rights further.

Business backs the extension of flexible working to one group at a time, the very approach that we have taken in the Bill. Business also supports the extension of maternity pay towards 12 months by the end of this Parliament, and many of the other measures in the Bill—the increased notice periods, the "keeping in touch" days and the alignment of start dates, all of which are essential simplifications of the legislation. Many of these measures were developed in partnership with business, through our external advisory group of human resources experts.

We will continue to work closely with business as we move forward. In February, we will consult on the details of the paternity scheme so that large and small businesses can introduce these important measures successfully. We will also consult on the annual leave entitlement before putting detailed changes to Parliament, including on phasing in the introduction.

The Bill is business-friendly, child-friendly and parent-friendly and will enhance Britain's economic success. I commend it to the House.

3.42 pm

Mrs. Laing: May I begin by correcting what the Secretary of State has just said about the attitude of my right hon. Friend the Member for Witney (Mr. Cameron) ? My right hon. Friend supports the Bill, as do I. If he did not support its provisions, I would now be urging the House to vote against the Bill on Third Reading. I am not doing so. I am supporting the Bill, as I have done throughout its passage which, incidentally, began before my right hon. Friend became leader of the Conservative party—a whole day before.

The right hon. Gentleman may be right in his recollection and assessment of what the Conservative party may have said in the dim and distant past. I am interested in the future.

Alan Johnson: Will the hon. Lady confirm that in the dim and distant past—1 January 2006—the right hon. Member for Witney (Mr. Cameron) said:

"The suggestion for the massive extension of paternity leave owes . . . more to political correctness than the realities of life."?

Mrs. Laing: It depends how one interprets those words. *[Laughter.]* My interpretation is that my right hon. Friend agrees with all that I have said during the passage of this Bill and, I hope, with all that I am about to say on Third Reading.

As I said on Report, it is idealistic to suggest that a work force will be happy, and able to do their jobs to the very best of their ability, if they do not have to worry about what is going on in the rest of their lives while they are at work. If, however, a person goes to work knowing that they can leave work if someone for whom they are caring at home—a small child, someone who is ill or an elderly relative—needs them, then they will work better and form part of a better work force.

Employers will be happier with how their employees are functioning, if their employees can get on with their work without anxiety about trying to balance work and family life—that said, mothers and fathers who go to work will always have some anxiety about their children or elderly relatives, so perhaps I am being idealistic. However, I am trying to convince the Secretary of State that I entirely agree with his remarks about the importance of flexibility and the work-life balance, which make for a better, more efficient work force.

If the Bill works as intended, it will be good for not only society, but the economy—the economic imperative.

Mr. Jim McGovern (Dundee, West) (Lab): In Committee, some hon. Members were surprised that the hon. Lady and I seemed to agree about annual leave

[Mr. Jim McGovern]

entitlements. Will she confirm that she agrees that all workers should be entitled to 28 days paid annual leave guaranteed by law?

Mrs. Laing *rose—*

Vice-Chamberlain of Her Majesty's Household (Mr. John Heppell): What does 28 days mean?

Mrs. Laing: That is the point. Does it mean 28 days including public holidays or 28 days excluding public holidays? I personally think it correct to exclude public holidays from the 28 days. Public holidays should not be included as part of annual leave—they are additional holidays. The transition should be introduced gradually, because it will have a large and immediate impact on some businesses, which may be detrimental.

Mr. Walker: I understand that the current provision is 20 days, of which eight days are bank holidays and 12 days are holidays provided by employers. The Warwick agreement states that employers will provide 20 statutory days with eight additional bank holidays on top of that, and the Minister provided an assurance on that point in Committee.

Mrs. Laing: I thank my hon. Friend for assisting me, because I have got it wrong. When I said 28 days excluding bank holidays, I meant to say 20 days excluding bank holidays. I inadvertently misled the House in my answer to the hon. Member for Nottingham, East (Mr. Heppell), who said from a sedentary position that it depends on what 28 days means. I am in favour of 20 days plus bank holidays, not 20 days including bank holidays. I hope that I have now made myself clear. I apologise for my lack of clarity, Madam Deputy Speaker, and thank my hon. Friend the Member for Broxbourne (Mr. Walker) for noticing it and helping me so propitiously.

The Secretary of State is right that, if the Bill works as it is intended to work, business will become more efficient as well as more family-friendly. There is no need for what we describe as family-friendly measures to be in any way opposed to business-friendly measures. As he said, if things work properly, there should not be a choice between a business working efficiently and profitably and a work force being happy. On the contrary, for a business to work to the best of its ability, it is necessary to have a work force who are working to the best of their ability. That means that it is necessary to have a proper work-life balance. We come back, as we always do, to that word, "balance". That is what it is all about.

My concern throughout has been that, if measures go too far in one direction, the Bill will backfire. I do not want employers to be reluctant to employ women of childbearing age because they are likely to take maternity leave.

Alan Johnson: That is illegal.

Mrs. Laing: The right hon. Gentleman rightly says that it is illegal. We recently spent a great deal of time on the Equality Bill making sure that it is illegal. I supported that Bill as well. Nevertheless, it was once the case that women were required to give up work, notably in the civil service. It happened to my mother when she got married. I do not think that she minded. It was the fashion at the time that if a woman who was a qualified civil servant got married, she was required to give up work there and then because it was assumed that she would have a baby more or less immediately. Of course, my mother was very fortunate because she gave up the civil service and had me, although I would not necessarily expect the whole House to agree with that. *[Interruption.]* If the hon. Member for Tooting (Mr. Khan) would like to disagree, I will certainly give way to him. *[Interruption.]* The hon. Gentleman did not say anything—I turned the tables for a change by putting words into his mouth instead of him putting them into mine.

Keith Vaz (Leicester, East) (Lab): It was I who spoke from a sedentary position. I said that we are delighted by the decision taken by the hon. Lady's mother to have her immediately.

Mrs. Laing: I thank the hon. Gentleman. It was not quite immediately—if it had been, I would be even older than I am now, but we will not go into that.

Madam Deputy Speaker (Sylvia Heal): Order. To save any further confusion, perhaps we could concentrate on the Third Reading of the Bill.

Mrs. Laing: Thank you, Madam Deputy Speaker. I will of course adhere to your ruling.

I do not wish to digress or to take up the House's time unnecessarily, but to convince the Secretary of State that I agree with most of what he said. We are thoroughly behind the Bill and its intentions, but I remain concerned about the burdens on small businesses and about the cost to the taxpayer and the business community, large and small, of implementing some of the regulations. I also remain concerned that, if employers do not have confidence in the Bill and feel that they are being forced into a situation that they do not want, the measure might backfire. However, I hope that it does not because in our debates in many forums in the past few months, we have all been trying to achieve equality in society and in the work force. That is not only desirable but necessary.

Women have to do two jobs and it is not only desirable but economically necessary that they should do that because we need them in the work force. We need women who are currently in the work force to remain there and it is wrong that a woman who has a child and wants to return to work should sometimes be required to go back at a lower level than that that she had reached before she gave birth. That is wrong socially and because it is unfair, but it is also wrong because of its effect on the economy.

I shall repeat the statistic that the Minister for women and equality first mentioned. If all the women in our work force worked at the height of their capability instead of doing jobs for which they are over-qualified in order to do part-time work to look after their families, annual GDP would increase by 3 per cent., which is

equal to our annual trade with Germany. I have often used that statistic and people have argued against me on many occasions. I cite the Minister as the person who first mentioned it and I therefore hope for my sake as well as hers that it is accurate. However, I should like us to prove its accuracy by enabling the women to whom we refer to work to the limit of their abilities instead of being undervalued because they happen to be mothers as well as important people in the work force.

If we require women to do two jobs, we must also require families to support the women and the children involved. For that reason, it is necessary for fathers as well as mothers to have rights.

If a family is to work the way that it should, flexibility is required to enable people to look after their elderly parents, their sick relatives and their small children when necessary. Flexibility does not mean not working properly. If the employer and the employee exercise it responsibly, it works in everybody's best interests. That is why the Bill is so important. I am pleased to be able to support the Bill. It is a big step forward towards a family friendly workplace. If it works properly—I sincerely hope that it will—it will be a huge boost not only to our society but to our economy.

As the hon. Member for North Norfolk (Norman Lamb) said, it is a pity that we have not seen the regulations. On Second Reading, the Secretary of State and the Under-Secretary, the hon. Member for Bradford, South (Mr. Sutcliffe), promised us that we would see them. There was an understanding that we would have them in Committee. The Minister expressed a further hope in Committee that we would have them before Third Reading. We are nearing the conclusion of proceedings on the Bill and we have still not seen the regulations, so I fear that it may be the duty of our colleagues in another place to pursue the argument about their introduction. In Committee, the Under-Secretary said that the Secretary of State was a "hard taskmaster" in promising that the regulations would be published soon. That was several weeks ago, and we still have not seen the regulations, which is disappointing. Our consideration of the Bill would have been better informed if the regulations had been published. I cannot make that point strongly enough.

Mr. Peter Bone (Wellingborough) (Con): In Committee, I thought that the publication of the regulations was more of a promise that an aspiration. It is difficult to consider the Bill properly without knowing what the regulations are.

Mrs. Laing: My hon. Friend is correct. It is difficult to consider the Bill properly without knowing what the regulations are. It is hard to understand why we have reached this stage without the regulations that the Secretary of State promised. The Under-Secretary said that he was doing all that he could to produce them. There is no urgency to introduce the Bill. We could have waited for Third Reading until next week, the week after, or the week after that. It is a good Bill, and we want it to come into force, but there is no reason why it should do so in six or seven weeks' time rather than in 10 or 11 weeks' time. We could have had a far better and more informed debate if we had had the regulations before us. As a matter of principle, it is careless of the Government to expect the House of Commons to do its job properly if we do not have all the information that they ought to give us to allow us to scrutinise the Bill properly.

Alan Johnson: On Second Reading, I expressed the desire and hope that the regulations would be ready while the Bill was proceeding through the House. I am very sorry that that has not proved possible, but that is far from suggesting that it is an essential part of the legislative process. Countless Bills go through the House without regulations being published until they have completed their passage. That is the normal practice. In this case, particularly given concerns about the way in which paternity leave would operate, I thought that it would assist the scrutiny of the Bill in Committee if the regulations were ready while the Bill was proceeding through the House.

I accept, however, that the important thing is to get the regulations right. We should not hurry them unnecessarily and perhaps make errors. They are, of course, subject to the affirmative procedure. Our latest information is that they will be included in a consultation document in February. I am sorry that that is after the Bill will have completed its passage through the House but, because of the affirmative resolution procedure, it leaves ample opportunity for Members on both sides of the House to comment and amend them. However, may I record my apology that we could not do something which we hoped and tried to do?

Mrs. Laing: I thank the right hon. Gentleman for his frankness and for his apology. The Minister said in Committee that the right hon. Gentleman is a hard taskmaster, and I am sure that some people are quaking in their boots and will not dare to ask for any flexible working time until those regulations appear. We look forward eventually to seeing the regulations and I am pleased to accept his assurance that all the regulations will be subject to the affirmative procedure so that we will have an opportunity in the Statutory Instrument Committee to consider them in detail. I look forward to being able to do so as soon as possible.

I want the Bill to work. I am concerned that some parts will not work if the regulations are too tight, if the burdens on small businesses are too great or if the red tape involved in administering the Bill's good intentions cause the legislation, once it comes into force, not to work as the Government intend. The Government have good intentions, and we have good intentions in supporting the Bill, but I do not want anything to happen that would undermine the position of small businesses, because that would make the whole body of legislation on maternity and paternity pay and family-friendly working arrangements backfire. We therefore want to examine the regulations in great detail to make sure that the Bill will work as intended.

I leave my reservations on the record and reserve the right to discuss the matter again. It is important that employers and employees alike have confidence in the way in which the regulations will work. If we all want them to work, it is important that we have further discussions about exactly how they will work and that we get the correct balance between the rights of business, particularly small business, and the rights of employees.

Having said all that, I conclude by thanking all the Ministers who have been involved in the passage of this legislation for the courteous and reasonable way in

[Mrs. Laing]

which they have dealt with it. In finalising the Bill, they have taken many concessions and points into consideration. I also thank Liberal Democrat and Scottish Nationalist Members who have contributed so much to the Bill. An unbelievable degree of consensus has been found between all the parties—particularly between the Opposition parties, which worries me considerably—which has meant that our deliberations have been pleasant and constructive throughout the passage of the Bill.I also thank my hon. Friends who served on the Committee and who supported the Bill today, and all the officials who have worked hard behind the scenes.

Strangely enough, we appear to be doing well in our use of time this afternoon. As the Bill is intended to be family-friendly, it is wonderful that our deliberation might finish early. I was upset at the thought that I would not be able to attend the first parents meeting at my four-and-a-half-year-old son's school, where he started only last Thursday. I was called before the headmistress this morning to apologise, as I was not going to be able to attend. If it turns out that we finish early—

Alan Johnson: Right to request.

Mrs. Laing: As the right hon. Gentleman says rightly from a sedentary position, there is a right to request. I request that the House finishes its deliberation of the Bill before 6 pm, and then I can present myself to the headmistress.

4.8 pm

Julie Morgan (Cardiff, North) (Lab): I will be brief, in order to allow the hon. Member for Epping Forest (Mrs. Laing) to attend the parents evening at her son's school. I am pleased to speak on Third Reading, and I congratulate the Government on yet another step forward to a family-friendly, more equal society, in tune with modern life. Along with all the other progressive legislation that we have introduced or are in the process of introducing—such as the Equality Bill and the Childcare Bill—this Bill will move us towards a more equal society. It is very important, and I was glad to serve on the Committee.

As has been said, much of the detail of the Bill has been left to regulation, and I accept my right hon. Friend the Secretary of State's comments that that must be done carefully and that time is needed, but that there will be the opportunity for further discussion if necessary. I particularly support the extension of the right to request flexible working to adults. As a carer myself, I spoke on Second Reading about the specific needs of carers, and I am anxious that the consultation on the regulations should give detailed consideration to the definition of a carer. It should be as wide and as flexible as possible. We have all received very good briefings from Carers UK telling us that caring is not the same as child care. Different needs are involved, and different factors must be taken into account. When the regulations are considered, it should be borne in mind that some of those who are cared for may suffer from deteriorating conditions. I am glad that we may have an opportunity to comment on the regulations, and I hope that the consultation will be as broad as possible.

At present, the right to request flexible working extends only to children under six unless the children are disabled. The Government do not plan to raise that age. As a Government, we have made tremendous progress towards considering the needs of parents, families and people with disabled and elderly relatives in an entirely new way. I hope that we have taken a step towards enabling all families with children of all ages to request flexible working. We all know that children's needs may be even greater when they are older than when they are babies or toddlers. Parents may be more likely to know where there children are when they are little. Different needs arise at different stages of the family cycle. I hope that the Bill will lead to circumstances in which everyone can combine work and family life to the benefit of all, and I hope that we shall be able to discuss that possibility in the future.

Businesses that already employ people who are carers have found it profitable to consider their rights and needs. I have encountered general support for the Bill among businesses, but I accept that we must consider their needs as well, and work with them to ensure that the fairer, more equal society for which we are working takes those needs into account.

I strongly support the Bill. It contains excellent provisions. I should like some of them to go further, but the Bill is nevertheless a tremendous step forward.

4.12 pm

Norman Lamb: I join the hon. Member for Epping Forest (Mrs. Laing) in thanking the Secretary of State and the two Ministers—despite their failure to provide the regulations on time—for the way in which they have conducted our debates here and in Committee. I also thank the hon. Member for Epping Forest and other members of the Committee, including the hon. Member for Tooting (Mr. Khan). I have not been on the receiving end of too many of his lashings. The Committee stage was conducted in good heart.

I am pleased to confirm to the Secretary of State that the Liberal Democrats are fully signed up to the progressive consensus that he mentioned earlier. I am delighted that on this occasion the Government are part of that progressive consensus: that is not always the case nowadays.

The Bill contains important measures relating to increases in maternity leave and pay, paternity leave and adoption leave. It is remarkable how long it has taken us to acknowledge the importance of giving parents time with children whom they adopt. The Bill also extends flexible working, and facilitates the provision of extra paid leave. It is a good package that recognises the changing nature of the workplace. There has been a transformation—a revolution—in the workplace over the past two decades, since the days when it was dominated by males—indeed, fathers. Women were denied many rights, and did not have the opportunity to become economically active.

The Bill also accepts the economic case for enabling people to stay at work, and to balance that with family commitments. For both those reasons, the Bill is very good. It makes the point that there is no conflict between profitability and family-friendly policies. From the very

start of its existence, a company in my constituency adopted a culture of facilitating the employment of people with family responsibilities.

Rob Marris (Wolverhampton, South-West) (Lab): Bernard Matthews?

Norman Lamb: No; I could not possibly comment on that company's commitment. For example, from the very start, this company—Listawood—enabled women to have time off during school holidays and to change their shifts during holiday times to tie in with their partners, and parents to take time out of work to see their children participate in sports days. Such initiatives are not rocket science, but they encourage employees to believe that they are valued and make them feel warm about their employer. I suspect that, as a result, they are more committed to the business.

The hon. Member for Epping Forest spoke of the days when women were sacked when they got pregnant. I was reminded of a role that I had in my previous existence as an employment lawyer.

Rob Marris: A very honourable profession.

Norman Lamb: Absolutely. I led the campaign for compensation for women who were discharged from the armed forces when they got pregnant. Some 5,000 women were discharged simply because they became pregnant, and we should note the craziness of the resulting lost investment in their training. One of the biggest critics of the campaign to get compensation was a Conservative MP, so if the Conservative party has now moved on that is a good thing from everybody's point of view.

I have a number of specific points to make about the Bill, but I shall be as brief as I can because I want to make sure that the historic opportunity for parish councils to have their moment in the spotlight in the forthcoming Adjournment debate is not lost. Never has so much time been able to be devoted to the interests of parish councils. First, we must all accept that the Bill does impose new burdens on employers. By and large, employers' organisations recognise that the rights being introduced or extended are good things in themselves and they are prepared to go along with them, but they continue to express concern about the impact on small businesses in particular.

On Report—the Secretary of State was not present for that debate—the Government rejected a new clause to introduce a right for small employers to transfer responsibility for the payment of statutory maternity and paternity pay to the Government. We put it to the Minister present for that debate that the Government ought to consider adjusting the percentage payback to employers when recompensing them for the maternity or paternity pay paid out. Currently, 92 per cent. is paid back to all employers who make national insurance contributions in excess of £45,000 a year; for those below that level, the figure is 104.5 per cent. However, even for smaller employers, such repayments do not reflect the administrative burden. In an intervention on my speech on the new clause, the Minister seemed to accept the case for compensating for the cost of the administrative burden. Given that the Government rejected the new clause, they ought to consider making an adjustment to assist employers. If they are unable to help them through the direct payment method, that is another way in which they could help, and they ought to take it seriously.

My second point concerns the regulations facilitating the increase in paid leave. The Bill provides potentially sweeping powers for the Secretary of State to increase paid leave. The understanding is that it will be increased by another eight days, to reflect the fact that there are still many employees who do not get paid for bank holidays and other public holidays. We very much support such an extension. The CBI made the case for phasing in that additional right.

Mr. Sutcliffe *indicated assent.*

Norman Lamb: I see that the Minister is nodding at that. My purpose is merely to ensure that the Government consult fully with business interests on this matter. I am sure that they will, as the effect will be felt most particularly in low-paid employment such as the hospitality and cleaning industries. The additional costs will be considerable, and there is at least a case for phasing the changes in. The Government need to consult carefully about that.

Secondly, I turn to the regulations covering the circumstances in which maternity leave can be replaced by paternity leave—when the father can take time off after the mother returns to work. I support that provision, but framing the regulations to ensure that it works effectively could be a complex matter. In most cases, for instance, the father and mother will work for different employers, with the result that their employers will have to exchange information with each other. It will be difficult to make sure that that works effectively—both for fathers and mothers and for employers, especially small ones—and again I urge the Government to consult very carefully on that. They should also look at the mechanism again after a year or some other interval to ensure that it is working effectively.

My third point has to do with the extension of the right to request flexible working. I support that, but on Second Reading I mentioned the contention of the Parkinson's Disease Society that a right to make such a request only once a year did not take into account the fact that the seriousness of some conditions, including Parkinson's disease, can vary considerably over the course of 12 months.

The Government did not accept the idea that requests might be made more often, and I understand why. However, I urge Ministers to reflect on concerns raised by organisations such as the Parkinson's Disease Society and to see whether the system could be made more flexible. Alternatively, I hope that the guidance that they supply will at least encourage employers to go beyond the statutory minimum in respect of helping the carers of adults with a horrible illness such as Parkinson's disease.

The hon. Member for Cardiff, North (Julie Morgan) made a very important point about how carers are defined. That definition will determine whether the extension of the right to request flexible working is limited in value. If the definition is narrow, few people

[Norman Lamb]

will benefit, whereas a broad definition will be of real value to a large number of carers. Like the hon. Lady, I hope that a broad definition is adopted, so that many people who care for loved ones at home can benefit.

My final point has to do with the extension of the right to request flexible working to include people with teenage children. The Equal Opportunities Commission has said that the right should, in due course, be extended to cover everyone. People at work who do not have children or who do not care for loved ones at home could feel that there are two separate groups in society. Single people who crave a better work-life balance could believe that they have no right to request anything.

Julie Morgan *indicated assent.*

Mark Tami *indicated assent.*

Mrs. Laing *indicated assent.*

Norman Lamb: I am delighted to hear the supportive comments from Labour Members—

Mrs. Laing: And from Conservative Members!

Norman Lamb: And from Conservative Members—I am sorry to have left them out.

I understand why the provision to allow people to request flexible working is being phased in. The Government's step-by-step approach is sensible, but I hope that they will be prepared to consider extending the right to everyone. This is a light-touch regime: people will have the right only to request flexibility, not to get it, but they will be able to discuss the matter with their employer. Indeed, anyone who falls outside the Bill still has the right to ask their employer, but there is no statutory framework to facilitate that. I hope that the Government will say that as time goes by and the arrangements are assessed and evaluated, they will be able to go on to ensure that everyone has the same right of request.

The debate has been well conducted at every stage, and there has been broad consensus about sensible provisions. I confirm that we shall support the Bill.

4.25 pm

Mr. Khan: It is a real pleasure to speak on Third Reading to a united Chamber. There was, in fact, a broadly united Standing Committee, too. Some on the Opposition Benches would, given the new leadership of the Conservative party, like to forget the recent past, and particularly their voting record. The Bill needs to be considered in the context of a journey that began in 1997. Although the hon. Member for North Norfolk (Norman Lamb) was right to say that most good employment practices are not rocket science, the reality is that for those employers who do not get there by themselves, we need prescription in the law. Secondly, the law and regulations help to change attitudes so that employers, parents and carers change over time.

It gives me great pleasure to welcome the main thrust of the Work and Families Bill, which will extend paid maternity and adoption leave. It will also extend the right to request flexible working to carers of adults. It will help fathers to play a role in their child's upbringing if the mother returns to work. It will also make things easier for employers—a point often forgotten in Report stage debates. It will make it easier for employers to manage the administration of rights. The Bill will also include powers to deliver and ensure that all workers are entitled to four weeks of statutory leave in addition to the eight days for bank holidays.

It is a great pleasure to welcome the Bill, but it is worth emphasising that it is part of a jigsaw. Other parts of that are the work we have done on tax credits and child tax credits—helping hard-working families and those who are least well off. Other parts of the jigsaw are the work we have done to extend maternity leave to 26 weeks, not just benefiting mothers and families, but benefiting employers by facilitating more continuity and less staff turnover, with mothers given longer maternity leave.

We introduced two weeks' paternity leave. Other pieces of the family-friendly jigsaw are the introduction of three months' adoption leave. We must not forget the right to request flexible working, which has benefited 1 million parents across the country and many hundreds in Tooting. We also, of course, in another piece of the jigsaw, increased maternity pay, which was as low as £55 in 1997. Part-time workers now have the same rights as full-time workers, particularly benefiting women and ethnic minority employees, who were disproportionately part-time workers. Other pieces of the jigsaw are the introduction of four weeks of paid leave, which will include the eight pubic holidays. Finally, another piece of the jigsaw is the introduction of the national minimum wage—

Madam Deputy Speaker: Order. I hope that the hon. Gentleman will now begin to address his remarks to the present Bill.

Mr. Khan: I will, indeed, and I am grateful.

I was coming to the point that the Bill, as part of that jigsaw, is different from other pieces of legislation in at least one respect: it has the support of Her Majesty's official Opposition. I do not mean to be churlish in acknowledging that U-turn, which is welcome.

I must emphasise what the Bill does to improve the quality of life for families in Tooting and around the country. Increased notice periods benefit both employers and employees, clarifying in law the fact that reasonable contact during maternity leave is permitted, allowing optional "keep in touch" days and enabling women to go to work for a few days during the paternity pay period. That will help employers to run maternity leave more effectively and will improve communication and contact during leave periods. The Bill will also enable statutory maternity pay to be paid daily and start on any day, which will ease the administration of SMP and allow employers to align the payment of SMP with their normal payroll arrangements.

Some of my hon. Friends and Liberal Democrat Members have mentioned the extension of the right to request flexible working to carers. It is important to reassure business that the costs of that will not be disproportionate. The majority of the cost of the measures in the Bill will fall to Government, because

the Treasury will reimburse business for any maternity and paternity pay, at the rate of 92 per cent. for large businesses and 104 per cent. for smaller businesses. It is often forgotten that the net cost to business is estimated to be much smaller—£40 million to £90 million in any one year—and much of it is offset by the benefits that accrue, such as lower recruitment costs because more mothers return to work. As has been mentioned, more flexible working practices also lead to more productivity and profit, estimated at 3 per cent. of GDP.

The fact that groups as disparate as the Federation of Small Businesses, the TUC, the British Chambers of Commerce, the Maternity Alliance, Carers UK and even, dare I say, the Conservative party welcome the Bill is to be commended. The fact that the Bill will pass unopposed shows how far society has moved in recent years. As a Labour Member, I am especially proud that the movement towards a more family-friendly society and a healthier balance between work and family life began in earnest in May 1997.

4.32 pm

Mr. Walker: It is a privilege and honour to follow the hon. Member for Tooting (Mr. Khan) because I had the great pleasure of being a councillor with him in Wandsworth. I congratulate him on his excellent speech. Parental leave is a good thing, and that is accepted on both sides of the Chamber. Most important, it is good for children. Children need their mum and dad. They do not need to be farmed out to day care centres at two or three months old. That is not good for them and it is not good for families. I am delighted that the Bill will allow children in their formative years to spend more time with their parents. After all, once they hit eight, nine or 10, the last thing that they want to do is spend any time with us.

The Bill is also very good for parents. It allows mothers and fathers to share child-rearing responsibilities between them. It is also excellent that women who go on maternity leave can return to the job that they left. Let us imagine the outrage if the Secretary of State for Health, for example, left to have a baby and was offered a junior transport job when she returned. She would be appalled, we would be appalled and the nation would be appalled. The important element is choice. It might be that the Secretary of State decided that she wanted to spend more time with her family and have a better work-life balance, so she wanted to become a junior Transport Minister. It would be in a strange, parallel universe, but it might happen. In any event, it must be her choice whether to return to her health portfolio or take a slightly less senior role. Choice is very important.

The Bill is also good for business, because it will be able to hold on to talent. Business is in a skills battle at present. There is a skills shortage and good people are leaving the labour market and not returning. Most good employers will welcome the Bill. Indeed, many good employers have already adopted many of the provisions, but other employers—with a little encouragement—may find that it is a good thing for them and allows them to become more profitable in the longer term.

I want to inject a couple of caveats about the benefits for business. I am broadly in favour of increasing paid holiday entitlement from 20 to 28 days. It was always a little disingenuous of us to include eight days of bank holidays in the 20-day period. That was an unsustainable position, but the Minister assured us that he would look at the impact of the increased entitlement on small businesses, for whom the extra eight days would mean a 3 per cent. increase in their payroll costs. Given that there are other added costs, it is important that we consider the impact on overall employment rates, profitability and performance.

The Bill is exceptionally good for the economy. There is a skills shortage; we do not have enough people with the right skills in the right jobs doing the right things. If the Bill provides people with the reassurance that they can start a family and then return to work we may even see an increase in fertility rates. I realise that that is not the purpose of the Bill, but let us talk about it anyway, in an open and honest fashion.

I have very much enjoyed taking part in the debate. The Bill is excellent. I seem to be spending an unnatural amount of time voting with my Labour colleagues, although we shall probably not vote on this measure. I commend the Bill to the House and am grateful to have been allowed to make a short contribution.

4.36 pm

Mr. Weir: It will probably come as no surprise for the House to learn that we do not always see eye to eye with Labour Members—[HON. MEMBERS: "Shame."] We get it right more often than they do.

On this occasion, I am glad to welcome the Bill warmly on behalf of the Scottish National party and Plaid Cymru. It contains important measures that will benefit families throughout Scotland and Wales and, indeed, England.

It is many years since my children were born, but these rights will make a huge difference to families. When my children were born I was self-employed and could change my work patterns so that I could spend time at home with them in the early days. But how many of those who shared the joy of the antenatal clinic with me were able to do the same? If the Bill becomes law, more and more people will be able to take advantage of it, and anything that is good for the family is a very good thing indeed.

Some points need further examination. On Second Reading and earlier this afternoon, I raised the question of the structure of paternity and maternity leave. It is a shame that there is no opportunity for both parents to take leave at the same time. That is a defect in the legislation. We talked about the possibility of a review in a few years' time and I hope that that is one of the things that will be considered. These are new rights and they will take time to bed in, so we need to see how they work as time goes on.

We have talked about the importance of children spending their formative years with their parents. They need time with both parents. The arrival of a child can be a traumatic event for a family. It changes people's lives in ways that they had not envisaged and to spend time together with their child is important.

Mr. Walker: A new child is often likened to having a house guest who never leaves.

Mr. Weir: And probably costs much more, but we will not go there.

[Mr. Weir]

On Second Reading, I referred to surrogate parents. The Under-Secretary of State for Trade and Industry, the hon. Member for Bradford, South (Mr. Sutcliffe), wrote to me with detailed reasons as to why, in his opinion, the provisions relating to them should be introduced. I was not entirely convinced by his argument. Society is changing and the numbers involved would be low, although they may increase in future—I do not have a crystal ball so I do not know. Only a small group of people are involved and their situation is very similar to that of adoptive parents, so I hope that it can be reconsidered in a future review. I accept that we cannot do everything at once.

We have heard about the impact on business. That is a relevant consideration. Business is in many ways the lifeblood of the nation—we need business to give employment, to create wealth—and we must be careful of the impact. Again, we must see how that beds in over the years.

It is unfortunate that new clause 1 was not passed, because it would have allowed some of the administration to be transferred to the Inland Revenue. Again, that issue may have to be reviewed, because of the impact on small businesses. Those of us who have run small businesses know what it is like to deal with both the business and the huge amount of associated red tape and regulation.

Family-friendly hours are important. If Ministers wish to push that issue further forward, I make the small suggestion that they should have a chat with the Leader of the House to see whether he could align recesses more with school holidays in Scotland and Northern Ireland, as that would help many hon. Members considerably—just a quick, self-interested suggestion.

The other part of the Bill to which I give a warm welcome is the right to request flexible working. Although the right is fairly restricted—it is only a right to request—it is an important step forward. I had a meeting with carers in my constituency last Friday to discuss the report, "Care 21: Exploring the Future of Unpaid Care in Scotland", which has been commissioned by the Scottish Executive. The phrase "unpaid care" gives hon. Members an idea—

Madam Deputy Speaker: Order. I appreciate what the hon. Gentleman is saying, but I ask him to confine his remarks to the Bill.

Mr. Weir: I am coming back to the Bill, Madam Deputy Speaker, but I take your admonition.

My point is that that report impinges on what is happening in the House in the context of the work of the Department for Work and Pensions and employment regulations. By introducing such regulations, we are giving carers the option to seek flexible working. Many carers of disabled or elderly relatives find that they end up having to give up work, because there is no such flexibility that often puts them into a cycle of benefit dependency and poverty. We are taking the first step to change that by giving carers much more flexibility. That is very welcome.

All in all, we strongly welcome this very good Bill, which will provide a good way forward. I hope that changes in future reviews will extend the legislation even further, because it is important and I welcome it.

4.42 pm

Mr. Peter Bone (Wellingborough) (Con): A family-friendly Bill is bound to be welcomed by Conservative Members, and I certainly do so. This is the first time that, as a new Member, I have had the pleasure of seeing a Bill pass through all its stages in the House of Commons, and I do not think that people outside the House realise the amount of scrutiny and work involved and the give and take in which the Government have seen fit to take part with the Bill. That has been impressive, and I welcome it.

Just two points concern me. My hon. Friend the Member for Epping Forest (Mrs. Laing) mentioned her four-year-old. I have a five-year-old, and one great thing about the House is the Parliament Channel, so that he can see daddy now and again.

Mrs. Laing: At least he can wave hello to daddy. *[Laughter.]*

Mr. Bone: I used to run a small business, and every employee was female and either had children or could have had children. One of the things that the Government sometimes forget is that, to a small business, its employees are the most important asset. I can remember giving time off to employees, because they needed to go home because their children were sick, and providing flexible working. We did that automatically—we did not need regulation to do so—but I understand that some companies might not do so and might need regulation.

As I said in Committee, what concerns me is the cost of such regulation to small businesses. The one thing that I would have hoped that the Government would take on board, as happens in other countries, is that the cost of that regulation should be reimbursed to the employers. I think that that needs to be examined at some time in the future because it is important for small businesses.

Although the Bill will look after mothers who want to go back to work, it will have little impact on mothers who choose to stay at home to bring their children up—full-time mothers. It is a shame that there is such an omission from the Bill. I hope that the Government will examine the matter again and give encouragement to mothers who want to stay at home full-time instead of going back to work.

4.45 pm

Alan Johnson: With the leave of the House, Madam Deputy Speaker, I want to say a couple of things in response to the debate, albeit without eating into the hours available for the Adjournment debate on parish councils.

I pay tribute to the hon. Member for Epping Forest (Mrs. Laing) for her contribution. Indeed, I feel like awarding her a prize—perhaps a Terry's Chocolate Orange straight from the checkout of WH Smith—because she was very brave to say how much she supports the Bill, including the measures on paternity leave, and how much she disagrees with her right hon. Friend the Leader of the Opposition.

I also congratulate the hon. Lady on raising the important matter of the marriage bar, which affected her mother. It does the House a service to think back

because the marriage bar lasted until the late 1960s. Indeed, trade unions that stemmed from the civil service such as my own, the Communication Workers Union, kept the marriage bar for their employees into the early 1970s. Kim McKinlay, a great woman trade unionist, had to keep her maiden name and pretend that she was not married to prevent her from being sacked from her position as an assistant secretary with the union. I say this to many young girls, including my daughters, so that they understand what women have had to do to reverse a situation that, as the hon. Lady said, meant that women had to lose their senior positions in the civil service simply because they got married.

I thank the hon. Member for North Norfolk (Norman Lamb) for his support for the Bill, and I shall respond to a couple of the points that he made. He talked about direct payments, and although the Under-Secretary of State for Trade and Industry, my hon. Friend the Member for Bradford, South (Mr. Sutcliffe), dealt with this during the debate, I noticed—I was watching it on the telly—that the hon. Gentleman said that the problem with regulatory impact assessments is that because they are produced by the Government, there is a suspicion that they are meant to reinforce their argument. We really wanted the figures to come out differently. Nothing would have pleased us more than to find that we could introduce direct payments in the way in which we and the hon. Gentleman wanted. The startling figures of £75 million ongoing costs and a £1 million saving for small businesses were correct. We must remember that we are considering setting up a completely separate duplicate structure. The payroll experts from the CBI who met representatives from Her Majesty's Revenue and Customs agreed that the figures made it difficult to proceed. I assure the hon. Gentleman and other hon. Members that we want to help small businesses. If we cannot do that through the direct payments route because of the stark figures and statistics, we shall look for other ways.

Norman Lamb: Would those other ways perhaps include adjusting the percentage repayment for statutory maternity and paternity pay—

Madam Deputy Speaker: Order. I am afraid that I will have to ask the hon. Gentleman to take that up with the Secretary of State at a more appropriate time because the matter is not included in the Bill.

Alan Johnson: The hon. Member for North Norfolk also talked about full consultation on hours and whether four weeks' paid holiday would be additional to eight bank holiday days. We shall consult carefully on that and on whether we should phase the introduction.

My hon. Friend the Member for Cardiff, North (Julie Morgan) made a good speech. She and the hon. Members for Angus (Mr. Weir) and for North Norfolk talked about extending the right to request. If we look at what is happening in British workplaces, we see that the fact that parents of children under six and disabled children under 18 have the right to request flexible working means that employers, in complying with those requests, are seeing the benefit of flexible working in general. As the hon. Member for Wellingborough (Mr. Bone) pointed out, if employers were not doing that before, they are now saying, particularly in small businesses, that they ought to make flexible working available to all their staff because they see the benefits.

We need to examine the matter further; we said in our election manifesto that we would do so. We should recognise that the whole culture in the workplace is shifting, and it will shift even further when the age discrimination legislation comes in later this year and people have the right to request to work after 65.

I thank my hon. Friend the Member for Tooting (Mr. Khan), who reminded us how far we have come since 1997. I thank the hon. Members for Broxbourne (Mr. Walker), for Angus and for Wellingborough for their considered responses. This has been a tremendous scrutiny process.

Finally, I thank my hon. Friends the Members for Bradford, South and for Sheffield, Heeley (Meg Munn). I am lucky indeed to have two such talented Ministers in my team. The praise that they have received from both sides of the House is testament to their skill. With that, I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read the Third time, and passed.

Parish Councils (Planning)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

4.51 pm

Mr. David Heath (Somerton and Frome) (LD): I am extremely pleased to have the opportunity to raise, at perhaps greater length than I might have had, the issues of parish councils. As my hon. Friend the Member for North Norfolk (Norman Lamb) said in the previous debate, it is very rare that we have the opportunity in this place to talk about what are, certainly in England, the basic building blocks of our democratic system, so it is appropriate to take that opportunity.

The parish council is an extremely venerable institution. It arguably dates back to Anglo-Saxon times, although in its more recent appearance it dates from Gladstone's Local Government Act 1894. A criticism sometimes made of the structures in this country compared with other countries is that we are under-parished. We have relatively fewer community councils at that lowest local level than similar countries in Europe or elsewhere. I have to say that from the perspective of my constituency, it does not seem that way. As Members may know, I have a large rural constituency, and every year I do a tour of my villages. There are more than 120 of them, and I normally visit at least 100 of them each summer during my tour. There are more than 100 parish councils; I think that the figure is 101, but it is a little difficult to be precise because we have at least one detached part of a parish council that lies in another constituency, so the calculation becomes more complex.

I applied for the debate specifically in response to criticisms expressed to me by a couple of villages: Cranmore and Leigh-on-Mendip. I have noted, since securing the debate and in earlier discussions, that very similar points come up in discussion with a variety of parish councils. They vary widely in their size, of course, and in their function, ranging from the smallest, with relatively little in the way of a local role or budget, to quite sizeable town councils. Frome is the biggest town council in my constituency, but others are actively engaged in running local facilities and take an interest in the development of their town or village. Those that have been engaged in the market towns initiative are able to unlock significant funding to accomplish some of their objectives.

Mr. Henry Bellingham (North-West Norfolk) (Con): When the hon. Gentleman went on his travels around his constituency—I do not know whether he went on horseback or in a caravan—did he discover that the smaller parish councils in particular were having ever more onerous regulations, such as the code of conduct, imposed on them? Are not they also, however, having their powers reduced and are they not being listened to less and less?

Mr. Heath: I shall come to some aspects of the hon. Gentleman's question later. I have not attempted the journey on horseback yet, although it would be an appealing prospect to do so in the steps of William Cobbett, who undertook some of his rural rides in my constituency. He went to Frome, which he described as the "Manchester of the south". Perhaps its industrial past was rather different from its more bucolic present.

A characteristic of all parish councils is the depth of local knowledge that they contain. The parish councillors are a repository of local knowledge, and because they live within a relatively small community and often make it their business to talk to their neighbours to ensure that they are well advised, they also have a strongly consultative role in their community. I should like to pay tribute to the men and women who volunteer to be our parish councillors. It is often a thankless task—it is certainly unremunerated—but without them, our democratic system would be very much worse. I pay tribute not only to the elected councillors but to the parish clerks, who are becoming increasingly professional in their abilities and the roles that they perform. They do us a great service right across the country.

Norman Lamb (North Norfolk) (LD): I echo my hon. Friend's tribute to the work of the parish councillors. I am concerned, however, at the extent to which we do not always see full slates of candidates when parish council elections are called. It is sometimes difficult even to convene a parish council because of the shortage of candidates. People often complain that they are not listened to, and so wonder what is the point. Planning is a particular case in point. The parish councillors of Barton Turf in my constituency have expressed their concern that they feel that they are not listened to in the planning process. Will my hon. Friend be seeking to find answers to such problems in this debate?

Mr. Heath: My hon. Friend will not be surprised to learn that he has just provided a synopsis of what I intend to say today. Those issues are very much the concern of many parish councillors.

When I visit the parish councillors in my constituency, not only on my summer tour but all year round, I know that they will be able to point to the issues in their community that I need to take up on their behalf. They will know about the road problems, for example, some of which they might have been wrestling with for a long time. They will know about the lack of affordable housing, and about how the problem could be rectified. They will have talked to the children and young people in their community, and will know about the lack of recreational facilities. They will also know about the lack of public transport. That is a particular problem in my Somerset constituency, where the bus timetables sometimes show one bus per week rather than an hourly or more frequent service. The parish councillors will know what a restricting effect that can have on people without their own transport, especially younger people who do not have the capacity to drive and who might not have the opportunity to be driven everywhere by their parents.

What are the concerns that I hear about the role of parish councils? Picking up on the point made by the hon. Member for North-West Norfolk (Mr. Bellingham), one of the concerns is a general feeling that there has been a significant increase in the regulation through the code of conduct and through the Standards Board, and that some of that is not relevant to the role and responsibilities of a parish council. I do not entirely accept that argument. I recognise that there are standards that we should expect parish councillors, like any other elected

members, to uphold, but there is a point beyond which it is unhelpful and counterproductive to require constant reiteration of those standards.

My hon. Friend the Member for North Norfolk pointed out the lack of competition for places. The fact that so few parish councils have competitive elections is a significant worry. I do not know what the answer is. I do know that not only does it sometimes cause considerable concern to councils that do not have the requisite number of councillors the day after polling day because not enough people put themselves forward, but it calls into question their identity as councillors—the respect with which they should be treated if they are not genuinely the product of a democratic process, other than nomination. We should be concerned about that.

Andrew George (St. Ives) (LD): My hon. Friend asks whether there is an answer to the problem of the democratic deficit. Often, insufficient candidates put themselves forward to fill the places on parish councils. That happens in a very few cases in my constituency in west Cornwall and the Isles of Scilly. The answer lies in the title of my hon. Friend's debate—the implication that parish councils and parish councillors have little or no power. If they are given more power—the communes in France have power—we will find that people turn out for elections and that there is competition for the seats available. That is the case at the commune level in France, and no doubt the same would happen with parish councils throughout this country. Surely the answer is that we need to devolve some appropriate powers to parish councils.

Mr. Heath: I am grateful to my hon. Friend, who makes a valuable point. People put themselves forward for election and turn out to vote if it means something. We see that in the House. In constituencies which are hard fought—marginal constituencies—turnout is extremely high. My constituency is one of them. It has been a traditional marginal, which I always win, but by nothing as vulgar as a four-figure majority. It means that we have one of the highest turnouts in the country. If the role of parish councils were strengthened and better understood, people would be more likely to put themselves forward and we would have more hotly contested elections.

Mr. Bellingham: The hon. Gentleman has been generous in giving way. He is in the middle of an extremely impressive speech, which resonates with anyone who understands the countryside. Time and again parish councillors tell me that more people who are involved in the community and who have a great deal to offer would stand if they felt that the decisions of the parish council were listened to by, for example, planning authorities. They tell me that time and again what they say is ignored.

Mr. Heath: The hon. Gentleman brings me back to the main tenor of my speech. That is the principal concern for many parish councils, particularly the smaller ones. They feel ignored. They feel that there is a lack of recognition of their role in the process and that they are wasting their time giving great care to consideration of development control planning if nobody at a higher level takes a blind bit of notice. That applies not just to planning. I mentioned affordable housing earlier. Parish councils have tremendous potential for playing a role in seeing through the acquisition of appropriate and affordable housing in their parish, from the point of site identification to the point of allocation. That is not done well at present, and parish councils are often overlooked as a resource in that process.

The Government's rhetoric suggests that they intend to recognise the role of parish councils in planning. Since the rural delivery review in 2003—the so-called Haskins review—they have consistently stressed that the role of parish councils is important, and they have supported that role by, for instance, working with the National Association of Local Councils in developing quality assessment and training. Question marks still remain for the future and in the present, and I hope that the Minister will say something about the future in the light of press comment in the past few days.

We know that the Government are seriously considering the future of local government in this country. On unitary authorities, they are considering whether it is better to have the present two-tier system in shire counties and rural areas by which parish councils exist below both a district council and a county council or whether it would be better to reduce that to a parish council and a unitary authority. I am a former county councillor, a former leader of a county council and a former leader of a group on the Association of County and City Councils, so I have some knowledge. I remember the previous local government review, which was a difficult process that turned colleagues at different tiers against one another as they advanced the case for their own authorities and their own way of doing things. The arguments were often equally valid—the role of district councils is closer to the public whom they serve, while county councils, as strategic authorities, have the scope to get better value for money through economies of scale.

There is an argument for unitary authorities, but the Government will make a big mistake if they repeat the 1972 local government changes, which not only instituted new patterns for local government, but told people that they no longer lived where they believed and continued to believe that they lived, which is a point that applies to the creation of the so-called county of Avon. People do not care who collects their dustbins, but they know whether they grew up a Somerset man or a Gloucestershire man, and they do not want to be told that their culture, history and geography has been turned upside down. If the Government want the process of moving unitary authorities to succeed, then I advise them, however the local authority boundaries are determined, that they should allow the cultural and historic boundaries to remain so that people can still say, "I live in Somerset, but my dustbins are collected by South Somerset council", which would allow people to maintain their identities. That is an aside, but it is an important consideration.

If we are to have unitary authorities, they will by definition be more remote than the present district councils. Such local authorities should be able to consider matters and deliver services at a more local

[Mr. Heath]

level, in which case the role of the parish council will become even more important as the voice of the local community.

Philip Davies (Shipley) (Con): I congratulate the hon. Gentleman on securing this worthwhile Adjournment debate. Does he agree that planning is one of the most emotive issues in a local community and that district councils and county councils often feel just as powerless as the parish council? The problem often concerns central Government planning targets, planning guidance and planning inspectors, who overrule the local authority's decision in one third of cases. More power should certainly be given to parish councils and to local authorities generally, but the power should be taken away from central Government and given to local authorities and parish councils.

Mr. Heath: I agree with the hon. Gentleman to a great extent. Since I was first engaged in local government, I have seen a steady erosion of the discretion available to local government, at any level, to have an effect on the future of its communities. It is constantly looking over its shoulder and thinking, "What will a planning inspector make of this?", before reaching a decision. I am afraid that I take a slightly iconoclastic view, but I think that, in planning, precedent is the worst enemy of sensible decision making. It prevents local authorities from making the right decision in support of their local community instead of that which is simply what others have done before or may do in future. I will touch on the exact point that the hon. Gentleman raised in a moment.

Mr. Peter Bone (Wellingborough) (Con): The hon. Gentleman has secured an important debate. The number of Members in the Chamber for an Adjournment debate shows how successful he has been and how important it is.

This morning, I had a phone call from Councillor Stephen North, who is the leader of Rushden town council in my constituency. It is the second biggest town in the constituency, with a population of 32,000. He firmly believes that if more planning powers were given to the town council, it would be more efficient and more accountable.

Mr. Heath: I am grateful to the hon. Gentleman for his kind words.

I want to deal briefly with housing and then go on to the generality of planning. The local council in Leigh-on-Mendip—a similar situation has arisen in the neighbouring council of Batcombe—feels that it is being held over a barrel by Mendip district council, which is saying, "You must agree to this low-cost housing scheme, and you have a very limited time scale in which to do so, or the funding will be gone." This is a crucial matter for our community. These are small villages, and the pattern of housing will affect the environment for many years to come. The local council feels that it should have been involved in the process right from the start—that it should have been able to identify appropriate sites, allowed to consult its community in an effective way, and given a role in carrying it forward. It believes that it is inappropriate to be told that it has so many days, rather than weeks or months, to agree, or it will not have the development that it knows is needed by young people growing up in the community who do not want to go into exile from the village in which they grew up.

Andrew George: Will my hon. Friend give way?

Mr. Heath: I will. I am taking a lot of interventions, but I hope that the House recognises that, as we have an unprecedented amount of time for the debate, it is helpful to give hon. Members that opportunity.

Andrew George: My hon. Friend is making an important point about housing. In a previous life, before I came to this House, I encouraged parish councils to take the lead in the development process by setting up a working party, deciding on the housing association and the site, and working with local authorities' housing and planning departments to drive through the development process as regards meeting their affordable housing needs. It can be done, but it must be with the assistance of the local authority and the recognition by Government that parish councils have a pivotal role.

Mr. Heath: With more eloquence than I could muster, my hon. Friend makes exactly the point that I was trying to make, for which I am grateful.

I want to consider planning in general because, as hon. Members from all parties have pointed out, it causes the most frustration for parish councillors, who feel that they simply do not get their point of view across. That happens even in the context of district councils, which are eager to hear local voices and effect their wishes. Somerset district council, which is one of two in my constituency, has led good practice. A long time ago, it established local area committees to devolve decision making lower than district council level to give local people an opportunity to be genuinely involved in planning decisions.

Even in South Somerset, which I consider an example of good practice in planning, there are problems. That is largely due to the Government's targets and the requirement for increasing the speed of resolving planning decisions beyond what is appropriate for the sort of area that I represent. I shall explain that.

Clearly, it is not a bad thing for the Government to encourage district councils to make planning decisions as quickly as possible. It is reasonable to request that, but what is the consequence in respect of what district councils have to do to fulfil the Government's requirements? First, there is the 21-day consultation process. I shall revert to that shortly, but 21 days is not a long time for a parish council to convene a meeting to take the appropriate soundings from people in the community and to respond in due course. Parish councils often have less than 21 days, because they are not statutory consultees but are statutorily notified. Some may view that as patronising.

Secondly, there is a lack of access to planners. They have enormous work loads and cannot provide the same care and consultation as formerly for parish councils, applicants or anybody else. A common complaint is that people no longer have the same access to professional planning advice that they once had.

Andrew George: It would be helpful if the Minister for Local Government would clarify the point in his reply,

but I understand that a parish council is not a statutory consultee. Its role is even more subordinate than that. There is no requirement on the local authority to consult the parish council; it is consulted merely out of courtesy.

Mr. Heath: My hon. Friend is right and I believe that I said that. Parish councils are not consultees in development control applications. I believe that they are statutory consultees on what is now called the local development framework, which I knew as the local plan. They must be notified, but no more, about development applications. They are not consultees in the same way as some others are.

The scheme of delegation is another difficult matter. We all accept that, if we are to have an efficient planning system, not every application has to go before a full council committee. That does not make sense. However, in councils throughout the country, officers take more than 90 per cent. of the decisions. Applications do not get near elected members in committee, but are simply tackled by an officer, who may or may not be properly familiar with the concerns and needs of the local village.

Martin Horwood (Cheltenham) (LD): I apologise in advance that I may have to leave before the end of the debate, which I am glad that my hon. Friend has secured.

My hon. Friend's comments underline the fact that consultation nowadays is almost perceived as a threat rather than an opportunity for councils and, sometimes, the Government. The Government often say that they are looking for ways in which to engage and involve people in political processes, including the planning process. Yet one method has been under their noses for some time. The parish councils, along with an expanded statutory right to consultation, could provide an excellent way to engage more people. Before I became a Member of Parliament, I served as a parish councillor at one point in my career. I was close to my electorate and was engaged in local decision making on their behalf. We could even consider extending that principle to urban areas that are unparished. If we abandoned the word "parish" in such instances, more community or neighbourhood councils could have a similar statutory right to consultation.

Mr. Heath: I am grateful to my hon. Friend. When the Minister replies, he may well say that that is part of the Government's thinking, but I am not convinced that it is working and believe that there are serious difficulties.

We have touched on the code of conduct, which is an obstacle to common sense. Parish and district councillors may be unable to vote on planning issues. For example, people who wear different hats in the council may be barred from considering such issues. Of course, we need probity in local government, but common sense is required to enable the people who know the local community best to express an opinion on its behalf when they are elected to represent it, but sometimes there are difficulties in allowing them to do so.

There is a serious shortage of planners. It has become difficult to recruit planners in many district council planning offices, which has had knock-on effects on decision making and the quality of decisions. I recently received a deputation of architects, who were concerned about being given different advice on different occasions. Their clients regard that as a reflection on their professional competence when, in fact, the planners gave them different advice on the same issue. Very often, grounds for refusal are tightly drawn. Parish councils are sometimes criticised for failing to understand what are, and what are not, valid grounds for refusal. If that is the case, better training should be provided for parish councils so that they do understand the difference, but we also need to be flexible about appropriate grounds. If a village has taken a great deal of trouble to determine what it wants for its future, and that has been agreed by all the residents, something that does not fit with its vision should be considered an important ground for refusal. Such considerations can are often ignored if they do not fall within narrow criteria.

What can we do to improve the situation? We can improve the time scale for consultation and undertake genuine consultation with parish councils to reflect the fact that small rural parish councils are not local authorities that meet every week and employ staff to prepare their response to applications. We could do an awful lot more by developing IT links between parish councils and their local district councils so that they have a clear idea about the progress of a particular planning application and are given more opportunities to make observations on it during the process. I mentioned better training and it is appropriate to ensure that parish councillors have all the tools at their disposal to help them to make the right decisions. We need to address staffing issues in planning and, most of all, we must address the attitude of principal authorities, particularly district councils, so that they accept that parish councils have an important role to play as colleagues. Parish councils are partners in the planning process, not an irritation that gets in the way of quick decision making. It would be helpful if parish councils were treated as statutory consultees rather than as parties to be notified.

There have been more extensive experiments. In Taunton Deane, for instance, there was a scheme of delegation to parish councils on minor planning decisions. Does the Minister have in mind something similar where there is an appropriate scheme of delegation? The responsibility remains with the principal authority, which is the certifying authority but, nevertheless, in the case of minor issues, which are often delegated to a junior officer, it would be better for a parish council, with its knowledge of what is right for the area, to play a role.

Andrew George: This is an important point, which might get to the nub of the issue. I apologise if my hon. Friend thinks that I am being tiresome, but it is important to develop the issue further. I am not sure that he is being ambitious enough for parish councils. On delegation, there has been an experiment in Taunton Deane and other parts of the country. Does he accept that, because of their proximity to the environment concerned, parish councils are in an excellent position to monitor what is going on from the enforcement point of view? In addition, with regard to smaller extensions or window and other minor changes, particularly in conservation areas, they are in a strong position to assist

[Andrew George]

the planning process, given the professional assistance of the nearest local planning authority, because they have that local expertise. Surely they need to be given devolved powers to help to make those decisions.

Mr. Heath: My hon. Friend makes a valid point. I applaud particularly what he said about enforcement, as it is often the parish council, rather than district council planners, that know that something is not being done according to planning permission, and it should at least be able to instigate an appropriate remedy. On determining more decisions, the one drawback—I agree strongly with him about the need to devolve as far as possible—is that it would not be appropriate if the parish council could take the decision without any recourse to the district council while the district council maintained the risk in terms of cost on appeal or whatever. In the Taunton Deane experiment, there was only one appeal, and that was successfully resisted. That was evidence that parish councils take such responsibilities extremely seriously. A balance must be struck.

My last major point, on which I started with observations from Cranmore parish council, relates to village plans, which are an extraordinarily effective tool in many ways. For a start, they are wonderful at developing the coherence and good neighbourliness of the village. The village comes together as the parish council undertakes a genuinely consultative procedure to get people's views about the future of their village, what they wish to see and what they regard as the difficulties or deficiencies, in order to create a structure for the village's future. Time and again in villages in my constituency, I have seen the holistic value of that process, which allows people to have a real say in their future.

The Government promoted that process in the White Paper "Our Countryside", which stated:

"local communities have a real opportunity to influence the nature and quality of future development . . . and providing their Plan is consistent with the Local development plan, and the relevant national planning guidance, the design and land use aspects can be endorsed by the planning authority as Supplementary Planning Guidance."

That was backed up by planning policy statement 1, "Delivering Sustainable Development", which supports the role of parish plans in encouraging town and parish councils to develop full and active community involvement in their areas, and PPS 12, "Creating Local Development Frameworks", which urges local authorities to

"consider how best to incorporate parish plans within supplementary plan documents".

[Interruption.] It appears that I am reading out part of the Minister's speech in advance, which I am happy to do—so far so good.

I am therefore concerned that the document, "Community Involvement in Planning: The Government's Objectives", published in 2004, contains no recognition of the role of parish plans whatever. There is evidence that in a large number of cases councils have not adopted well-founded village plans as supplementary planning guidance. Extensive research published by the Countryside Agency saw the merits of village plans as a tool for seeking project funding, influencing changes, strengthening the democratic mandate and providing impetus for local community action, but did not find that they had an effective role in influencing planning decisions by the district council. Most planning departments that were consulted considered it unrealistic to expect parish plans to fit into the development planning system.

That is a serious issue. Parishes in my area are frustrated. Many villages that went to much trouble to produce glossy documents such as the Somerton town plan, which I have here—there are also plans for Norton St. Philip and Henstridge—are ignored far too often when it comes to development control planning.

A note from the chairman of Leigh-on-Mendip parish council says:

"We completed a village design statement which was duly accepted as supplementary planning guidance. It has not noticeably improved decisions affecting the village."

That suggests that a hugely time-consuming and relatively expensive process—I read in *Local Council Review* a week ago that the Government were providing another £1 million to support the development of village plans—that is of enormous value does not affect planning decisions even if it is accepted as planning guidance. No wonder parish councillors, parish councils and the communities that they serve feel frustrated.

If the Government contend that parish plans are a significant part of the planning process, as I think they should be, and if such plans represent the will of the local community, which they clearly do, surely they should have a much clearer status in the decisions made by planning officers and district planning committees, so that they are given effect. Does the Minister agree with that? If so, what will he do to change what appears to be the current position?

Until the village plan is recognised by the planning inspector as a material consideration, district councils will not take notice of it. As long as we maintain an adversarial system of planning in which the views of the parish council are seen as being simply the views of one contestant in a competition, they will have no effect. If they are seen as the genuine voice of the community, deriving from a partnership between the planning authority and the local community, they will have a real effect.

Let me end with a communication from another parish councillor in my constituency, from the village of Hemington. The first sentence states:

"As a Parish Councillor I often get the impression that no account has been taken of any decision or comments that our Parish Council makes on individual planning applications".

That is the view of many parish councillors. I do not think that my constituency is unique in that respect. The same situation prevails up and down the country. I hope that the Minister will say not only that he values the role of parish councils and wants them to extend it in a number of ways of which planning is but one example, but that he will take steps to ensure that the village plan over which people take so much time and trouble plays a real part in the planning process.

5.34 pm

Mr. David Drew (Stroud) (Lab/Co-op): I congratulate the hon. Member for Somerton and Frome (Mr. Heath) on choosing this subject for debate, and I praise him for

choosing a night to debate it on which the business of the House has collapsed. That has given us the longest opportunity that we will probably ever have to discuss parish and town councils. *[Interruption.]* I note that the Whip is grimacing, so I shall be brief and stay on the subject—the planning process—except for one slight diversion into discussing the local government review and what I hope will be an early and easy move toward unitary authorities in parts of the country such as mine. We struggle with three-tier local government, which helps nobody.

I should at this point declare an interest. In 1987, I was elected as a parish councillor in my Stonehouse community, which became a town about three years later. I am still a town councillor, and for that entire 18-year period I have been on the planning and transportation committee, so I have some expertise in these areas. I shall not bore the House with the details of the meetings that I have attended, but I thoroughly enjoy them and I have yet to be kicked off, or fail to be elected to, that very important body.

There are a number of other representative bodies that the hon. Gentleman did not touch on, but which are also important in their own right, such as rural community councils and the National Association of Local Councils. Through the work of people such as John Findlay and Michael Green, the NALC represents local councils at national level. I should also like to mention the University of Gloucestershire, which has done a great deal to help to support parish and town councils.

I welcome the fact that local councils—parish or town councils—can still make planning representations. As the hon. Gentleman rightly said, they take two forms: reaction to planning applications, and a more strategic interpretation of the way in which local councils can influence the planning process, which, as he says, is becoming part of the local development framework. When this Government were first elected, the official Opposition said that it was part of the Government's plan to remove parish councils, but it is the Government who have fostered a relationship with parish councils, funded the planning process to make it more effective, and made local democracy, to which they have a longstanding commitment, genuinely work, for reasons that I hope to explain.

As the hon. Gentleman rightly said, the planning application process gives rise to frustration; it would be nice to be listened to by councils further up the line. The problem lies not just with immediate planning applications; there is also the question of minerals policy and waste policy, for example, which currently reside with county councils. It is important that such policies be taken into account, because they have a dramatic impact. In my constituency, waste is a huge issue, and in that regard it is particularly important to find ways of vesting more responsibility at local level.

The delegation of certain applications to officers is an issue, and one that we are not necessarily getting right. That said, I realise that there has to be streamlining. Some applications need to be dealt with quickly for all sorts of reasons; others require no real debate because they are straightforward. However, in the days when the Department for Environment, Transport and the Regions was responsible for such things, the Government considered delegating all planning applications to parish councils. That was not followed through, as some matters can be very sensitive—after all, turning down applications can cause reverberations when one meets the people who made them in the street or pub. That can be difficult, but I support greater delegation and believe that the DETR was on to something. Those were also the days of the rural White Paper, through which the Government extended local democracy, and made funding available for it.

Permitted development rights need to be looked at again, as they have become a bone of contention for district and unitary councils as well as parish councils. Telecommunications masts pose the greatest problem, but listed buildings also cause controversy. The planning application process should take account of parish and town councils, which deserve a statutory role even if their recommendations are not always accepted.

Stroud district council is the parent body for the various parish councils in my constituency. In one of its less sane moments, it tried to remove parish councils from site inspections, even though the fact that council members know what is going on in their area allows them to speak with authority and thus perform a valuable role. A compromise was mooted that would have allowed them to turn up but say nothing—an interesting interpretation of local democracy—but in the end the district council changed its mind. As a result, I am pleased to say that parish and town councils retain a role in site inspections.

This Government have given money and support to the evolution of village and town appraisals and plans. In a clever move, that responsibility was deliberately given to the community represented by parish and town councils, rather than to the councils themselves. That meant that the whole of a community got involved, and not just council members.

I have read almost all the village appraisals in my constituency, and inspected the plans that have been produced. It has been good to see how local communities have engaged with the process. The Department for Environment, Food and Rural Affairs is making money available to encourage communities that do not yet have a plan to put one together.

It is vital that the supplementary guidance for the local development framework, when it replaces the present local plan, continues that provision. As the hon. Member for Somerton and Frome said, if the framework is to have teeth, it must have some statutory authority. Its recommendations must lead to real actions rather then just warm words. I welcome the new framework, which is another development that originated with rural community councils and the National Association of Local Councils.

I hope that my hon. Friend the Minister will make a positive response to the debate. I see that my hon. Friend the Member for North-West Leicestershire (David Taylor) has come into the Chamber. Until recently, he was also a parish councillor and, although I think that he is one no longer, it is still good to see him wave the flag for parish councils in this place.

I want to make two more points. The first is about the relationship to other planning bodies. We have something of a conflict at the moment between one of my parish councils, Frampton on Severn, and the

[Mr. David Drew]

Environment Agency about planned flood relief. Parish councils should be listened to in those areas as well as through the formal democratic process. The Environment Agency can have an enormous impact when it is, or is not, going to do flood relief work in communities.

By pure chance, there was an announcement today, I think, about the all-party local government group. I suppose we are allowed to mention all-party groups. I still see them as valuable, even if *The Times* has pointed the finger and said that they should be opened up. Under the chairmanship of the right hon. Member for Skipton and Ripon (Mr. Curry), the group announced it will look into relationships between local councils and district and county councils, where they exist, and those with central Government. I hope that that will be pursued and be seen as a useful development.

My final point is about unitary councils. I, for one, support them, and I am not just saying that now because the Government seem to be moving in that direction. I have always argued the case for unitary authorities with a clear relationship with parish and town councils. One of the banes of the life of a parish councillor is the fact that they have to deal with two larger authorities, one somewhat more divorced by distance than the other. The games played between those layers of local government mean the parish councillor often finds himself pushed between pillar and post. That is as true of the planning process as it is of many other parts of local democracy. I should welcome any drive towards sorting that out.

The public want to know who are the decision-making authorities. They want to know exactly that those who speak with authority can deliver. It causes me nothing but grief—perhaps an incorrect parliamentary expression—to find one authority dumping on the other.

David Taylor (North-West Leicestershire) (Lab/Co-op): As my hon. Friend said, I was a parish councillor from 1987 to 2003. He is waxing lyrical about the strengths of unitary authorities as replacements for the shire and district two-tier arrangement. Does he accept, however, that one of the weaknesses associated with that can be that there are unparished urban areas within district and borough council areas? Would not they be even worse off under a unitary arrangement when just rural parts of the area would be parished, while the urban parts would have no such local representation?

Mr. Drew: I agree entirely and hope that if the review is genuine and open-minded, and if we sort out the layers of local government, we will parish parts of urban Britain that wish it. I do not believe it should be imposed. It should be done through the will of the community, but there are ways in which that can be demonstrated and value shown.

My desire is for a straightforward move towards unitary government, which could be done and could be made popular. It could then begin to link better with health provision and other elements, including the police, which is a controversial area. We certainly need greater cohesion in the decision-making process, and I shall say no more on that score. I feel strongly that there is a need for much greater thought on how structural changes are made, including in local government.

I entirely agree with the hon. Member for Somerton and Frome about the roles of training and of the parish councillor and the clerk. The clerks, remember, have legal authority to ensure that they advise parish and town councillors correctly, which is vital.

Let me give one final plug to the university of Gloucestershire, which has done a lot of work in this area across the country. It started locally in offering advice on village appraisals and town plans, but it goes wider than that now in running courses across the country. I have spoken on those courses on many occasions because I happen to be local. That is the way forward—to build expertise and get people to stand for election without feeling vulnerable or as though their time is being wasted. That will lead to a better planning process. In the end, we all want a planning process that is fair, transparent and works as quickly as possible so that people get a decision. In some cases that will be a refusal, because the planning process should not be a pushover. There should not be a presumption in favour of approval. As the hon. Member for Somerton and Frome said, precedent is often disastrous. If the first window is put in wrongly, all the subsequent windows will be put in wrongly. I have had some dreadful cases locally where that has resulted in people being threatened with enforcement.

I hope that the issue will be taken seriously. We have had a longer debate on it than we anticipated, and the hon. Gentleman deserves congratulations on raising it. As my friend Stephen Wright, from the Gloucester rural community council reminds us, the parish system is not the lowest level of government, but the first. Long may it continue and long may we have the planning process we deserve through appropriate investment in that level of government.

5.51 pm

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Member for Somerton and Frome (Mr. Heath) on securing the debate and I am grateful to him for his offer to take up some of the remaining time available. I also appreciate the indulgence of the Minister. It gives me the opportunity to complete the set of the four levels of local government that I have raised with him. I have mentioned regional assemblies, Northamptonshire county council, Daventry district council and Kettering borough council on previous occasions and tonight is a wonderful opportunity to raise the first level—as the hon. Member for Stroud (Mr. Drew) rightly reminded us—with the Minister.

In my limited experience of this House, it appears that when residents of parishes wish to raise planning issues, they go to either their parish council or their Member of Parliament, ignoring the various levels of councils in between. I have the privilege of being a borough councillor in Kettering and of chairing the Kettering borough rural forum, which involved the quarterly meeting of all 22 parish councils in the borough. Our next meeting is on 16 February. It is an honour for me to chair the forum and I am keen to continue to do so,

because it keeps me closely in touch with the issues of most importance to parish councillors. Planning is, of course, one of those issues, along with policing and the other rural issues with which we are all familiar.

The role of parish councils in the planning process is far from perfect, but having a parish council does give local residents a far greater say in some of the important planning issues that affect their area. An example is that of Barton Seagrave in Kettering borough which, until a few years ago, was not a parished area and had no parish council. A campaign was started to parish Barton Seagrave and, after a long process involving the Office of the Deputy Prime Minister, permission was eventually granted and Barton Seagrave had its parish council. I am delighted to say that the Conservatives have a majority on it.

Recently, a major planning application was made by the supermarket firm Morrisons to build one of its largest warehouses in the country on the border between Barton Seagrave parish council and Burton Latimer parish council. The Morrisons development was a good thing for Burton Latimer parish council, as it brought jobs and enterprise to the area. However, it threatened to cause all sorts of problems for the residents of Barton Seagrave, not least the possibility of heavy traffic flows along residential streets, particularly Polwell lane. The parish council, especially Mr. and Mrs. Arthur and Margaret Mitchelson, put in a tremendous amount of work representing the concerns of local residents about the planning application. About 1,500 letters of objection flooded into Kettering borough council, such was the outrage locally, but it was effectively channelled by the parish council and other local protest groups into extremely constructive local meetings, one of which I attended at Latimer arts college in Barton Seagrave, where about 800 local residents heard a briefing on the planning application from borough council planning officers and others.

Without Barton Seagrave parish council, that effective community involvement would not have happened. I am extremely pleased that Barton Seagrave has its parish council and was able to change a major planning application in several serious respects. Congratulations must go to all the parish councillors and other residents involved.

David Taylor: Borough councillors in Kettering and elsewhere who are listening to the debate might suggest that the meetings led by parish councillors that the hon. Gentleman described could in fact have been triggered by the borough councillors for the area, as presumably there are some. However, does he agree that one of the problems with borough councillors getting involved in community representation is that they may disqualify themselves from the planning process at borough level and thus from representing the concerns of the people they were elected to serve? That tension should be addressed.

Mr. Hollobone: Not for the first time, and certainly not for the last, the hon. Gentleman makes an extremely effective point. In the Morrisons case, one of the two borough councillors for the area was disqualified under the code of conduct from making any comment as a relative had some work connection with the applicant, while the other felt unable to comment because he sat on the relevant planning committee. A major democratic deficit is created when major planning applications affect local communities, but in that case the parish council was able to meet it most effectively.

Just down the road from Barton Seagrave is the village of Cranford, in the Buccleuch ward of the borough of Kettering, which I have the privilege to represent. The ward also includes the villages of Grafton Underwood, Warkton, Weekley and Rushton. Cranford and its residents face a serious threat from planning due to the ODPM's Milton Keynes and south midlands sub-regional spatial strategy, which proposes for Kettering borough the construction of 13,100 houses by 2021. That will increase the number of houses in the borough by about a third in the next 15 years. That is a very serious issue for everyone who lives in the locality, but it is particularly serious for the good residents of Cranford and for Cranford parish council, because it is likely that a very large proportion of those 13,100 houses will be built in Cranford parish, effectively between the built-up area of Kettering and Cranford. Cranford parish council is, sadly, like a minnow in a sea of sharks, given such a major development issue.

I am pleased to report that a former hon. Member for Wellingborough, Sir Peter Fry, serves on that parish council. He and his colleagues are doing all that they can to ensure that local views will be represented when the development plans eventually are made official and presented as a planning application to the borough council—of course, I will do my best as well—but the voice of any parish council on any issue that involves a directive ultimately from central Government is likely to be extremely limited.

With a major application, such as the supermarket warehouse development that I have spoken about, the voice of a parish council can be effective in co-ordinating local concerns—I am sure that Cranford parish council will do exactly the same—but there is simply no way in which it will be able to stop the development happening in Kettering. At best, the parish council can seek to modify the plans and to ensure that the houses do not absorb Cranford into the whole development and keep it at a distance.

I am grateful to the House for the opportunity to speak in the debate, because all hon. Members owe a huge debt of gratitude to parish councillors, who give of their time for free and who often meet in cold and draughty village halls, often in remote locations. As the hon. Member for Stroud said, for many residents they are the first layer of government. I hope that the Minister, in addressing the concerns that have been raised in the debate and in any measure that he introduces, will seek to enhance the role of parish councillors, not diminish it.

6.1 pm

Andrew George (St. Ives) (LD): I congratulate my hon. Friend the Member for Somerton and Frome (Mr. Heath) on securing the debate and on making a strong and powerful case for improving, increasing and clarifying in some cases the role of parish councils in respect of planning. Wider than that, planning matters clearly affect many other decisions and issues about which parish councils are rightly concerned on behalf of their local communities.

[Andrew George]

The hon. Member for Stroud (Mr. Drew), who is no longer in his place, also made a very strong contribution, by emphasising both his own experience and his passionate interest in the subject. Similarly, the hon. Member for Kettering (Mr. Hollobone) emphasised the importance of parishing those parts of the country that are not yet parished. Of course, with that comes the twin-pronged problem of parishing an area and then having to admit to the councils in that area that they have no powers and the fact that the councillors who end up serving on those councils and on higher-tier authorities are compromised as a result of becoming engaged in any of the more important issues that the parish councils consider, as was exposed in an intervention by the hon. Member for North-West Leicestershire (David Taylor).

The issue that we are debating has not suddenly sprung up in recent years: an honourable tradition goes back before William Godwin, Kropotkin, Cobbett and, more latterly, Schumacher, all of whom emphasised the importance of giving communities a genuine say in the conduct of their affairs. In fact, that honourable tradition is exemplified by the way in which parish councils operate when they are at their best and by the way in which we as politicians want communities to have a genuine influence on the conduct of their affairs in taking that issue further forward.

The hon. Member for Stroud has now returned to the Chamber. He referred to Stephen Wright, the director of Gloucestershire rural community council and a good friend of mine. I think that Stephen Wright stole the words to which the hon. Gentleman referred from me. Seven years ago, I spoke at what was then called the Association of Rural Community Councils and said that parish councils were the highest tier of government because they were closest to the people, and thus in a better position to reflect people's interests. I am sure that I nicked the idea from someone else—probably Stephen Wright—but we can argue about that.

At their worst, parish councils are open forums for settling local scores and pursuing narrow parochial interests and do not help the greater good of the local community. However, when they operate at their best, as they do on most occasions throughout my constituency—this can be said of local authorities of different levels—they represent the best interests of their communities extremely well. Such councils are in the best position to take decisions.

The Government have to make important decisions both on the unfinished business of devolution and on the related matter of the role of parish councils. If the Government genuinely think that devolution is a process of letting go instead of holding on for dear life and realise that it is appropriate to devolve a number of powers further down the authority spectrum, they must recognise that they can negotiate a business case for parish councils taking on a range of decision-making responsibilities.

Such responsibilities might include planning. My hon. Friend the Member for Somerton and Frome cited the example of Taunton Deane, as well as the situation in other districts and boroughs. That demonstrates that parish councils are in a good position to monitor situations—district councils are incapable of doing that. They would be in an especially good position to monitor the enforcement of conservation measures and whether all properties in a parish had appropriate planning permission before work was carried out on extensions, for example. Planning law is flouted to a great extent, so parish councils could take on the responsibility for addressing the problem from higher-tier authorities.

I take on board my hon. Friend's point about risk. Parish councils could be at legal and financial risk if they took decisions on matters that another authority might delegate to them. It would be possible to make a business case for establishing a system through which parish councils would fully understand their legal and financial responsibilities when taking decisions. If the district council engaged in the process, it could supply parish councils with any appropriate professional assistance and expertise that was required. It is not beyond the wit of man or woman to create a system of delegation that would work. Parish councils are in a much stronger position than other authorities to discharge duties on a whole load of matters, including planning, environmental matters and waste management.

David Taylor: The hon. Gentleman would have heard my hon. Friend the Member for Stroud (Mr. Drew)—or for Stroud and Stonehouse, as I am tempted to rename the seat—refer to the important role of parish clerks, which will be especially important if powers are expanded and a more formal relationship is required. It is not unknown in parts of Leicestershire for parish councillors to resent and resist the greater formality on which clerks rightly insist, so tensions can grow, sometimes to the point of fracture. Has the hon. Gentleman encountered that situation in Cornwall?

Andrew George: There are occasions when what the hon. Gentleman says is true. I shall come on in my final remarks to circumstances in which it is possible for formal structures to operate at a very local level. I shall refer to a part of my constituency that is not in Cornwall.

I know that local planning issues, in particular, can be tremendously highly charged. No one should go into planning, particularly at officer level, if they have a persecution complex because they will be attacked from both sides on all occasions. The same is true of those on planning committees. I feel very strongly about planning matters, and at every general election, when I am asked whether I believe that capital punishment should be reintroduced, I say, "Absolutely not, except on two occasions: when people put plastic windows into old buildings and when people fail to pick up after their dog."

Joking asice, and turning to circumstances in which it is appropriate to take decisions locally, I have a good example in my constituency, on the Isles of Scilly. The population is 2,000, considerably smaller than that of many parishes, but the council has more powers than a county, district and parish council rolled into one—it is also the water authority and the airport authority. There are many lessons to be learned from the Isles of Scilly, and if the Government are thinking seriously, as I hope they are, about devolving powers to parish level, they should look at that exemplar. On the Isles of Scilly, all planning decisions, as far as the Government and the

new, nonsensical regional assembly allow, are taken at island level, and as a result there are very few occasions on which local people end up gunning each other down in the high street. Planning matters are still highly charged, but the council uses professional planning advice, which often comes from the mainland. It is wise not to have all local authority officers living in the community in question.

I hope that the Minister takes that on board when he reflects on what he has heard today and on whether he can influence his Department's policy and look again at the possibility of devolving power to parish councils.

6.13 pm

The Minister for Local Government (Mr. Phil Woolas): Life is full of ironies, one of which is that this extended debate has prevented me from attending a meeting in the Department to discuss neighbourhood empowerment, but I think that I have learned a lot in the debate. I am genuinely grateful for that and congratulate the hon. Member for Somerton and Frome (Mr. Heath) on securing the debate. I do not suppose that he imagined, when he submitted his letter to Mr. Speaker last week, that he would be given such an extensive debate. It has been a good debate, and I want to try to take on board and answer the points that have been made.

I hope that it is accepted that the Office of the Deputy Prime Minister, and the Government generally, greatly appreciate the efforts that parish councils, and the individuals within the parishes, make to ensure that planning applications are decided in an informed way. I should add that we are also grateful for the valuable work that is done outside the planning remit. Of course, a parish council is not a local planning authority. Nevertheless, along with policies in the local planning authority's local development documents, and any relevant national guidance, the input from parish councils on individual planning applications continues to help planning decision makers to shape our communities and the built environment in a sustainable way. That is the goal of the Office of the Deputy Prime Minister, and it is taken very seriously.

The Government have an agenda of neighbourhood empowerment, neighbourhood service delivery, neighbourhood governance and what we describe as the double devolution deal, wherein, as we introduce our policies to devolve powers to local areas, we expect upper and second-tier authorities similarly to devolve powers and services further down. That agenda is at the heart of the Government's policy, as will be seen when we publish our White Paper in the summer. It can also be seen in the White Papers and policy documents that we have published.

I have meetings with the representatives of the National Association of Local Councils, who do invaluable work. I suspect that this debate will be read in *Hansard* by many people who are active in the parishes—more, perhaps, than some other debates that get the attention of the national media. So I am choosing my words carefully and deliberately; this is an important area of policy.

I want to try to answer some of the specific points that hon. Members have raised. The hon. Members for North-West Norfolk (Mr. Bellingham) and for Kettering (Mr. Hollobone) mentioned the code of conduct. The House should know that the revisions to the code of conduct and the standards and ethical regime are out for consultation at the moment. My own view is that the worries that were expressed when the code was first introduced in relation to parishes have not been realised, and that things have become steadier. There is an acceptance that we need an ethical code of conduct for parish councillors, but I accept that, if petty matters are getting in the way and causing undue concern, we should be made aware of that.

The hon. Member for Somerton and Frome made a number of big points and asked several specific questions. I shall try to answer them, but if I do not do so, I am sure that he will tell me. His argument about marginal seats was interesting, and it is one with which I am familiar. I can confirm that turnout can be increased in such seats. However, it does not necessary follow that parish council seats will be marginal. I work closely with two parishes in my constituency, and I hope that they benefit from that relationship as much as I do. Furthermore, I am not sure that planning authorities on the whole ignore parish councils. From my experience, I suspect that the two bodies concur on the vast majority of decisions, although attention is inevitably paid to those cases in which there is a disagreement. I do not have any research on that point, however, so I cannot back that assertion up.

The hon. Member for Somerton and Frome, and other hon. Members, also mentioned the quality and training of parish councillors and parish clerks. The Government are addressing that issue with funding, as well as with policies. Several hon. Members mentioned the future debate on unitary authorities. We have made our views on that process very clear. I want to reassure all hon. Members who have spoken tonight that two factors will be at the core of the debate about whether an area should be unitary. One is that we ask the opinion of the area concerned. The second is that we ensure that the empowerment of the third tier—the neighbourhoods, including parishes or other parts of urban areas—is key to the policy. I take the advice not to tinker with traditional boundaries. I represent Saddleworth, so I am aware, although perhaps less so than the hon. Gentleman, of that important point.

The hon. Gentleman also said that it was difficult to recruit planners. The Government have recognised that through their policy and their actions. We are contributing £1.32 million annually for 132 postgraduate bursaries to get more planners into the system. I hope that the hon. Gentleman will recognise that there is a time lag, but he makes a valid point. We believe that we have turned round the shortfall in numbers and that not only will more planners come through, but their status and quality will improve as a result of the training. That is not a criticism of existing planning officers, in case any of them read *Hansard*.

Mr. Drew: Planning officers in rural areas need to be both proactive and sensitive, which we hope are not mutually exclusive. There are arguments over matters which sound prosaic to people in urban areas—disused barns, for example. Often communities want to reuse those facilities for some form of enterprise or sometimes for housing, even affordable housing, but they are

[Mr. Drew]

ignored. That is one of the frustrations of the planning system. I hope that the Government will encourage the new planning officers to take account of such views.

Mr. Woolas: My hon. Friend makes an important point. It is increasingly recognised that planners are under pressure not just to be professional, but to be communicators.

The hon. Member for Somerton and Frome highlighted the opportunities that e-government and electronic communications offer to upper-tier authorities, whether district or county, to embed the parish councils as partners in service delivery and in consultation and information. Those opportunities are significant. Duplication would be avoided, and the public often do not know which level services are delivered from.

The hon. Gentleman's point about the attitude to parish councils is important. They should be embraced and their views taken seriously. Of course there are good and bad parish councils, and sometimes very parochial issues are raised, but that is outweighed by neighbourhood empowerment and the ability to achieve a sustainable community. People have the right to expect that their views will be taken into consideration and listened to. The alienation of the public from politics and policy decisions could be helped by strong and effective parish councils.

My hon. Friend the Member for Stroud (Mr. Drew) obviously speaks with great knowledge about these matters. He wants unitary authorities. He emphasised the point about the third tier and I agree. I am grateful to him for praising the Government and pointing out to the House that we have funded parish councils and created the quality parish council scheme, which has devolved power. We want to see more of that and an acknowledgment that money has gone into the development of the village plans. I am grateful to my hon. Friend for bringing that to the attention of the House, and for his point about the university of Gloucestershire, which I was not aware of. I shall look further into it, as it is important.

My hon. Friend the Member for North-West Leicestershire (David Taylor), who is also very knowledgeable about these matters, spoke about the problem of part-parished areas. That is an important part of our White Paper debate and how we move forward. My hon. Friend the Member for Stroud said that we should not impose parishes on areas that did not want them, but the point made by my hon. Friend the Member for North-West Leicestershire is being taken into consideration in the White Paper.

The hon. Member for Kettering is right—he has raised matters about all four levels of government. As far as I know, I am not due to attend a debate about the European Union in the near future, but perhaps he wants to complete his quintet with that. I congratulate him on the points that he made. I am jealous that he can chair a forum made up of 22 parishes, which must be a useful tool in representing his constituency. He raised the case of Barton Seagrave and Burton Latimer and mentioned the campaign of Mr. and Mrs. Mitchelson, and I acknowledge his point about the position of the parish in big planning applications. In such situations, the onus is on authorities and Governments to listen more to the views of parishes than they would otherwise do.

The hon. Member for St. Ives (Andrew George) acknowledged that there are good and bad parish councils. The detractors of parishes sometimes pick up on petty and parochial points, which is not a rational way to view parishes, and we must take into account that the vast majority of activity is good. He also raised an interesting point, which I shall take away, that a parish should be a planning authority. He also suggested that the parish has a role in enforcing planning decisions and planning law, which is a powerful point. He wants other powers for parishes and cited the example of the Isles of Scilly, which are in my mind at the moment because they are recipients of the formula grant in the local government settlement—they will receive £67,375. Funding is an important issue in moving more powers downwards, although I know that that is not the end of the argument.

Turning to the policy questions, in addition to the statutory time limits of eight and 13 weeks for determining minor and major planning applications respectively, the Government have set performance targets for district and borough councils to encourage efficiency in their planning sector. We believe that timeliness in delivering planning decisions is an important part of a quality planning service, that applicants have a right to expect a measure of certainty in the handling of their development proposals and that quality should not be sacrificed to speed or quantity.

As part of the best value regime, local planning authorities have the targets of dealing with 60 per cent. of major applications within 13 weeks, 65 per cent. of minor applications within eight weeks and 80 per cent. of other applications within eight weeks. Comparative results of local authority performance across England are published on the internet in the form of a checklist. As we shall see, however, there is no longer a performance target for the delegation of decisions to planning officers, which has been restricted as part of our general policy. We take the accusation that targets have perverse effects seriously.

Let me say a little more about decision making and the planning system in general. Prompt decision making with no loss of quality is only one element of the planning services we want local authorities to provide. Communities deserve openness and transparency of process and of decision making. The latter must go further than simple compliance with the consultation arrangements laid down in the law. Improving the planning system is also predicated on increased public participation in the process, whether by individuals, by groups or by bodies such as the parish council.

One of the main aims of our recent planning reforms has been to increase the involvement of local people in the planning decisions that affect their lives. Local planning authorities are now required to publish a statement of community involvement, setting out how local people and organisations will be not only engaged in the preparation and revision of local development documents, but consulted on the more significant planning applications. There is also independent examination of the statement of community involvement. A local planning authority must comply with its statement.

We brought in this procedure to help to ensure that district and borough councils feel obliged to make greater and more effective efforts to engage the local community directly and to exploit the knowledge of their area which local people and, as all hon. Members have said, their parish councils can proffer to assist the planning system.

Mr. Hollobone: Will the Minister look again at the application of the planning fees process? In an area such as Kettering, there is, in effect, a cap on the planning fees paid to local authorities by applicants. Four thousand houses are to be built between Kettering and Cranford. The maximum fee that the borough council can charge is £50,000, which will go nowhere near to covering the costs involved in processing the applications.

Mr. Woolas: The hon. Gentleman makes a good point, to which further weight is added by the fact that there are inconsistencies between councils.

The performance targets that the Office of the Deputy Prime Minister sets for the handling of planning applications have no bearing on the legal requirement that local planning authorities consult parishes and await their representations. Local planning authorities reach their decisions on planning applications in accordance with their local development plan unless material considerations indicate otherwise. They should give due weight to any other relevant factors. In a particular case, the view expressed by the parish council could be one such factor. The law says that a local planning authority is not allowed to determine an application within 21 days of notifying a parish council. In other words, once it has notified the parish council, it has to allow at least 21 days before it can determine an application so as to allow it time to comment on those applications that it has asked to be told about.

Let me deal with the question of the law and parish councils. A parish council indicates to a local planning authority which type or category of applications it wishes to be notified about. It is then a statutory duty on the planning authority to notify the parish and wait 21 days for any representations by it. The Government are convinced of the value of involving parish councils in this way by inviting their comments on any relevant planning application. A parish council's representations are not binding on the local planning authority. That would, in effect, pass the responsibility for determining planning applications to parish councils in all cases in which they were consulted. In the first instance, the decision maker remains the district or borough council or unitary authority.

Those authorities have to act in what they deem to be the broader public interest, as well as having regard to planning law, when determining an application. The broader public interest may involve education and other important services. The hon. Members for Somerton and Frome and for St. Ives argued for a devolution of those broader public interest powers to a parish level. The Government question whether that is appropriate, but in doing so we encourage, through policy and the levers that are available, greater consultation with parishes.

Furthermore, the planning authority is obliged to act within the law. All of us, as Members of Parliament, have found in our constituencies that the semi-judicial nature of planning committees can often cause frustration to the public.

My hon. Friend the Member for North-West Leicestershire, who is no longer here, made the point that devolution of planning powers to parish council level would involve more parish councils in conflicts of interest, or perceived conflicts of interest, which could not only exclude them in some instances, thereby not fulfilling the objective that the hon. Member for Somerton and Frome outlined, but further discredit the planning process. It is a question of balance.

From time to time, a parish council's comments on a specific scheme may conflict with other considerations and it is for the local planning authority to decide which of the conflicting views should prevail. In the broad framework of the law, local planning authorities devise their own detailed arrangements for handling responses to consultation. It would be unnecessarily prescriptive to set out in legislation the subject matter and form of consultations between local planning authorities and parish councils. Instead, consultation procedures are established on the basis of voluntary agreements, which are better able to reflect the circumstances of the relevant local councils. When disputes arise, they can and should be resolved locally.

I suppose I point to the obvious paradox that, in attempting to get local authorities to devolve to local people, if the Government insist on how that should be done, the policy can hardly be described as decentralised. Nevertheless, the Office of the Deputy Prime Minister regards the delegation of suitable decisions to officers as an effective way sometimes of improving timeliness of decision making, which is why the Department encourages all local authorities to adopt a comprehensive system of delegation.

Decisions can be delegated to officers only by the elected members, so it is the latter who determine, for example, the terms on which a delegated agreement operates, the level of member involvement and the circumstances in which an officer's delegated power to make a decision may not be exercised.

We now come to the crux of the matter. The Local Government Association and the ODPM have jointly published guidance on schemes of delegation, called "Delivering Delegation." Apart from reaffirming policy on delegation, that looks at the types of decision that can be delegated. There are best practice models of delegation schemes and that guidance has been agreed with local government representatives.

There used to be a performance target of 90 per cent. on the extent of delegation. However, as a target, that figure was abolished with effect from 1 April 2004. In South Somerset, I understand that arrangements made by one local authority in particular have given rise to concern by the hon. Member for Somerton and Frome.

South Somerset district council is known to be seeking to improve its performance in development control. That includes the efficiency of handling individual applications. Consultants from the ODPM have completed an evaluation of the authority's current performance and are due to visit the planning service there in the next few months.

[Mr. Woolas]

A scheme of delegation for development control in South Somerset was established in 1995. With encouragement and support from ODPM, the Planning Advisory Service and the Government office for the south-west, South Somerset district council introduced various measures to speed up performance and improve the overall quality of decision making. That included reviewing the delegation scheme and the existing arrangements for consultation with parish councils.

Last year, the council introduced a "by exception" scheme of delegation. Many local planning authorities have operated voluntarily a procedure whereby a significant disagreement between planning staff and the incoming opinions of a parish council would cause the matter to be sent to committee for determination, even if the case is of a type or scale that would normally be delegated to a planning officer for decision. By contrast, the "by exception" principle means that all applications are delegated unless specific criteria are met.

The effect of the model is that it removes the hitherto automatic referral of planning applications for consideration by the planning committee where a parish council's comments differ from the view put forward by the council's planning department. Concerns have been raised that that is, in effect, a reduction in the role and status of parish councils in influencing the decision-making process.

Although the "by exception" model may have aroused the fear of a loss of influence at parish level, I should emphasise that the model is very much in line with the approach that is endorsed by the LGA/ODPM guidance, which I have already mentioned. In 2004, 85 per cent. of applications in South Somerset district council were dealt with under delegated powers. The council considered that that needed to be increased to 90 per cent. but, as I have said, there is no such performance target from us.

Mr. Heath: It is important to say for the record that I have received more complaints from parish councils about the planning system in Mendip district council than in South Somerset district council.

Mr. Woolas: I thought that the hon. Gentleman was going to say that. I am trying to be helpful, and explain the process. I will try to be brief, as I appreciate that I have more time than usual.

Applications can now be published immediately on an authority's website, which means that we can consult parish councils and other bodies more quickly, as the hon. Gentleman hinted. The time scales can therefore be improved by the use of the new technology. As everyone agrees, parish councils play a key role in the planning process. There is disagreement in some instances between the case officer and a parish council but, as I have said, many councils still consider such cases in committee. It is entirely possible to reform the culture of the service at both member and officer level to reflect the need for speedy, good-quality and transparent decisions while retaining public confidence in the integrity of the decision-making process.

In the past four years nearly 3,000 parishes have been working on parish plans. Based on extensive consultation, a parish plan identifies and prioritises a community's needs, and sets out the way in which they might be tackled. The local planning authority should always take account of the existence of such parish plans and other village plans when designing the local development schemes that set out their programme of plan making in their areas. Parish plans and village plans provide useful evidence of rural issues and may suggest suitable options for rural areas when development plans are drawn up. Parishes can then request the local planning authority to publicise, consult on, and adopt those elements of parish plans that elaborate on development plan policy as supplementary planning documents.

Considerable voluntary effort goes into making parish plans, as we all know. Naturally, local communities do not want to feel that their efforts have had no result. If adopted as a supplementary planning document, a parish's vision of its future can take its place within the local development framework as a consideration to be given due weight whenever relevant development proposals are under discussion. It is important to emphasise that parish councils must involve themselves fully from the start in the preparation of their local authority's development plan documents. As the hon. Gentleman will know, there are about 120 parishes in his district of South Somerset. I am afraid I cannot remember how many there are in Mendip, but there is a substantial number of parish councils. South Somerset district council is confident that those parish councils will continue to receive a good service from its development control team, including attendance by individual officers at parish council meetings where appropriate.

Allowing parishes to become planning decision makers would, as I have suggested, be prohibitively expensive. The Government do not intend to take that route for that reason and the others that I have outlined. In our view, the present mechanisms—I acknowledge that they do not always work perfectly and to people's satisfaction—form the right model, and give ample opportunity for a parish to reach a view and for that view to be taken into account. No one in local government should wish to antagonise their communities with unnecessary and insensitive development. It is unlikely that teething problems that may arise in particular delegation schemes cannot be sorted out by the relevant local authority under its own protocols within the existing framework of law and guidance.

I know that some might feel that delegation to officers means that they lose the opportunity to see applications debated in public. They might take a similar line, however, when a proposal is passed to an area committee for determination instead of to the full planning commiltee. Nevertheless, it seems to me that the type of delegation schemes that I have described are transparent, with a clear audit trail, and there is still a discretion to send a proposal to the committee if appropriate—for instance, where a scheme is controversial. The only real change is loss of automatic referral to the committee where parish views conflict with those of the designated officer. In that regard, I think that the balance is right.

I am genuinely grateful to the hon. Member for Somerton and Frome for giving us the opportunity to have this debate. I indicated that I would try to answer all his questions.

Mr. Heath: The Minister has given an extremely full response, for which I am grateful. I do not want to prolong the debate further, but will he address specifically the point about village plans and how they are treated in planning terms, because many of my villages that have produced village plans feel strongly that they ought to have a more significant status in terms of arriving at development control decisions?

Mr. Woolas: I thank the hon. Gentleman for his intervention, and I will put the matter on the record for the benefit of his constituents and others who might be interested.

Under the new system, supplementary planning documents have statutory status, although they are not part of the statutory development plan. We are still in a transitional phase. To ensure that authorities can continue to have supplementary material in place, PPS 12 states that, as part of the transitional arrangements, supplementary planning guidance can continue to supplement "saved" development plan policies and will remain while "saved" policies are in place. However, supplementary planning guidance will need to be replaced by supplementary planning documents when new development plan documents are adopted replacing "saved" policies. I ask the hon. Member for Somerton and Frome to bear with me, as it does make sense.

Supplementary planning documents form part of the new local development framework. They have greater weight than the old supplementary guidance because they have complied with the requirements for community involvement and sustainability appraisal and conform with the development plan policy. Therefore, more power is given to supplementary planning documents than under the old system.

Parish plans can add value by expressing a greater level of detail than is possible in development plan documents. While parish plans may be adopted as a supplementary planning document, that is not to be seen as the norm. Technically, a supplementary planning document has to supplement a development plan document policy. Turning parish plans into supplementary planning documents is likely to be time-consuming. In South Somerset, for example, the small planning department is trying to prioritise housing delivery and regeneration, so there are tensions. Parish plans are in the nature of community planning, and only when requirements such as public involvement and sustainability appraisal have been met may the spatial planning components, possibly modified, be adoptable. That is the policy outline for the parish plan. I see that the hon. Member for Somerton and Frome is frowning. If he wants to write to me to take up specific points, I will, of course, try to answer him.

Parish planning is a tried and tested tool for strengthening local democracy and engaging citizens in how their local area and services are managed. During the past four years, nearly 3,000 parishes have been producing 1,250 parish plans, and when one bears in mind that many of those are in clusters, the extent of their geographical coverage is clear. From 2001 to 2005, parish plans were delivered and supported by the Countryside Agency, and the Department for Environment, Food and Rural Affairs has made available more than £1 million for parish plans this year, and will continue offering support for parish plans and parish councils from 2006 through the rural social and community programme. Rural community councils allocate grants for villages to produce a parish plan of up to £5,000. The hon. Member for Somerton and Frome will be pleased to know that some parish plans have been adopted as supplementary planning documents, and can provide a valuable evidence base for decision makers.

The benefits of the strategy do exist. I hope that I have been able to convince the House of the Government's genuine intention of involving parishes and parish councils in decision making. I also hope that I have explained the balance of powers between planning authority and parish, and how we intend to proceed with the policy in the White Paper debate.

Question put and agreed to.

Adjourned accordingly at ten minutes to Seven o'clock.

House of Commons

Thursday 19 January 2006

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

NEW WRIT

Ordered,

That Mr. Speaker do issue his Warrant for the Clerk of the Crown to make out a new writ for the electing of a Member to serve in this present Parliament for the County Constituency of Dunfermline and West Fife in the room of Rachel Anne Squire, deceased.—*[Hilary Armstrong.]*

Oral Answers to Questions

TRADE AND INDUSTRY

The Secretary of State was asked—

Post Office

1. **Mr. Desmond Swayne** (New Forest, West) (Con): If he will make a statement on the future of the Post Office. [43225]

The Secretary of State for Trade and Industry (Alan Johnson): Our ambition is for a publicly owned Royal Mail fully restored to good health and providing customers with an excellent service and its employees with rewarding employment.

Mr. Swayne: How is that ambition affected by the reality that the 4.5 million users of the Post Office card account are going to lose that service in 2010 when funding is withdrawn?

Alan Johnson: The present contract ends in 2010, as it was always intended to do. There need to be discussions between the Department for Work and Pensions and the Post Office to see how the situation will emerge post-2010.

Mr. David Drew (Stroud) (Lab/Co-op): It is good to hear what my right hon. Friend says, but will he assure us that any ideas from the Post Office on creating share ownership among members, for example, will not be a form of back-door privatisation? It provides a crucial public service, which is vital to rural areas as well as urban Britain, and it is important that the Government stick to their manifesto commitment that it is a publicly owned service. Does he agree?

Alan Johnson: I do agree. I made an absolute, unequivocal commitment: we are not privatising Royal Mail. What we are looking at—it is not a huge issue in the scheme of things, incidentally, given the other problems that the Post Office faces—is whether we can develop an employee share trust, in which the employees can only sell the shares back into the trust, as part of a way of incentivising the work force. It is right that we should consider that and see the merits of it but without in any way making it a route towards privatisation.

Mr. Owen Paterson (North Shropshire) (Con): There are 8,000 rural sub-post offices serving 12 million customers a week. If the card account is to die in 2010, the time that it will have existed will be shorter than the time it took to set up. The Government have already removed £400 million from rural post offices. What is the timetable for possibly renewing the card? Who will be consulted? When will the Minister make a proper statement in the House on this huge issue?

Alan Johnson: I hope that the hon. Gentleman will congratulate the Government on what we have done for rural post offices. The simple problem that we face is this: years ago, the only place someone could buy a stamp, post a parcel or collect a pension was through the post office, but since the Conservatives rightly introduced the ability for people to receive their pensions and benefits by direct payment, there has been a slow decline of post offices, with 3,000 rural post offices closing between 1979 and 1997.

Rather than death by a thousand cuts for the post office network, we have tried to get a grip of the problem by ensuring that it has a properly computerised network and by introducing a £150 million subsidy of taxpayers money every year to protect the rural network to allow it to make the transition from the old days, when it was the only place people could buy a stamp and collect a pension, to the 21st century, when only 23 people a week use the 800 smallest rural post offices and every customer who uses them leads to a £6 loss. That is a problem that serious politicians have to tackle in a serious way. That is what we will attempt to do.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Is the Secretary of State satisfied that, with the closure and rationalisation programme for rural and urban post offices advancing so fast in areas like mine in Harborne, where people queue for almost an hour to use the local post office, the Post Office has a grip on how best to organise itself?

Alan Johnson: The starting point for getting a grip on the problem was the report by the performance and innovation unit, welcomed on both sides of the House, in 1999–2000. It said that there was a serious problem with the rural network, which required Government protection, but for the urban network—6,000 post offices—it was for the Post Office to deal with the National Federation of Sub-Postmasters to find a way in which sub-postmasters could make a decent living. The simple fact was that there were too many post offices in urban areas for sub-postmasters to make a decent living. Members on both sides of the House thought that the report was excellent. Those discussions took place, and the NFSP and the Post Office agreed to urban rationalisation. As a result, 2,500 urban post offices closed, but 99 per cent. of the population are still within 1 mile of a post office. I regret the fact that that

may have caused problems in my hon. Friend's constituency, but I think that it was the right thing to do, painful though it was. Governments have to make painful decisions when looking at a problem on the scale faced by the post office network.

Charles Hendry (Wealden) (Con): We have always regarded the Secretary of State as somebody who is in touch with the common people right across the country, but he seems to be missing a trick. What he has suggested is death by a thousand cuts, as 4,000 post offices have closed in the past eight years, which is more than the number that closed in the previous 20 years. There is serious concern about the future of the network. It has been suggested that car tax should be renewed online; the Government have set up passport offices, which will lead to a £12 million loss for post offices; and the future of the post office card account is at risk. Does he not understand that small post offices are the core of their local communities, and if they go, a valuable part of the local community goes as well?

Alan Johnson: I struggle to find a suggested policy different from our own. Yes, post offices have closed—I have just explained why 2,500 closed—but not a single rural post office has closed unless it has been impossible to find a sub-postmaster or impossible to find a venue for the post office. Otherwise, there is a system of no avoidable closures, and the Government have introduced £150 million of subsidy every year, because we recognise that post offices are an essential part of the country's social fabric. However, that does not mean that they have a right to exist if people are not using them. The crucial issue is how we can find new areas of work for the Post Office. We have had some success, but there is still further to go.

Mr. Alan Reid (Argyll and Bute) (LD): People can only use post offices if the Government give business to them. All that we hear is bad news. Passport business has been taken away from the Post Office, and vehicle excise duty has been encouraged to go online, and thus away from the Post Office. The guaranteed no-avoidable-closures policy ends this year. When will the Government do something practical to help to keep rural post offices open by giving them more business?

Alan Johnson: Dear, dear, dear. The hon. Gentleman said that we have only ever heard bad news. We spent £500 million under project Horizon computerising every single post office in the country. We set up the universal banking facility, and 21 million customers can now access their current account through the Post Office. The Post Office is now the biggest user of bureaux de change in the country and, incidentally, it plays a huge role in online shopping. There is good news in abundance, and Opposition politicians ought to look for it, as a genuine transformation is taking place under this Government.

MG Rover Taskforce

2. **Richard Burden** (Birmingham, Northfield) (Lab): What assessment he has made of the work of the MG Rover taskforce. [43226]

The Secretary of State for Trade and Industry (Alan Johnson): The MG Rover taskforce worked extremely well co-ordinating the response to the collapse of MG Rover. By 10 January, 3,587 ex-employees from MG Rover and its supply chain identified by Jobcentre Plus had found new jobs. 1,922 have received training and of these 966 have now found jobs. The wage replacement scheme has saved 1,329 jobs from 170 companies in the supply chain.

Richard Burden: May I thank my right hon. Friend for his reply, and add my tribute to colleagues on the taskforce and in the agencies involved for the great amount that they have achieved since the company collapsed? However, does he agree that there are still many individuals without jobs, particularly among people living closest to the Longbridge plant? There is an urgent need to regenerate south-west Birmingham and the surrounding areas. As the taskforce will produce its final report in the not-too-distant future, does he share my concern that there must be a clear strategy to pursue the ongoing task with monitoring mechanisms so that we can all be clear who is responsible for what and to make sure that they carry out their responsibilities properly?

Alan Johnson: I pay tribute to my hon. Friend. His work at the Longbridge plant has been exceptional. The work that he has done with the taskforce and with local communities is applauded, as I know from my visits to the community. As to what happens next, we provided a three-year plan and money to go with it. I am well aware that despite the statistics that I just gave, which are very encouraging nine months on, there is an awful lot left to do. In the area around the plant, to which my hon. Friend referred, there is a problem of a serious fear of long-term unemployment creeping in. I am advised by the taskforce that it is concentrating attention now on piloting an employability support package to help those most vulnerable to long-term unemployment, specifically in the area that my hon. Friend mentions. I agree that we need a programme for the rest of the three-year project so that we attack the real areas of deprivation and the core problems around the Longbridge plant.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I, too, should like to congratulate the hon. Member for Birmingham, Northfield (Richard Burden) on the tremendous work that he has done. However, the impact of the closure has affected many areas outside Birmingham, including in Shrewsbury. I have met companies and individuals who continue to be affected by the closure. Will the Secretary of State give me an assurance that he is monitoring the help that places outside Birmingham get from the taskforce?

Alan Johnson: I will give the hon. Gentleman that assurance. The regional development agency, Jobcentre Plus, the learning and skills council and Birmingham city council, which I know is not his area—all those participants in the task force—are well aware that the problem has ramifications further away from Longbridge. We will be looking at Shrewbury and other areas that are more peripheral to the Longbridge plant. That is an essential part of the taskforce's work.

Dr. Brian Iddon (Bolton, South-East) (Lab): The first car that I ever bought was a second-hand Issigonis-designed Mini. I have driven cars from that group of companies all my life until my present car, which is an MG ZT. I can tell my right hon. Friend that that is the finest car that I have ever driven, so I am saddened at the demise of MG Rover. My concern is that the finest engineering skills that we have in Britain should be preserved in the engineering industry. How much success has the taskforce had in securing engineering jobs for the excellent engineers who were working in that group?

Alan Johnson: I would always buy a second-hand car from my hon. Friend. One of the great successes of the taskforce, although perhaps it did not take a great deal of effort, was that within two months of the closure of Longbridge, 1,600 highly skilled engineers had been found jobs with other companies, such as Airbus. Highly skilled manufacturing jobs came to Longbridge very quickly. The problem is not with the highly skilled engineers, but with the less highly skilled workers who need to be retrained. It may take longer to find them jobs, but highly skilled engineers were quickly hoovered up.

Mr. Alan Duncan (Rutland and Melton) (Con): Anything that can be done by the taskforce to alleviate the hardship caused to so many people by the collapse of Rover can only be welcomed. What lessons have the Government learned from that whole sorry saga? What is their estimate of the number of people who would have had a substantial payout instead of the next to nothing that they now have, had the right hon. Member for North Tyneside (Mr. Byers) not intervened and forced through the wrong deal for Rover six years ago?

Alan Johnson: Once again—this has been rehearsed a few times—hindsight gives us the benefit of 20:20 vision. I do not remember anybody from any part of the House being anything other than congratulatory when the Phoenix company stepped in to rescue volume production at Longbridge. *[Interruption.]* The hon. Member for Rutland and Melton (Mr. Duncan) says from a sedentary position that he was critical, but that was probably on the basis that there was an alternative. I think that that is the gist of his argument. May I remind him that the Government had nothing to do with Alchemy dropping off the scene? Alchemy could not reach agreement with BMW. That is why there was no other option.

Mr. Duncan: In my recollection—we were opposite numbers at the time—that most definitely is not the case. The Alchemy proposal would have provided many in the Rover work force with up to £80,000 in redundancy payments and given the company a good chance of long-term survival as a niche manufacturer. The taskforce exists because the previous Secretary of State intervened just before a general election and deluded people into thinking that it was a good deal, but those people now have no company, no job and no pension. Would the Secretary of State have done the same as his predecessor?

Alan Johnson: I shall put it on the record once again: Alchemy could not reach agreement with BMW and there was no Government intervention whatsoever. When we considered the opportunity to keep volume car production at Longbridge and save 6,000 jobs, no hon. Member stood up and said, "We should asset-strip Rover and put the workers out of work—they will have a big package." No one knew what was to come in five or six years' time, so I think that it was worth the effort to try to keep jobs at Longbridge. What has happened—it is turning into a saga—is fully on the public record: the National Audit Office is reporting on the matter; I have referred it under the Companies Act 1989; and the Trade and Industry Committee is investigating. I would be surprised if any of those bodies reach any conclusion other than that my right hon. Friend the Member for North Tyneside (Mr. Byers) did the right thing at the time.

Mr. Lindsay Hoyle (Chorley) (Lab): I was a member of the Select Committee at that time, and Alchemy's evidence was clear: it said that a big Rover organisation had no future and that the way forward was small production of MG sports cars for a limited market. The rest of the company would have been sold off and developed, which would not have saved jobs. Does the Secretary of State agree that Phoenix was the only real deal on the table?

Alan Johnson: I agree completely with my hon. Friend, who has put my point from a different perspective—that of the Select Committee.

UK Aerospace Industry

3. **Mr. David S. Borrow** (South Ribble) (Lab): What action his Department is taking to improve the international competitiveness of the UK aerospace industry. [43227]

The Parliamentary Under-Secretary of State for Trade and Industry (Barry Gardiner): In 2003, the aerospace innovation and growth team report set out the Government's vision for the UK aerospace industry. We aim to improve all aspects of the industry's productivity and competitiveness. We have drawn up and are implementing the national aerospace technology strategy; we have set up the national composites network and supported it with investment of £30 million; and we are developing the sustainable aviation strategy.

Mr. Borrow: Does my hon. Friend agree that the British aerospace industry would be even better and more competitive if agreement could be reached to get rid of unfair subsidies and trade barriers? Will he tell me what his Department is doing to achieve that objective?

Barry Gardiner: I pay tribute to my hon. Friend's tremendous work as chair of the all-party group on aerospace. He has highlighted a major issue for the industry. He knows that the UK is regarded as one of the most open markets in the world when it comes to aerospace and particularly aerospace defence equipment, and European and international defence markets must open up so that our world-class defence manufacturers can compete overseas on a level playing field. I welcome the announcement of the European Defence Agency's voluntary code of conduct, which is aimed at making procurement across member states

more transparent and open. The DTI will continue to work with the MOD to open up overseas markets for UK suppliers.

Peter Luff (Mid-Worcestershire) (Con): Does the Minister share my growing suspicion that the interests of this large, complex and vital manufacturing industry would be better served if more of them were looked after at a national level rather than being fragmented into the regional development agency network?

Barry Gardiner: No; I do not share that suspicion. The regional development agencies have a key development role working with regional suppliers, which is happening not only in the north-west, where my hon. Friend the Member for South Ribble (Mr Borrow) has an interest, but in Yeovil and other parts of the country.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): I agree with my hon. Friend that, thanks to the skills that we have, our aerospace industry is one of the most successful industries in the world. What is he doing to ensure that we maintain those skills in future by attracting the brightest engineers and scientists? What discussions has he had with the Secretary of State for Education and Skills in that regard?

Barry Gardiner: My hon. Friend raises some interesting points. The thrust of this is the way in which we develop this industry and remain at the cutting edge. He should take heart from the fact that we have been so innovative in setting up the composites network, with £30 million of Government investment and research and development going in, matched by the industry. We are working together to ensure that the very best scientists are attracted into this area—an area where their future lies, because the future of the whole aviation and defence industry lies there as well.

Sir Nicholas Winterton (Macclesfield) (Con): BAE Systems is a very important employer on the periphery of my constituency—it has a plant at Woodford. We also have part of the supply chain in Poynton—Senior Engineering, which produces lightweight ducting and air conditioning equipment for the industry. Its future is in jeopardy because of what I, and many in the industry, describe as excessive air pollution regulation. Is the Minister prepared to meet me with a representative of the company to discuss the problems that it faces and the fact that it is in jeopardy as a result of these excessive and unnecessary regulations?

Barry Gardiner: I would of course be very happy to meet the hon. Gentleman, who has a fine record as a constituency MP and somebody of great knowledge in this area. It is important that we continue our work with the Department for Transport in looking at sustainable aviation into the future. That is part of the environmental commitment that Labour Members share; I understand that the Conservatives are now joining us. It is important that we look to a sustainable future for aviation, and environmental standards must be at the forefront of that. I will happily meet the hon. Gentleman and any delegation that he wishes to bring.

Regional Development Agencies

4. **Dr. John Pugh** (Southport) (LD): Whether there is a code of conduct for members of regional development agencies. [43228]

The Minister for Industry and the Regions (Alun Michael): Yes, indeed. Each of England's regional development agencies has in place a code of conduct for its staff and board members.

Dr. Pugh: I thank the Minister for that brief response. Given that MPs and councillors are governed by very strict rules, that huge sums of public money are spent by RDAs, and that agency members often belong to organisations that benefit from RDA money, does he agree that transparency is important; and if so, why are not all project-specific details of their spending plans put into the public domain?

Alun Michael: I am not sure what particular issue the hon. Gentleman is getting at. As I said, there are detailed codes of conduct that exclude individuals from applications or issues that affect their interests. They follow the guidance of the Cabinet Office and are taken very seriously by board members, as I know from many discussions. The general point of my answer is that there are very strict codes in each of the RDAs, but if the hon. Gentleman has anything more specific in mind, perhaps he would like to raise it with me.

Rob Marris (Wolverhampton, South-West) (Lab): Part of the reason for having a code of conduct is to ensure that members of RDAs act with propriety. If we go for a deduction-at-source approach, what are the Government doing to ensure that people who are appointed to RDAs know what they are doing and act with transparency and propriety?

Alun Michael: The method of appointing members of RDA boards means that, in accordance with best practice, their capacity to provide leadership to the organisation is scrutinised very carefully to ensure that they can bring to bear their experience not only in business but in local government and social enterprise in order to provide inspiration, leadership and challenge to the employees of the organisation. We are bringing in an independent performance assessment that, from this year, will examine the quality of the organisations in delivering on the very ambitious objectives that we have set for them.

Mr. John Redwood (Wokingham) (Con): Will the Minister strengthen the code of conduct in two ways? First, will he control unnecessary expenditure to stop RDAs wasting money and going to the glossy brochure industry too often? Secondly, will he stop them misrepresenting the views of local communities that do not want their attentions and whose views are much better represented by Members of Parliament and councillors? So often, RDAs say the opposite and they are wrong. Will the right hon. Gentleman strengthen the code of conduct?

Alun Michael: If the code of conduct needed to be strengthened, we would be happy to consider that, but with the right hon. Gentleman's past of sending back

money that would have benefited communities and the economy in Wales, it ill behoves him to examine the performance of regional development agencies. We have encouraged RDAs to work as a team and they have done some good work, not duplicating each other, to address rural development and many other issues together. The right hon. Gentleman's criticism is overdone.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): Will my right hon. Friend take some of the negative comments that we have heard with a large measure of salt? Does he acknowledge that most of the people who devote themselves to RDAs have done a good job over the years? I find Yorkshire Forward to be a leading and thrusting organisation in our region. Transparency is always appropriate and useful and I should like more transparency and in that regard, RDAs perform better than others. However, by and large, the men and women who put such effort into RDAs should be complimented, not criticised.

Alun Michael: The independent performance assessment, which starts this year, will provide the sort of comparison that my hon. Friend seeks, not least because it will encourage learning from each other—peer review—as an important part of the process. I have been impressed by some of Yorkshire Forward's work. I was recently in Sheffield to look at some of the high technology manufacturing examples. That was extremely impressive and relevant to some of the issues that have been raised about the need to equip our industries to compete in the world.

Energy Price Rises

5. **Mary Creagh** (Wakefield) (Lab): What steps he is taking to reduce the impact of energy price rises on small and medium-sized businesses. [43229]

The Minister for Energy (Malcolm Wicks): Rising energy prices are a global phenomenon but the current construction of new pipelines and liquefied natural gas terminals will significantly boost gas supply over the coming year or two.

For small and medium-sized enterprises, my Department has organised a seminar with Energywatch to share best practice on purchasing strategy. Several energy efficiency measures have been developed to help SMEs reduce their demand for energy.

Mary Creagh: I thank the Minister for his correspondence on the problems faced by the Brotherton chemical company, which employs 50 people in Wakefield. It has suffered the double whammy of its gas prices doubling in the past two years and a 50 per cent. increase in the price of its raw materials. Has he had any response from Ofgem on its inquiries to the European Commission about why the gas interconnector has not been flowing at its full capacity when demand is so high in this country? Does he share the industry's concerns that the unusual—

Mr. Speaker: Order. I know that the hon. Lady is a new Member, but one supplementary is fine.

Malcolm Wicks: I understand the concerns of the Brotherton company and others in the chemicals sector—a bigger company is Ineos Chlor—about the rising costs of energy. We are working closely with the industry to do our best in the short, medium and long-term. I have not yet heard from Ofgem about any response to its proper inquiry and its serious questions about the workings of the interconnector. Although gas is flowing into Britain through the interconnector, the overall performance has been disappointing and it is right that Ofgem is asking serious questions.

Mr. Peter Bone (Wellingborough) (Con): Does the Minister agree that the forward electricity price in this country has been 60 per cent. higher than in Europe? Is that due to the fact that the European Union has not properly liberalised the energy market?

Malcolm Wicks: We need to consider price carefully. I recognise the pain that rising prices cause both the domestic customer and industry but, compared with continental Europe, especially France and Germany, our prices for most businesses and domestic customers are lower than the European average. However, for intensive users, such as Brotherton, the prices are higher, not least because those companies are purchasing over a relatively short period, sometimes on the spot market. That is their commercial judgment, which is difficult to make. We are doing our best, not least when the UK had the presidency of the European Union up to December, to push market liberalisation. I am impressed by the European Commission's determination to press that forward as quickly as possible.

Mr. Russell Brown (Dumfries and Galloway) (Lab): Small and medium-sized enterprises are the lifeblood of rural economies. I have a plastics recycling company in my constituency that feels greatly disadvantaged by current energy prices. Will my hon. Friend meet representatives of that company who have grave concerns that they are now at a disadvantage compared with some of their competitors on the continent?

Malcolm Wicks: Of course I will. Indeed, the Secretary of State and I have met many representatives of such intensive energy users across a range of industries. I would welcome such a meeting. There is an uncertain correlation between gas supply and price. This winter, despite some people predicting otherwise, we have gas supply, with plenty in storage at the moment, yet prices have been a serious problem. In the longer term, new liquefied natural gas terminals that could provide one fifth of our annual needs will come on stream and pipelines in Norway and the Netherlands that could provide up to one third of our annual gas needs will open. The supply situation should then ease and I hope that that will have an impact on price.

Mr. Nigel Dodds (Belfast, North) (DUP): This morning, Phoenix Natural Gas, the main gas supplier in Northern Ireland, announced a 17.5 per cent. increase in its gas price, which brings the overall gas price increase in Northern Ireland to 52 per cent. in just a couple of months. That will obviously have a major impact on small and medium-sized businesses and domestic

consumers. Does the Minister agree that such increases over such a short time are unacceptable and that something needs to be done about it?

Malcolm Wicks: The prices are high and they are rising globally, in Europe, and in the United Kingdom. I am not complacent about that. We have a market economy in relation to price. I am interested in practical ideas about what can be done, given the market constraints. The task of the Government has been to ensure that we are in the best possible position this winter in terms of maintenance of the infrastructure and the North sea oil rigs, of talking to the supply companies—which we did throughout the spring and summer—and of ensuring that the new pipelines and liquefied natural gas terminals come on stream as fast as possible. We are doing all that, and that is the task of the Government, in my judgment.

Mr. John Grogan (Selby) (Lab): Given the Chancellor's statement in the pre-Budget report that the owners of the gas interconnector must either use or lose the facility, is there not now a strong case for insisting on third-party access to the interconnector to widen the options for companies when negotiating gas contracts?

Malcolm Wicks: While I am mindful of the fact that the interconnector is a privately owned facility, with the companies that put up the investment for it holding shares in it, I believe that it is in Europe's and the United Kingdom's interests that it should be used at full capacity, and that, with Ofgem, we need to investigate the idea.

Miss Anne McIntosh (Vale of York) (Con): Is the Minister aware that, in the third quarter of last year, average electricity prices rose by more than 27 per cent? That was due in large part to the climate change levy. Does he realise that the levy is impacting even more harshly on small and medium-sized companies than on others? What do the Government propose to do about that?

Malcolm Wicks: This is the issue: we share a common concern about rising prices, but we also share a common concern about our planet and about global warming. The task for energy policy is to have adequate energy supply at affordable prices for business and the householder, while going in for cleaner and greener energy. I understand that Conservative Front Benchers are now foremost in presenting themselves as the cleaner and greener party—they are signing up to all sorts of things in their dash for popularity—so I am sure that we are in agreement on this issue. However, I understand the pain that higher prices are causing.

Manufacturing

6. **John Robertson** (Glasgow, North-West) (Lab): What steps his Department is taking to assist UK manufacturing to compete with China, India and other developing countries. [43230]

The Minister for Industry and the Regions (Alun Michael): The Government are helping UK manufacturing to rise to the challenge of globalisation. A successful and dynamic UK manufacturing sector, in which we should take great pride, is being helped to compete in world markets by our manufacturing strategy. That is helping companies to move to high value-added production to meet the challenge through the application of science and innovation, world-class practice and skills development.

John Robertson: I thank my right hon. Friend for his comprehensive answer and for the support given to manufacturing industry by this Government. Most fair and knowledgeable people will accept that it is almost impossible for this country to keep up with China and India in low-value, low-skill and high-volume products. Will he redouble his efforts on research and development grants and impress on manufacturing industry the need not only to invest in equipment but in skills and training?

Alun Michael: My hon. Friend packs a lot into his sensible comments about the challenge that faces us. We should remember that China and India, in being ambitious for the growth of their markets, also create a market in which we should be ambitious to compete. Certainly, investment decisions and manufacturers' planning could be helped through the manufacturing advisory service. Skills development can complement that. Even the smallest firms can access help from the Department for Education and Skills and the Learning and Skills Council through the local Business Link, and initiatives such as the manufacturing academy will help considerably at the high-skill end. I agree with much of what he said in his question.

Mr. Mark Prisk (Hertford and Stortford) (Con): Despite the Minister's good intentions, the ability of British industry to compete is being held back by the Treasury. Business is now paying an extra £50 billion in tax each year and manufacturing investments are frustrated by a complex tax system that the Chancellor constantly changes. It is no wonder that productivity growth per worker is just one fifth of what it was in 1997. Will the Minister, in his role as a business advocate in Government, stand up to the Treasury and tell the Chancellor to stop tinkering with the tax system and give manufacturers what they want: a simple, certain fiscal environment in which they can invest for the future? Will he stand up for business against the Treasury?

Alun Michael: Will the hon. Gentleman stand up to his leader? It is obvious that Conservative Members, rather than asking questions about trade and industry, are under a three-line Whip to attack the Chancellor. It was the Chancellor who provided £30 million of Government funding that has enabled the manufacturing advisory service to generate £188 million in added value for over 3,000 companies. The hon. Gentleman should praise both the Department of Trade and Industry and the Treasury.

Keith Vaz (Leicester, East) (Lab): Is there not another side to the story? As the Minister for Trade's visit to India has shown, there is a great deal of inward investment from India and China into the United Kingdom. In fact, that inward investment might exceed the investment of our country into countries such as

India. Is not that good for British jobs? Should not we see China and India as partners in the new global economy?

Alun Michael: My hon. Friend is right. It should be seen as an opportunity, especially given the contacts of many of this country's business people whose roots and ethnic origin are in, for instance, India. The link that they have made and the creativity that they bring to bear is providing a real impetus in parts of our industry and commerce and should be welcomed.

Doha Development Round

7. **Tony Baldry** (Banbury) (Con): What progress has been made following the road map for a final agreement to the Doha development round agreed to in Hong Kong, with particular reference to the promotion of a pro-development agenda within the negotiations.

[43231]

The Secretary of State for Trade and Industry (Alan Johnson): The World Trade Organisation ministerial meeting in December set a deadline of the end of April for modalities and the end of July for tariff schedules. As work recommences in the new year, strong political will and hard work will be needed to achieve those deadlines. Later this month, the World Economic Forum in Davos and associated trade meetings will provide the first opportunity for the major players to define their ambitions for the year and to set out a path to April. As discussions continue, the UK is especially keen that developing countries should be involved in both formal and informal discussions at every stage, because we are strongly committed to a pro-development outcome.

Tony Baldry: I thank the Secretary of State for that answer. As he will know, the European Union spends each year some €64 billion on trade-distorting subsidies, which is really a conspiracy against the poor. Effectively, is not the situation that, until we see reform of the common agricultural policy and France removes its objections to CAP reform, we will not make any progress on Doha? We are caught in a double bluff, with the European Union unwilling to move on agricultural reform and the United States not moving until Europe moves, and cotton-producing countries and everyone else trapped in the middle. What does the Secretary of State think, in his heart, will happen between now and April? Should we not acknowledge that we must establish a much more rigorous process to take us up to 2013?

Alan Johnson: The hon. Gentleman talks a lot of sense. The discussions are bogged down in agriculture chiefly because of the protectionist instincts of some, although not all, European Union member states. Now that we are free of our presidency mantle, we can work on that.

As for whether we need a change in the common agricultural policy, we came away from Hong Kong with an agreement that all export subsidies would be eliminated by 2013, and that we would make substantial progress by 2010, the half-way stage. That, combined with a number of other factors, will help us to ensure that there is a proper pro-development outcome, which of necessity will require us to look at the CAP again.

Paddy Tipping (Sherwood) (Lab): An important but complex process must be resolved over a short period. Does my right hon. Friend accept that not just agriculture issues, but the opening up of services, are important in this context? Is there not a possibility of some trade-off involving those two modalities?

Alan Johnson: My hon. Friend mentioned the time scale. Pascal Lamy, director general of the World Trade Organisation, believes that we came away from Hong Kong—which was not a roaring success, but the train is still on the track, which could not be said of Seattle and Cancun—having taken ourselves 60 per cent. of the way to our objective.

My hon. Friend is right. We must start to resolve the dilemma of European Union member states that are protectionist on agriculture but wish to experience the benefits of opening up industry and services. We must convince them of the value of a win-win opportunity: a win for developing countries as we help to deal with the fact that a fifth of the world's population live on less than a dollar a day and also a boost to the world economy.

John Bercow (Buckingham) (Con): Given that Benin, Burkina Faso, Mali and Chad depend on cotton for between 30 and 40 per cent. of their export earnings, is it not a scandal that the United States, the most powerful nation in the world, continues to spend $4 billion a year on subsidising 25,000 high-cost, inefficient but politically influential cotton producers, thereby exacerbating the plight of some of the poorest people on the planet? Is it not still the case that the United States needs to understand that with power comes responsibility?

Alan Johnson: The hon. Gentleman, who was in Hong Kong and was very active there, makes a valid point. It is indeed a scandal. The WTO is due to rule on the matter, so the United States is subject to a WTO ruling against it on cotton. Although the United States made some small concessions in Hong Kong, cotton was the reason why Cancun failed completely, and it cannot be allowed to be the reason why the Doha development round failed completely. It must be sorted out.

Welsh Companies (International Market)

8. **Chris Bryant** (Rhondda) (Lab): What assistance his Department has given to companies in Wales to build their international market in each of the last three years.

[43232]

The Minister for Industry and the Regions (Alun Michael): Companies in Wales have access to UK Trade and Investment's services and support, as well as to WalesTrade International as the lead organisation supporting international trade in Wales. I will put in the House of Commons Library full details of the support given to Welsh companies over the last three years as soon as the information has been collated, as well as giving the information directly to my hon. Friend.

Chris Bryant: The Minister may know that the average small or medium-sized company in Wales is far less likely to have an international market of any kind than its counterpart elsewhere in the United Kingdom. Will he work as closely as possible with the Welsh

Development Agency and his counterpart in the Welsh Assembly to ensure that, as the WDA is folded into the Welsh Assembly Government, no Welsh firm is left out in the cold when the DTI offers marketing opportunities through international trade organisations?

Alun Michael: We work closely with colleagues at the Welsh Assembly Government. I am sure that my hon. Friend would applaud, as I do, the fact that WalesTrade International was funded through objective 1, whose continuation through to 2013 has been assured as a result of the Prime Minister's success in achieving agreement on the European budget. That gives us an opportunity to see a continuation of that success. It is worth pointing out that Welsh exports for the year up to and including the third quarter of 2005 were up 9.3 per cent., which is above the average for the English regions. I share my hon. Friend's wish to see that success continue.

Adam Price (Carmarthen, East and Dinefwr) (PC): What overall share of DTI assistance does Wales get in this area? Does the Minister believe that the balance of trade between Wales and the rest of the world is in surplus, or is it in record deficit, like that of the rest of the United Kingdom?

Alun Michael: The hon. Gentleman brings his unique brand of pessimism to every question he asks. He may have missed my earlier answer, in which I indicated the growth in exports from Wales, a success that we wish to continue. I am surprised that he did not take the opportunity to congratulate the Government, the Prime Minister and the Welsh Assembly Government on their success in providing objective 1 support not only for the communities of mid and west Wales but for the development of business and trade.

MINISTER FOR WOMEN

The Minister for Women was asked—

Engineering Apprenticeships

18. **Ian Lucas** (Wrexham) (Lab): What proportion of engineering apprenticeships in England are being undertaken by women. [43245]

The Minister for Women (Tessa Jowell): Learning and Skills Council figures show a small increase in the number of women taking up engineering apprenticeships, from 2.6 per cent. in 2002 to 2.7 per cent. in 2005, so the House will understand that I remain concerned that engineering, in which there is a skills shortage, is still not attracting young women in significant numbers.

Ian Lucas: Does my right hon. Friend agree that one of the biggest hurdles is the fact that young people's perception of engineering is still outmoded? In my constituency, modern engineering sectors such as renewable energy would be well advanced through more women being involved.

Tessa Jowell: My hon. Friend is right. That is why we are addressing our efforts to increasing the level of information and understanding among young women in schools and in higher and further education, and to examining how job opportunities and apprenticeships are marketed. That is why we have made a significant investment in the UK Resource Centre for Women in Science, Engineering and Technology, which is addressing precisely those matters.

Sandra Gidley (Romsey) (LD): The Minister will be aware of Learn Direct, an adult apprenticeship scheme aimed at attracting the over-25s into non-traditional careers. The Learning and Skills Council's first evaluation highlighted that, in engineering and construction, not a single place went to a woman. What will she do to address that spectacular failure?

Tessa Jowell: That is indicative of precisely the attitudinal problem that exists. It is not just that that shuts women out of potentially satisfying and significant jobs and careers, but there is a skills shortage in this sector of the labour market. Any sector of the labour market that fails to attract the talent of more than half the population will find itself in trouble. The women and work commission will publish its report shortly. We will look carefully at the practical recommendations of that important commission, led by Margaret Prosser, to help us to take more aggressive action to deal with the problem that the hon. Lady and the figures that I gave the House earlier identify.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): The problem with the enrolment of women in engineering has not just arisen now but has been there for centuries. We, including the Department, are taking huge action to address that problem. There are two possible further opportunities that need to be considered, and I ask my right hon. Friend to look into them. First, the UK resource centre is indeed outstanding—it is under our Government that we have achieved that great step forward—but it only looks after graduate women. I would like its portfolio to be extended to include apprenticeships and appealing to girls under 16. The second area—

Mr. Speaker: Order. One area is fine. There is no need for a second.

Tessa Jowell: My hon. Friend has a distinguished record of advocacy in this area. I thank her for that, and I shall take her suggestions seriously. We are absolutely determined that young women will take their rightful place, and that the barriers to their choosing certain careers are removed wherever possible. Another clear example of the difference between the Government's approach and that of other parties in the House is the fact that we believe that only by taking purposeful action, not by leaving things to chance, will we make progress.

Sole Traders (East Midlands)

19. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What estimate she has made of the number of (a) female and (b) male sole traders in east midlands businesses on 1 January. [43246]

The Parliamentary Under-Secretary of State for Trade and Industry (Meg Munn): The most recently available data show that there were 53,000 female and 144,000 male self-employed people without employees in the east midlands in summer 2005. Data for January 2006 will be available from the Office for National Statistics in spring 2006.

David Taylor: A decade ago, as a freelance accountant, I supported numerous small businesses in the east midlands, many run by women and concentrated in high-competition, low-profit industries. Then, as now, female entrepreneurs faced even more acute start-up difficulties than men—problems of finance, advice and, critically, of self-belief. What does the Minister believe is the role of the regional development agencies in helping women to surmount those chronic and crucial hurdles?

Meg Munn: I am grateful to my hon. Friend for that question, because the regional development agencies are key to this process, and we seek to ensure that they all address the issue of women moving into self-employment and business. I am delighted that the East Midlands Development Agency is taking that matter particularly seriously, and has developed an action plan and specific proposals to address those issues, which, as my hon. Friend rightly says, include access to finance, the problems of caring and domestic relationships and, crucially, business advice that recognises the particular challenges that face women moving into self-employment.

Mr. Philip Hollobone (Kettering) (Con): Will the Minister congratulate Pauline Goodman, the project leader of Business4Women, run by the Kettering Business Venture Trust? She is doing marvellous work to encourage local business women to network and develop their businesses.

Meg Munn: I am delighted to congratulate the hon. Gentleman's constituent. Such organisations are important and there is now a range of networks throughout the country, supported by Prowess, which is promoting women's enterprise support. Having that support, with other people to talk to and ways forward, is making a real difference to women running businesses on the ground.

Pensions

20. **Tony Lloyd** (Manchester, Central) (Lab): What estimate she has made of the percentage of women retired and due to retire in the next 10 years who have not accrued the right to a full basic state pension.

[43247]

The Parliamentary Under-Secretary of State for Trade and Industry (Meg Munn): Figures from the Government Actuary's Department show that in 2005–06, 30 per cent. of women reaching state pension age are entitled to a full basic state pension, and the forecast is that in 10 years' time, by 2015, 70 per cent. of women reaching state pension age will have full basic state pension entitlement.

Tony Lloyd: Anyone in the House would have to give credit to the Government for introducing the pension credit, which has made a real difference to pensioner poverty. Nevertheless, the figures that the Minister has just given demonstrate that poverty among pensioners is still a real issue, particularly for women, and that that will continue for the foreseeable future. Do we in this generation have the political will to take action and do something serious about women's pensions, both to get things right for this generation of pensioners and to establish a future framework that will guarantee women proper pensions into the long-term future?

Meg Munn: I thank my hon. Friend for his question and for the work that he has done in promoting this crucial issue. The figures show that changes are taking place, and that the introduction of home responsibilities protection and the fact that more women are now working is narrowing the gap between men and women. However, the crucial issue for the future is women's private pensions. We need to ensure that, as part of the debate surrounding the Turner report, the private pensions issue is tackled. Although we are beginning to address it and are witnessing changes to the state pension, that issue is still very much on the agenda.

Mrs. Eleanor Laing (Epping Forest) (Con): I appreciate what the Minister is saying about private pensions and state pensions, but the Government's real responsibility lies in dealing with state pensions. The last time that we discussed this issue, the Minister for Women did not undertake to persuade the Chancellor of the merits of the Turner report, or of the real importance of putting right the scandalous way in which women pensioners are being treated, as the hon. Member for Manchester, Central (Tony Lloyd) just pointed out. Will the Minister undertake to persuade the Minister for Women to persuade the Chancellor that this matter is urgent and should not be kicked into the long grass? Women pensioners are poor now and need help now.

Meg Munn: I am sorry that the consensual discussion that I normally have with the hon. Lady seems to have gone out the window. I wonder where that is coming from. The reality is that my right hon. Friend the Minister for Women supports discussion of the Turner report; in fact, she promoted its launch. We should remember that it was this Government who, through the pension credit, corrected the absolute poverty that many women lived in before we came to power.

Business of the House

11.31 am

Mrs. Theresa May (Maidenhead) (Con): May I ask the Leader of the House to give the House the business for the following week?

The Leader of the House of Commons (Mr. Geoffrey Hoon): The business for next week will be as follows:

MONDAY 23 JANUARY—Consideration in Committee of the Government of Wales Bill.

TUESDAY 24 JANUARY—Continuation of consideration in Committee of the Government of Wales Bill.

WEDNESDAY 25 JANUARY—Second Reading of the Merchant Shipping (Pollution) Bill *[Lords]*.

THURSDAY 26 JANUARY—Remaining stages of the Criminal Defence Service Bill *[Lords]*, followed by motion to take note of the outstanding reports of the Public Accounts Committee to which the Government have replied. Details will be given in the *Official Report*.

FRIDAY 27 JANUARY—The House will not be sitting.

The provisional business for the following week will be:

MONDAY 30 JANUARY—Conclusion of consideration in Committee of the Government of Wales Bill.

TUESDAY 31 JANUARY—Consideration of Lords amendments to the Racial and Religious Hatred Bill, followed by a debate on pensions on a motion for the Adjournment of the House.

WEDNESDAY 1 FEBRUARY—Opposition Day [12th Allotted Day]. There will be a debate on an Opposition motion. Subject to be announced.

THURSDAY 2 FEBRUARY—A debate on defence procurement on a motion for the Adjournment of the House.

FRIDAY 3 FEBRUARY—The House will not be sitting.

It may also assist the House if I inform Members that a revised calendar is now available in the Vote Office.

[The following is the information: 17th and the 20th to the 52nd Reports of the Committee of Public Accounts of Session 2003–04, the 1st to the 30th Reports of the Committee of Public Accounts of Session 2004–05, and the 1st to the 3rd, the 5th and the 6th Reports and the First Special Report of the Committee of Public Accounts of Session 2005–06, and of the Treasury Minutes and the Northern Ireland Department of Finance and Personnel Memoranda on these Reports (Cm 6271, 6283, 6302, 6303, 6304, 6332, 6355, 6416, 6441, 6458, 6468, 6496, 6577, 6578, 6579, 6609, 6667, 6668, 6682, 6689 and 6712).]

Mrs. May: Can the Leader of the House tell us why the Merchant Shipping (Pollution) Bill has taken precedence over the Childcare Bill, which was originally to be brought to the House next week? Will he ensure that the Defence Secretary makes an early statement to the House on UK troop deployments in Afghanistan, particularly given that the Dutch Government might not now send 1,200 troops there in the coming months?

I recognise that the Government never comment on leaked documents, but given that it now appears that the number of so-called rendition flights through the UK may have been greater than was previously reported to the House, will the Leader of the House ensure that the Foreign Secretary makes an early statement to the House to update Members on that matter?

Last week, the Leader of the House said that the number of NHS trusts with financial difficulties was small. Today, it is reported that no fewer than two thirds of hospitals are having to close wards as a result of financial problems. That is hardly a small number and, apparently, the Prime Minister's response will be to appoint a new Minister to take charge of NHS spin. Yet again, the Government are putting spin doctors ahead of real doctors. Will the Leader of the House make Government time available for a full debate on the state of the NHS? Will he also make time for a debate on education standards, given the concerns about league tables, the number of children being taught in failing schools and the Government's failure to tackle truancy? Will he confirm that the education reform Bill will be published before the House rises for its mid-term recess?

This month, the largest rise in unemployment for 13 years was recorded. The productivity gap between the UK and the US has been widening since this Government came to power. Will the Government make time for a debate on the state of the economy? In its third report of the 2003–04 Session, the Treasury Committee said:

"We can only repeat our view that as much notice as possible for the Budget date is desirable, and we urge Government to regard the 2002 practice—of at least 2 months' advance notice—to be at least a working target."

Will the Leader of the House confirm that the Government will abide by that request, and give us the date of the Budget?

Finally, when will the Home Secretary make a statement to the House on the Government's final proposals on the reorganisation of police forces?

Mr. Hoon: I congratulate the right hon. Lady on that long list of items, which I suspect will be a new record. I shall endeavour to make my way through each point, but I apologise in advance if I do not give as much detail as usual, as she is clearly challenging my powers of explaining the Government's excellent record on each matter that she raised.

I am pleased to report that the Merchant Shipping (Pollution) Bill came out of the Lords rather sooner than anticipated. Given that it is available and ready, it seemed sensible to get on with it.

On Afghanistan, the Government have always kept the House fully informed about the deployment of our forces, and in other theatres. I am sure that my right hon. Friend the Secretary of State for Defence will take an early opportunity to inform the House about any relevant developments in Afghanistan.

The right hon. Lady asked about rendition. I am sure that she is not relying on leaked documents for her assertions, but I draw her attention to the fact that the statements by my right hon. Friend the Foreign Secretary were made after the particular document that has been the subject of some rather excitable media speculation this morning. I encourage her to read my right hon. Friend's statements in detail, and she will find the facts contained therein.

As to NHS funding, the right hon. Lady is relying on a survey that is interesting and important but not especially scientific. It does not set out the full facts, which are clear; as I have told the House on previous occasions, only a small number of NHS bodies are operating in deficit, with some 65 per cent. operating at a surplus.

I have a question for Opposition Members. Are they seriously saying that the Government should not act to assist those NHS organisations that are operating at a loss, when the great majority operate at a surplus? I should have expected Opposition Members to come to the House and demand that the Government sort the problem out. We are sorting it out by providing help and assistance to ensure that all NHS organisations operate at a surplus, or certainly do not operate at a loss.

The right hon. Lady asked about the education reform Bill. It has never been Government practice to announce dates, but I assure her and the House that the Bill will brought to the Floor of the House at the earliest possible opportunity.

It is astonishing for the right hon. Lady to comment about unemployment, given the lamentable performance of the previous Government. In 1992, Norman Lamont—now Lord Lamont—said that unemployment was a price worth paying. I should be interested to know whether that comment was written by the current Leader of the Opposition, who of course was Norman Lamont's special adviser at the time. Many people in the country suspect that that remark is what the Conservatives believe. I would encourage the Conservatives to look carefully at the remarkable record of improvement in employment in this country, which is as good as any of the other G8 countries and out of sight of anything they achieved during their time in office.

I assure the House that the date of the Budget will be announced in due course, and we have debated police reorganisation already and will continue to debate it.

Mr. Nicholas Brown (Newcastle upon Tyne, East and Wallsend) (Lab): Tomorrow, the House will debate the private Member's Bill introduced by my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke), the International Development (Reporting and Transparency) Bill. My right hon. Friend the Leader of the House will know that the Bill commands widespread support in the House and he may have seen the letter in *The Guardian* today from overseas development organisations and others that take an interest in the issue, commending the Bill. Is he in a position to tell the House what attitude the Government will take to the Bill?

Mr. Hoon: The Bill is an excellent initiative that will contribute significantly to the transparency of overseas development initiatives of this and other Governments, and I know that my right hon. Friend the Secretary of State for International Development strongly supports it, as do the Government.

Mr. David Heath (Somerton and Frome) (LD): Last week, I asked the Leader of the House for a statement by the Home Secretary on the implementation of the Bichard inquiry recommendations. A written statement is being made today, so I thank him for the expedition of this matter and ask him to draw it to the attention of the Prime Minister for his education.

On 8 December, I raised the issue of extraordinary rendition. Indeed, I have raised it several times. Was the Leader of the House then aware of the memorandum from the Foreign and Commonwealth Office to the Prime Minister' Office the previous day, advising that

> "We should try to avoid getting drawn on detail, and to try to move the debate on"?

Will the Foreign Secretary come to the House to explain that crude attempt to spin the issue away and to announce a full public inquiry into rendition?

Can the Leader of the House find time for a statement by the Paymaster General on the massive organised fraud in the tax credit system? Some 30,000 cases are being investigated, but that is only the tip of the iceberg, and millions of pounds have been lost to the Exchequer. The Paymaster General was made aware of the issue a year ago, so is it not time that the House had an opportunity to raise questions?

Finally, can the House now be told what new advice from the intercept commissioner requires the Prime Minister to consider the tapping of the phones of hon. Members? There is real concern on both sides of the House about that issue.

Mr. Hoon: With your indulgence, Mr. Speaker, I would like to keep the House fully informed about the hon. Gentleman's prospects in the current leadership contest in the Liberal Democratic party. The House has been eager to learn whether he will put his hat into the ring, and the odds are shortening each week as other runners and riders fall by the wayside. We now know, from an e-mail from the chief aide of the former leader of the Liberal Democrats, that the hon. Gentleman does not want to stay neutral and not declare for anyone. We are all delighted to see that Liberal Democrats are breaking the habit of a lifetime and getting off the fence. Time is running out for the hon. Gentleman to announce his candidature and we give him every opportunity today to do so.

On the issue of extraordinary rendition, I am sorry that the hon. Gentleman did not listen carefully enough to the answer that I gave earlier. The document to which he refers predates the statements made to the House by my right hon. Friend the Foreign Secretary. He set out clearly the relevant facts and those facts have not changed. As a matter of simple timing, I am sure that the hon. Gentleman will accept that they can hardly have changed as a result of a document that predated the announcements that have been made.

I am also interested in the hon. Gentleman's position on organised fraud. If he had looked a little more carefully at the issue, he would have seen that it concerns identity fraud. I am therefore slightly surprised by his party's position on identity cards, as part of the underlying purpose for introducing identity cards is to deal with identity fraud. If the hon. Gentleman were on the Government side of the House, he would have to supply some answers, instead of merely raising questions in the way that he does. I realise that supplying answers is something that the Liberal Democrats are not good at, but practice makes perfect. Perhaps if he would have a go at it, it might help.

[Mr. Hoon]

As far as the issue of interception is concerned, my right hon. Friend the Prime Minister set out clearly the Government's position yesterday and I have nothing to add to that.

Several hon. Members *rose—*

Mr. Speaker: Order. The House will understand that two statements are to follow. I urge Back Benchers to put no more than one supplementary question to the Leader of the House.

Mr. Jim Devine (Livingston) (Lab): Has my right hon. Friend had time to read early-day motion 1421, which is in my name and has been signed by 65 of my hon. Friends and supported by many more?

[That this House believes that the Scottish Parliament should follow the lead of the Welsh Assembly and introduce guidelines for all political parties that ensure that candidates for election cannot stand for both the list and the constituency.]

Will my right hon. Friend find time in this Parliament to resolve the anomalous situation of elections to the Scottish Parliament, whereby candidates can stand in a constituency, lose and then be elected on the list?

Mr. Hoon: I have read that early-day motion, not least because of my hon. Friend's assiduous efforts to draw the issue to the attention of members of the Government, and I congratulate him on his initiative. I am sure that it is something that members of the Scottish National party might consider very carefully.

Mr. Andrew Mackay (Bracknell) (Con): Although the House will be grateful to the Secretary of State for Defence for the fact that he will come to make a statement if a large number of extra troops are to be deployed in Afghanistan, is it not absolutely essential to hold a full debate, as in the Dutch Parliament, because the situation in Afghanistan is deteriorating, confusing and dangerous? I hope that the Leader of the House, as an ex-Secretary of State for Defence, would agree that such a debate was essential.

Mr. Hoon: I have made it clear already that the Government, as always, attach enormous importance to informing the House about the deployment of British forces. There will be plenty of opportunities in the weeks ahead for the right hon. Gentleman to raise those issues, not least because Defence questions will take place on Monday. I have announced a debate entitled "Defence Procurement", but it has always been the tradition of the House that those debates can allow an extended discussion of all matters that affect defence. Furthermore, I have indicated that, at an early opportunity, my right hon. Friend the Secretary of State for Defence will come to the House to set out the position in relation specifically to Afghanistan. There will be significant opportunities for right hon. and hon. Members to consider those issues.

Dr. Brian Iddon (Bolton, South-East) (Lab): Prostitution is a serious issue that affects many constituencies, so I was disappointed last Tuesday that the Government decided to release their future strategy by written statement, without right hon. and hon. Members being given a chance to question Ministers. What opportunities will there be in future to debate that important subject?

Mr. Hoon: I am sure that this issue will be brought to the Floor of the House by right hon. and hon. Members during questions. Indeed, there will be opportunities on the Adjournment to discuss these issues, and I certainly urge my hon. Friend to consider using Westminster Hall for that important debate.

Mr. Philip Hollobone (Kettering) (Con): Will the Leader of the House draw to the Home Secretary's attention the interesting proposal from Brian Moore, deputy chief constable of Surrey police, to place a new specific statutory duty on public authorities to require them to disclose the incidents of violence that come to their attention that are committed by readily identifiable individuals?

Mr. Hoon: I certainly believe that such an initiative would be wholly consistent with the Government's efforts to ensure an emphasis not only on citizens' rights, but on their responsibilities. If we are to tackle not only more serious crimes but the kind of antisocial behaviour that affects far too many of our constituencies throughout the country, it is important that all citizens participate in ensuring that those responsible both for antisocial behaviour and for crime are brought to justice.

Ms Celia Barlow (Hove) (Lab): Will my right hon. Friend consider finding time to debate the carrying of bicycles on trains? My local rail operator—Southern—has just implemented a ban on doing so during peak travel times, which is particularly ironic given that Brighton and Hove has just been awarded £1.5 million of Government money as a Cycling England town.

Mr. Hoon: My right hon. Friend the Secretary of State for Transport is well known for his enthusiasm for bicycles. I will ensure that the important matter is drawn to his attention.

Mr. Peter Robinson (Belfast, East) (DUP): Will the Leader of the House set aside time for a statement or debate on paramilitary involvement in criminality in Northern Ireland so that the Secretary of State for Northern Ireland can explain the confusion between the position of his security Minister, the Under-Secretary of State for Northern Ireland, the hon. Member for St. Helens, South (Mr. Woodward), who says that the IRA is no longer involved in criminality, and the Chief Constable of the Police Service of Northern Ireland, who indicates that it is still involved?

Mr. Hoon: I assure the hon. Gentleman and the House that there is no confusion between the two positions. My hon. Friend the Under-Secretary was referring to the huge and significant change in the position of the IRA as an organisation. Obviously, it is rightly the responsibility of the Police Service of Northern Ireland, which does a superb job on behalf of

the community, to ensure that any individuals involved in any kind of criminality are subject to investigation and brought to justice.

Mr. Fraser Kemp (Houghton and Washington, East) (Lab): Will the Leader of the House consider early-day motion 1418, which was tabled in my name?

[That this House recognises that carbon monoxide is still a major killer in the United Kingdom, claiming more than 30 lives each year and that more than 50 per cent. of the general public are unaware of this fact; congratulates Hugh and Margaret Brennan, who lost their daughter Anne aged just 19 in 1995 to this silent killer which cut short her life when she was only in the second year of her English degree at Durham University, for their campaigning to end this continuing tragedy; and calls upon the Government further to examine the laws on landlords' responsibility for carbon monoxide poisoning and to renew efforts to warn the general public about such dangers.]

The early-day motion endorses a call of two of my constituents, Hugh and Margaret Brennan, who tragically lost their daughter Anne to carbon monoxide poisoning 11 years ago. They welcome many improvements that have been made, but call for a wider public awareness campaign to try to stop the needless deaths of 30 people a year in Britain due to carbon monoxide poisoning. Will the Leader of the House join me and them in endorsing the call for people to be made aware of the silent killer that is out there?

Mr. Hoon: I am grateful to my hon. Friend for raising something that is important because sadly people still lose their lives in such circumstances. He rightly acknowledged that significant improvements to safety measures to prevent such terrible tragedies have been made over the years, but I recognise that more must be done. I assure him that I will draw that to the attention of the Secretary of State.

Mark Pritchard (The Wrekin) (Con): Will the Leader of the House confirm that following the energy review, a Bill will be brought before Parliament so that all hon. Members can discuss and vote on the conclusions of the review?

Mr. Hoon: The review is important. I am sure that hon. Members will want to discuss it and they will have the opportunity to do so in due course. As I am sure that the hon. Gentleman realises, a review is not the same as a specific proposal for taking immediate action. I am confident that there will be a number of options and that the Government will have to consider the best way forward on several matters. I look forward to his contribution to the debate.

Clive Efford (Eltham) (Lab): May I draw my right hon. Friend's attention to an early-day motion that I am about to put down on the news today that the Department for Work and Pensions is to withdraw a £1 billion contract for the Post Office card account? Many hon. Members raised concerns on the Floor of the House during the reinvention programme for sub-post offices. The change is coming too soon on the back of the previous changes to the sub-post office network. The Department for Work and Pensions says that only one in four people uses the accounts, but I would say that as many as one in four uses them, and the number will be significantly higher in the poorest communities. The issue belongs on the Floor of the House, so I hope that the Leader of the House will take note of my early-day motion when I table it.

Mr. Hoon: As I have indicated to the House before, I am always impressed by my range of responsibilities. I now discover that I am responsible for early-day motions that are still to be tabled. My hon. Friend raised this important issue with my right hon. Friend the Secretary of State for Trade and Industry earlier at Question Time and I shall certainly ensure that it is also drawn to the attention of the Secretary of State for Work and Pensions.

Mr. Bernard Jenkin (North Essex) (Con): May we have a debate on sentencing in child sex abuse cases? Phoenix Survivors, a national support group based in North Essex that has been set up for and by the victims of child sex abuse, has drawn my attention to the sentences handed down in the so-called baby rape case last week of two and a half years and six years, compared with a mandatory life sentence. It is left to the Attorney-General to appeal to the High Court so that more realistic sentences can be applied. I do not blame the judges, but the situation suggests that the law is somehow deficient, so we should discuss the matter.

Mr. Hoon: This issue was quite properly raised last week. As I indicated, the Government have been concerned over many years to ensure that appropriate sentences are passed, not least sentences that reflect the concern of a community when a sentence is perceived to be too lenient. As the hon. Gentleman indicated, we have taken action to provide powers to allow appropriate appeals against sentences that are too lenient and to ensure that appropriate standards are set for the guidance of our judges on the way in which sentences are imposed. The hon. Gentleman was right to draw attention to the issue and I assure him that the Government take these matters very seriously.

Gordon Banks (Ochil and South Perthshire) (Lab): May I take this opportunity to introduce my right hon. Friend to early-day motion 1417, which has been tabled in my name?

[That this House acknowledges the role played by the Bevin Boys, who served this nation during the period 1943 to 1948; notes that many paid the ultimate price in their endeavour to rid Europe of Nazi tyrants; and calls upon the Government officially to recognise by the way of an award similar to that available to the military veterans the importance of the Bevin Boys to victory in the Second World War.]

The Bevin boys were 48,000 conscripted miners who served this country well with their toil, sweat and lives between 1943 and 1948. Will my right hon. Friend use his good offices and speak to relevant members of the Cabinet to investigate the possibility of officially recognising the service that those people provided to this country during the war years and properly and relevantly commending their efforts?

Mr. Hoon: I am extremely grateful to my hon. Friend for raising the matter. My distinguished predecessor,

[Mr. Hoon]

Frank Haynes, was a Bevin boy. He came from London to Ashfield as a miner and served that community extraordinarily well, both in the war years and, of course, as a long-standing Member of the House. The issue is not something that I need reminding about, and I share my hon. Friend's ambition of finding an appropriate way of recognising the Bevin boys' contribution.

Tony Baldry (Banbury) (Con): May we have a debate on early-day motion 1339, which was tabled in my name and has the support of hon. Members on both sides of the House?

[That this House is concerned that the Home Office has paid £12.5 million in compensation to GSL Ltd because the accommodation centre for asylum seekers at Bicester did not go ahead; is concerned given that GSL was not obliged to purchase land and did nothing whatsoever on the site, that compensation was paid and by the amount of taxpayers' money thrown away on this project, this £12.5 million being in addition to the £18 million the Government has already admitted has been spent on this project; and calls on the National Audit Office to carry out a full investigation.]

We need a debate on Government procurement and on how the Government actually contract. The Government have wasted £25 million on the accommodation centre in Oxfordshire at a time when the NHS in Oxfordshire has a deficit of £15 million. The Leader of the House will realise that local people, whether taxpayers or users of services, are understandably aggrieved about the situation.

Mr. Hoon: I certainly understand those people's concern because it is vital that Government procurement is efficient and effective. Again, the Government have taken significant steps to ensure not only that the process of procurement in individual Departments is efficient and effective, but that there is a joined-up approach across Government. Different Government Departments often procure identical items, so it certainly makes sense to do that collectively. I draw the hon. Gentleman's attention to the efforts that the Government are making to ensure that health authorities that are suffering deficits are given the right assistance so that they can emulate the example of more successful authorities that are in surplus.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): Will my right hon. Friend arrange a debate on the special steel industry, especially in the light of the decision by Outokumpu, a major firm in my constituency, to declare 800 redundancies and to close the coal division due to competition with China? I would then have the opportunity to seek an assurance that officials from the Department of Trade and Industry and from Yorkshire Forward will work with the remaining parts of the special steel industry to try to get them to work more co-operatively so that they can better resist competition from China and other countries.

Mr. Hoon: My hon. Friend raises a matter that is important to his constituency and his constituents and has wider implications for special steel production and for the country as a whole. I take note of his observations and am sure that my right hon. Friend the Secretary of State for Trade and Industry will take them very seriously indeed.

Angus Robertson (Moray) (SNP): Yesterday saw the publication of a report by a senior aviation expert that lists between 40 and 50 alleged intelligence flights that landed at Scottish airports, including one dubbed the Guantanamo bay express and another that has been the subject of a diplomatic enquiry by Norway and debate in the Canadian Parliament. I know that the Government are keen to avoid getting drawn on detail, but may we have a debate on those details because it will otherwise be hard to conclude that the Government do not have something to hide?

Mr. Hoon: The Government do not have anything to hide. It has been the practice of Governments over time not to comment on such issues, and I am not going to change that practice. It would not be appropriate to comment. If the hon. Gentleman gave half a second's thought to the matter, I am sure he would recognise that it would not be appropriate to have that kind of debate.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): Will my right hon. Friend make time available to discuss Britishness and multiculturalism? A great debate is going on outside the House, but we have never discussed the subject on the Floor of the House. It is important and we should debate it, but in all the years that I have been in the House the subject has not been raised here.

Mr. Hoon: My hon. Friend makes an extremely valuable suggestion. My right hon. Friend the Chancellor of the Exchequer has set out some interesting and, I think, well received views on how we should more effectively celebrate Britishness. I would want that to include the tremendous contribution made to ethnic diversity in this country by those who have come from, or at least whose antecedents have come from, other countries. That has added to the richness of our nation's heritage.

Dr. William McCrea (South Antrim) (DUP): In March 2005, the Education Minister in Northern Ireland was to announce a school building programme for Northern Ireland, but the election intervened. Since then, no new school building programme has been announced and our schools are crumbling. Can we have time for an urgent debate on a matter of relevance to our children?

Mr. Hoon: The hon. Gentleman may be factually correct about the position as far as schools are concerned, but he will know that my right hon. Friend the Secretary of State for Northern Ireland has announced a significant programme of funding for improvements in the public services in Northern Ireland. I am confident that in due course that will deliver the results that he and members of the Government desire.

Mr. Lindsay Hoyle (Chorley) (Lab): Will my right hon. Friend ensure that we have a debate on the future of the joint strike fighter and, in particular, the STOVL

version of it? If that is not going ahead, it raises not only a question mark over the future of that aircraft, but a bigger question mark over the carriers and the sheer size of them that will be required for other variants that may have to operate.

Mr. Hoon: I am grateful to my hon. Friend. Scarcely did Defence questions go by without him raising an aspect of aviation, and he has given me the opportunity to remind myself of those important subjects. As far as the United Kingdom is concerned, it is crucial that the STOVL variant of the joint strike fighter goes ahead. I assure him that my right hon. Friend the Secretary of State for Defence has that at the centre of his attention.

Safeguarding Children

12.2 pm

The Secretary of State for Education and Skills (Ruth Kelly): I am grateful for this opportunity to make a further statement on arrangements for vetting those working with children and barring those who are unsuitable. In addition, I am placing in the Library copies of the review of List 99 that I announced last week, which gives further background on this statement. Given the seriousness of the issues, the statement is, as I have discussed with you, Mr. Speaker, longer than usual.

Nothing matters to parents more than the safety of their children, so I deeply regret the worry and concern that has been caused to parents over the past few days. I am determined to do everything that I can to ease their concerns. This is a complex area. There are no easy answers. Child protection has been a top priority of successive Governments. Ministers in this and previous Administrations have made difficult decisions, particularly in maintaining the safety of children while protecting those working in schools from malicious allegations.

The operation of the list is set out in legislation going back to 1926, but attitudes have changed significantly in recent decades. That has led to a greater concentration on the terrible effects of child abuse. Consequently, law and practice has been continually tightened. I pay tribute to the Conservative party for paving the way for the sex offenders register and for beginning the process of automatically barring teachers convicted of sex offences.

This Government have gone further still. From 2000, those included on List 99 on the grounds of unsuitability to work with children have received a full bar. All sex offenders, if deemed unsuitable to work with children, are placed on List 99 and banned from schools indefinitely. In 2003, we passed the most comprehensive overhaul of sex offences legislation since the 1950s. We introduced the Criminal Records Bureau in 2002 to ensure that all schools have full access to the convictions and cautions of the school work force. Sir Michael Bichard's report following the events in Soham made 31 further recommendations, 13 of which are already in place, with the remainder being implemented, but there is more to be done.

Our vetting and barring system, which is a shared responsibility between Government, local agencies and employers, has developed piecemeal over the past 80 years. In addition—rightly—the public mood on the issues has hardened. It is time, therefore, to overhaul the system. We need a system in which child protection comes first, above all other considerations. It must be a rigorous system, drawing on the best expert advice. There must be absolute clarity about who does what. The system must command public confidence and it must be accountable. It must also be fair to individuals, giving rights of appeal. There must be no witch hunts against hard-working teachers and there must be protection against false or malicious allegations. Today, I am setting out how we will achieve that.

Public concern has focused on the operation of List 99. I understand that concern, but ensuring that List 99 works properly is only one key part of the current vetting system. The most important check against a

[Ruth Kelly]

school unknowingly employing someone with a sex offence is the check that employers do through the Criminal Records Bureau. Those checks show the full record of potential employees, including convictions and cautions, and whether the applicant is on List 99 or other centrally held databases. Criminal records checks allow schools and others to make informed decisions about whether to appoint. List 99 provides a further check, including in the most serious cases—for someone who is on the list because they are unsuitable to work with children, it is a criminal offence for them even to apply to work in a school.

List 99 contains 4,045 names. The vast majority are barred indefinitely from working in schools. A much smaller subset—210—are subject to restrictions short of a full ban. List 99 goes wider than just sexual offenders and covers those convicted of crimes, such as deception, as well as those who are unsuitable on health grounds. But because List 99 has only ever automatically covered those individuals who are already working in the education sector when they commit the offence, the Criminal Records Bureau, which covers everyone, is the main safety net.

For convictions for 40 of the most serious offences, inclusion on the list is automatic. For other cases, the decisions have been at Ministers' discretion, and the vast majority have always been taken by officials on Ministers' behalf. In those cases, advice may be sought from a wide variety of relevant sources before a decision is taken—for example, from the police, experts in sexual offences, forensic psychiatrists and others.

In 2005, 2,554 cases were referred to the Department, of which 513 resulted in a full bar. In many cases in which an individual is not barred, the evidence considered will have been based on suspicions and allegations rather than firm criminal cautions or convictions, or the individuals referred to the Department will not have previously worked in the education sector.

A preliminary comparison of these numbers with historic data from 1985 and 1995 suggests that the number of decisions reached each year has increased substantially, yet in all three years both Ministers and officials have made a wide variety of decisions on individuals with convictions or cautions or who are subject to allegations that have been referred for a wide variety of reasons, including sexual offences. As I said, these issues are complex, and always have been. Successive Ministers have been required to make the most difficult decisions.

Understandably, recent concerns have focused on discretionary decisions by Ministers not to include an individual on List 99, despite that individual being on the sex offenders register. The review that I set in place has identified 10 cases since 1997. In each case, the recommendations after expert evidence were that those individuals posed no threat to children. As a result, those individuals were issued with a grave warning with the requirement for disclosure if they applied for a job in a school. I can, however, tell the House that officials and the police have examined each case. Current inquiries suggest that none of the individuals concerned is working in a school. I have asked police to visit each of those individuals to check whether there is any cause for concern. None is judged by the police to pose a current risk.

Over the past 10 days, however, I have been determined to go further to provide a more complete analysis. I have asked officials to look at similar decisions made by officials, and decisions by Ministers and officials on cases since 1997 where the relevant offence was committed prior to the introduction of the sex offenders register. That has identified a further 46 cases. As many of those cases deal with very old offences, and are not monitored under sex offender monitoring arrangements, our information on them is much more limited. Officials and, where relevant, the police, have found the following. For 32 of the 46, there is no evidence that the individuals are working with children. In one case, an individual is working in education, but has been assessed by the police as of no cause for concern. In 13 cases, preliminary checks have shown no reason for concern, but our information is as yet not complete. In two of those cases, inconsistent data need to be reconciled. Further action on all 13 cases will be considered in conjunction with the police on a case-by-case basis.

I am sure that the House will want me to thank the police for their work in following up individuals as part of this exercise. [HON. MEMBERS: "Hear, hear."] In addition, the police have carried out an initial review to see whether there were any further individuals being monitored on the sex offenders register who might be eligible for List 99. Initial investigations suggest that there may be 32 such cases in England and Wales. As a precaution, the police have assessed all those cases. In one case, investigations are continuing. I fully accept that this review of individual cases has identified wider issues about how the vetting system currently operates. Building on Sir Michael Bichard's inquiry, I have identified three key issues that we now need to address including, first, the lack of coherence between List 99 and the other lists held nationally. That is made worse by problems in sharing information and by the fact that, historically, cautions have been treated differently from convictions, despite both being a legal statement of guilt.

Secondly, there is a lack of clarity about who is responsible for doing what, locally and nationally and, thirdly, we need to address ministerial involvement in decisions. I have concluded that further reform is necessary. Some of it can be done immediately, and some through the primary legislation that we have already planned. Over the past 10 days, I have considered whether it would be possible more closely to align the sex offenders register and List 99. I have decided that we need to go further than that. After extensive consideration, I have decided the most effective approach is to bar from working with children all those who are now convicted or cautioned for any sexual offence against a child, whether the individual is on the sex offenders register or not. [HON. MEMBERS: "Hear, hear."] First, therefore, I will shortly introduce regulations automatically to enter on List 99 anyone who is convicted or cautioned for a sexual offence against a child. I will also automatically bar individuals for a range of other serious sexual offences against adults. By including cautions as well as convictions the anomaly between offenders who are convicted and those

who admit their guilt and accept a caution will end. Individuals will have the right to make representations, but they will need to prove that they are not a threat to children before they can work in a school or other educational establishment. I shall consult widely on the detailed implementation of that measure.

Secondly, I will require mandatory Criminal Records Bureau checks for all newly appointed school employees, thus replacing the current strong guidance. That will also require that teaching agencies ensure that their teachers have a Criminal Record Bureau check. That should ensure that all employers make judgments about appointments in full knowledge of the facts, whether or not a potential employee has previously worked in the education sector. Thirdly, Ofsted will carry out an urgent survey of existing vetting practice in a sample of schools, and it will report to me in the spring. Fourthly, I will write today to all schools, setting out how the checking system will work and informing them of the change to mandatory CRB checks. My right hon. Friend the Home Secretary will write today to all chief constables, chief probation officers and the Youth Justice Board to restate how the current system works, how it is changing and the priority attached to this area.

Fifthly, I will ensure that all Department for Education and Skills staff who are part of the vetting process receive appropriate training, support and advice in child protection issues. Finally, in advance of legislating to remove Ministers from the process entirely, I will establish a panel of independent experts chaired by Sir Roger Singleton, the former head of Barnado's, to oversee the whole List 99 process. His role will be to ensure the quality of the process and advise me on any further List 99 cases that need to be decided. The panel will draw on expertise from the police and child protection specialists. While I will not fetter my discretion on individual cases, I cannot at present envisage the circumstances in which I would not follow its expert advice.

The expert panel will also review cases determined before 1997. It will examine cases that, had the sex offenders register existed, would have resulted in the individual's inclusion on the register, and all cases involving a sexual offence or allegation that resulted in a decision not to include an individual on List 99 or in a restriction or partial bar. The aim of the review will be to establish whether any individual poses a risk of harm to children and if any action should be taken. The permanent secretary at the Department for Education and Skills will ensure that the relevant former Minister is consulted in any such case. Those reforms will make the current List 99 system work better immediately, but the whole Government are determined to replace List 99 entirely with a new, better system as quickly as possible. As my right hon. Friend the Home Secretary has said in his statement today, "good progress" is being made in implementing the recommendations of the Bichard inquiry. The necessary legislation that was promised in the Queen's speech will be introduced in February. In particular, that legislation will bring together List 99 and the Protection of Children Act list in a single register of those barred from working with children. I will also use that legislation to make further reforms.

I will legislate to give independent experts the final decision on who should be barred. This will have the effect of removing from Ministers the responsibility for taking barring decisions. Decision making will be transferred to a statutory body that will be the holder of the new combined register and will take all decisions about who should be barred. Individuals will retain the right of appeal. While I will consult about the exact role of the body, I will ensure that police advice will inform every decision.

Over the years procedures have been strengthened. It is time, however, to strengthen them further. Nobody who is convicted or cautioned for child sex offences should be allowed to teach in schools. We need an independent panel to take decisions. And we must do all this with proper safeguards to ensure that no teacher, subject to claims or allegations that may be strongly contested, should be unfairly condemned. Our task as a Government, my task as Secretary of State and the task of all of us as legislators is to get this framework right. That is what the reforms that I have announced today will do.

Mr. David Willetts (Havant) (Con): Parents and teachers will be relieved that at last the Secretary of State has made her statement today. After nearly a fortnight in which teachers and parents have become increasingly worried and confused about sex offenders at schools, at last we have some basic information, and we welcome that. We also welcome the right hon. Lady's regret at the uncertainty that we have seen over the past fortnight. We welcome her final statement that no one convicted or cautioned for child sex offences should be allowed to teach in schools. But it is a great pity that even after Soham, even after the Bichard report, it looks as if the Secretary of State and her predecessors were taking decisions that broke that principle. Does she now regret taking decisions that breached the principle that she enunciated today?

Why has it taken so long to get from the right hon. Lady elementary information about what has been going on in our schools? Ministers were personally deciding whether sex offenders should work in schools. She rightly stressed today the delicacy and the difficulty of those decisions. We understand that, but surely, then, the Department would have been keeping track of the sex offenders that it was releasing into our schools. Instead, for a fortnight the Department has been incapable of answering basic questions about those offenders.

Even if the Secretary of State did not decide on individual cases, surely it was her responsibility to make sure that they were properly monitored. Instead, parents have been shocked that Ministers have been so ignorant of decisions that they themselves have taken. As parents' concern has mounted, the Secretary of State has remained largely invisible and largely silent. It is this complete absence of reliable information or strong leadership from the Department over the past fortnight that has contributed to the lack of confidence that we see today. Does she accept how much damage the uncertainty and anxiety of the past fortnight has done to the confidence of parents and teachers in the regime that is supposed to maintain the integrity of people in our schools?

[Mr. David Willetts]

There are other key questions that I put to the Department 10 days ago. Although the Secretary of State has given us much useful information today, she has not answered all the questions. For example, why is it still possible to work in a school without even completing a basic criminal records check? Why did a previous Secretary of State specifically recommend schools to continue recruiting people before those checks had been completed? Were head teachers and governing bodies informed if Ministers did decide that a sex offender should be permitted to work in their school?

Why did the Secretary of State tell the House last week that offenders were "automatically" put on List 99, which "bars them for life" from teaching, when we now know that that has not been the case? Indeed, in her statement today she said: "From the year 2000 those included on List 99 on the grounds of unsuitability to work with children have received a full bar." How can we reconcile that statement with the apparent evidence that in 2001 a previous Secretary of State did place someone on List 99 without a full bar on their working with children in schools? Did the Secretary of State receive advice last year that the system was not working properly? What steps did she take in the light of that advice?

The Secretary of State set out a range of proposals today. We welcome the independent review that she announced. We called for precisely such a review last week by an independent person so as once more to restore confidence in the system. The right hon. Lady says that she will finally implement the Bichard report, but may I take her back six years to the Protection of Children Act 1999? The purpose of that Act was to achieve

"a 'one-stop shop' to compel or allow employers to access a single point for checking the names of people they propose to employ in a post involving the care of children."

That was the purpose of legislation passed by the House six years ago. We want to know not just why the Secretary of State and her predecessors have failed to implement a proposal in a report 18 months ago, but why they have failed to implement legislation passed by the House six years ago.

We will, of course, work with the Government and aim to implement constructively the legislation that the Secretary of State proposes—legislation that Ministers described as urgent 18 months ago. Of course we will work with them on that. Our priority will be to restore the confidence of parents and teachers, after a fortnight during which their confidence in the Secretary of State and the system that she administers has ebbed away. I believe that she is an honourable person, but it must be for her and her conscience whether she is capable of regaining the confidence of parents and teachers who have suffered such anxiety, concern and uncertainty over the past 10 days.

Ruth Kelly: I had hoped to welcome the constructive way in which the Opposition had decided to deal with these issues. I of course welcome the fact that the hon. Member for Havant (Mr. Willetts), who speaks for the Opposition on these matters, is prepared to work with us in taking forward the Bichard legislation. I wish he had said that 10 days ago, but at last, having reflected on these issues, he has decided that it is right to take forward the proposals that were set out in the Queen's Speech and which we have decided to bring forward in February.

I have been at pains to give credit to the Opposition for the work that they did on child protection, including paving the way for the sex offenders register to be introduced in 1997. Not only have I provided the figures which the hon. Gentleman asked for—I have gone further. I have looked not just at the cases determined by Ministers and decisions made not to bar individuals who were on the sex offenders register, but I have also considered decisions made by officials not to bar in respect of people who were on the sex offenders register, and I have gone further than that. I have looked at all the decisions where the cautions and convictions were made before the introduction of the sex offenders register in 1997, and examined all those cases as well, because I think it is important to put the fullest possible information into the public domain, so that we can restore confidence in the system and reassure parents about the robustness of our vetting arrangements.

Ten days is not a long time in which to carry out such a comprehensive review of thousands of files. Each case has been considered, and each individual has been assessed by the police, with visits to ascertain whether such individuals are currently working with children or pose a risk to children. I have told this House that none of those 10 cases is currently working in a school and that the police have no cause for concern about them in relation to children. The public expect the Secretary of State for Education and Skills to provide public confidence in the system and to conduct the review properly and robustly and in a calm and rational way.

Over the past 10 days, I have carried out a root and branch review of our child protection processes to make sure that we can make some changes immediately to tighten up the system—for example, introducing an independent panel to review the entire process, to consider all future individual cases and to make recommendations on how to incorporate more fully the advice of the police and the child protection agencies into that process. The panel will also review every single case in which Ministers, who followed the legal framework at the time and who worked under the best expert advice, in this Administration or previous Administrations made decisions to see whether any new information has come to light to warrant revisiting those decisions. Again, I think that the public expect me to do that before reporting to this House.

I have considered how we can broaden the range of offences that lead to someone being barred from working in schools. I have explained to this House how we will be able to lay regulations to extend the range of offences that will automatically bar an individual from working in a school, subject, of course, to the appeal process.

To meet the point raised by the hon. Member for Havant about the Criminal Records Bureau, I have explained how we will review our current strong guidance to schools to undertake CRB checks and replace it with a mandatory system, so that all employers who work with children—in particular, the schools work force—will have a responsibility in law to conduct a CRB check, which will reveal not only the cautions and convictions of people who have previously worked

in the education sector, but the cautions and convictions of those who have not previously worked in the education sector.

The hon. Gentleman mentioned the Bichard review and the length of time that it has taken to implement the report. Sir Michael Bichard himself, who thoroughly reviewed the process, said just a few days ago how impressed he is with the Department's work to date in implementing the reforms that he has set out, and we have now committed to a date for their introduction.

The hon. Gentleman referred to the parliamentary questions and other questions that he tabled in the past 10 days. I intend to answer all those questions today, and I have supplemented my oral statement with a full report and review of List 99, which is available to all hon. Members.

The hon. Gentleman asked how a decision to make a partial bar could have been made in 2001, but he should examine the legal framework more closely. If a caution or conviction was committed before the introduction of the regulations, it cannot be considered under the new legal framework, but all cautions and convictions considered after that date include the imposition of a full bar. Again, the report attached to my statement covers that issue.

The hon. Gentleman has called for an independent review. We have conducted a review in the fastest possible time, providing full public confidence to all employers and parents in particular that child protection is our first priority, and I hope that public confidence can now be restored.

Mr. Edward Davey (Kingston and Surbiton) (LD): May I thank the Minister for her statement and pay tribute to her work and that of her officials and the police in the past 10 days to conclude this vital review? Despite the comments from some Conservative Members, the Secretary of State has gone a long way today towards ensuring the outcome that everybody wants—the restoration of parents' confidence in the child protection system. However, I hope that she acknowledges that it will take more than one statement to complete that process, and we are prepared to work with her to do just that.

I particularly welcome the proposal to introduce a single list for people working with children, which will end confusion for employers and the dangers, inconsistencies and loopholes caused by the multitude of lists. I also welcome the removal from Ministers of the responsibility of conducting individual case reviews and the new guidance to schools on appointment procedures and mandatory CRB checks.

Will the Secretary of State explain why the latest guidance issued by her Department in June last year did not require schools to receive an enhanced CRB disclosure before appointing a teacher, as set out in previous guidance? What can she say to reassure parents and schools that the CRB can perform the increased number of mandatory checks quickly?

I support the proposal to appoint a panel of experts to review individual cases. Can the Secretary of State confirm that its criteria and guidelines will be published? Can she confirm that her plans will ensure that certain categories of work with children that are currently exempt from CRB checks will now all be covered? Why were child carers minding children over eight years old ever exempt from CRB checks? Can she confirm that all schools—state schools, independent schools, community schools and city academies—will be subject to the same vetting requirements?

Will the Secretary of State accept that parts of the package that she has introduced today urgently require more work? Does she share my concern that some agencies supplying staff to schools appear to be particularly poor at checking references and records, and if so, what is she doing about it? When people from overseas apply to teach in our schools, is she convinced that her plans provide for sufficient checks? Will guidance for police on issuing cautions be changed in light of today's announcement?

Will the Secretary of State reassure the House that in this vital drive to protect children, we will also remember to protect teachers when false allegations are made? Will she ensure that new guidance and training remind schools of the need for safeguards for teachers who may have been wrongly accused? Will she legislate to stop teachers being named before they are charged with offences?

Will the Secretary of State accept that the situation has arisen largely because of delays in implementing the recommendations of the Bichard inquiry? How many of the 18 Bichard recommendations that remain unimplemented are her responsibility, and why have they not been implemented? How many of the unimplemented Bichard recommendations are the responsibility of the Home Office? Given the Home Office delays with computer projects for Bichard, will she reassure the House on the time scale for the IT projects that lie behind today's proposal? When will those IT projects be implemented and what safeguards exist for the interim?

It is in the interests of children, teachers, schools and the wider public that confidence is restored rapidly and the hysteria is ended. The Secretary of State has made a real start today—if she delivers on her promises and answers our reasonable questions, Liberal Democrats will work with her to complete the task.

Ruth Kelly: I welcome the way in which the hon. Gentleman has treated these serious issues. It is important that we restore confidence in the system and take sensible, immediate, practical action to make it more robust. We will tighten up our vetting procedures through legislation and introduce a positive vetting procedure, which will reassure parents and employers, too. He has welcomed a number of our measures, and I thank him for his support.

The hon. Gentleman specifically mentioned the categories covered by the new mandatory CRB checks. We are in the process of reviewing that, and my right hon. Friend the Minister for Children and Families will have more to say shortly.

The hon. Gentleman is right to point out that we need to tackle the issue of supply agencies, which I mentioned in my statement. CRB checks will be made mandatory for supply agencies.

The hon. Gentleman is right to mention overseas teachers and workers in schools; we will review the process for vetting them.

[Ruth Kelly]

The hon. Gentleman is right to suggest that cautions and convictions are currently treated in different ways. We will in future bring those together for certain specified offences against children. The police may need to rethink how cautions are issued in light of that, although the most important point is that there is a quick appeals system with a right of representation for the individual.

The hon. Gentleman is wrong to suggest, however, that there has been a delay in implementing Sir Michael Bichard's report. The Department has been working on this with considerable vigour and urgency over the past 18 months. Sir Michael Bichard himself reviewed the implementation timetable and endorsed it. Moreover, he recently said that he was "very impressed" with the work undertaken by officials. Nobody in the wider public who realises that four different computer systems need to be replaced with one computer system that continually updates records will think that 18 months is an excessive length of time to pave the way for that legislation. It is of course important that we keep child protection right at the top of our list of priorities, and that is my commitment to the House.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): May I criticise my right hon. Friend in one respect? Some of us with a bit of interest in history will be quite sad to see a piece of legislation that has lasted 79 years at last being dragged out of the cupboard, shaken up and renewed, although only a slight amount of nostalgia is involved. No other Government have done that.

I congratulate my right hon. Friend, who, in all the frenzy over the past two weeks, has kept a clear, cool head, has not listened to the trumped-up charges from the Opposition, and has come through, after hard work, with proposals that have taken the game away from them. Does she agree that one educational lesson to come out of the past 10 days is: "You might have two enormous brains but you do not have much common sense"?

Ruth Kelly: I thank my hon. Friend for his support. I can assure him that I take my responsibility as Secretary of State very seriously indeed. The Education Secretary is responsible for ensuring that the systems and processes that employers use to check the suitability of a candidate for working with children are as robust as possible. I have explained how we intend to tighten the system further, while accepting that it has been tightened progressively over decades, particularly in the past eight years or so. The legislation that we are implementing to introduce the Bichard proposals will bring in a completely new vetting and barring system and give the public yet another tool to assess the suitability of those applying to work with children.

Mr. Michael Fallon (Sevenoaks) (Con): Is the Secretary of State aware that although anybody who has worked with List 99 will welcome improvements to it, she will not regain parents' confidence until she can explain the delay more fully? What part of her proposals or her review could not have been announced immediately after the Bichard report 18 months ago?

Ruth Kelly: Clearly, I had a responsibility as Secretary of State to carry out the review thoroughly. That meant that I had to be precise about the numbers that I presented to the House. I had to put them into context and make sure that I was not inadvertently misleading the House by not looking at similar cases where there may be cause for concern. In addition, I have asked the police to review each case individually and to visit the people involved. I do not think that 10 days is such a long time to go through that process.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): I thank my right hon. Friend for the clarity and completeness of the review that she has carried out, which was reflected in her statement. Does she accept that most fair-minded people will be reassured that she now has a clear grasp of the scope of the problem and a clear strategy for dealing with it?

Ruth Kelly: I thank my right hon. Friend for his comments. He always approaches these issues in the most sensible way. The key issue is that we have a robust system for child protection in which parents can have confidence. I have set out the steps that we need to take in the short term and the medium term to ensure that that is the case.

Mr. Keith Simpson (Mid-Norfolk) (Con): Sadly, we would not be here to listen to the Secretary of State's welcome statement had there not been the press coverage relating to my constituent, Mr. Paul Reeve. Can she explain to me and my constituents why a letter from the Norfolk constabulary dated 15 December, explaining their concern, never got a proper reply; why there was no proper reply to an email from Norfolk county council on 21 December; and why it was only when that case hit the press that we got any action?

Ruth Kelly: I can assure the hon. Gentleman that that correspondence was taken very seriously. I had asked for advice on the issue and advice was being prepared for a decision when the story broke. In each and every case that emerges, issues are raised about how the system operates. In future, cases such as the one that emerged would automatically be placed on List 99.

Judy Mallaber (Amber Valley) (Lab): I very much welcome my right hon. Friend's statement and the thoroughness of the review. I also welcome the huge amount of work that the Government have already done on these issues, including keeping up with the ever-changing technology to do with the exchange of child pornographic images, each of which represents abuse of a child for profit in front of a camera. Can she again confirm that in future those cautioned for, or convicted of, downloading pornographic images will be automatically barred?

On appeals, will my right hon. Friend reassure the House that they will be dealt with by people who are expert in offences of this nature? Can she confirm that there will be no suggestion of relying on testimonials from colleagues and other parents? As I know from the case of a GP in a surgery in my constituency, it is all too easy for the devious people involved in these offences to

go into denial and convince their colleagues. Can my right hon. Friend assure us that testimonials will not be used—

Mr. Speaker: Order. The question is far too long.

Ruth Kelly: I can give my hon. Friend those assurances. In future, offences committed under schedule 3 of the Sexual Offences Act 2003 will receive a full bar, subject to the right of representation. Cautions and convictions will be brought into line, and appeals will be based on the best possible evidence.

Mr. Tobias Ellwood (Bournemouth, East) (Con): Can the Secretary of State clarify the situation regarding William Gibson and explain how he could be thrown out of three schools in the north of England only to end up in Portchester school in my constituency? This man has spent time in jail, has committed forgery, fraud, deception and indecent assault, and is not the suitable role model that we expect to find in our schools. As a married man in his 30s with two children, he pursued a relationship with a 15-year-old girl while teaching at that school. For the sake of parents and pupils and for the sake of restoring faith in our system, it would be a disgrace if this man were ever to teach again.

Ruth Kelly: Were that caution or conviction to be obtained under the proposals that I have set out today and dealt with under the new regulations that I propose to introduce, that individual would be barred for life from working with children, subject to the right of representation. In any particular case, however, it is for the employer to check with the Criminal Records Bureau and ensure that they have the fullest possible knowledge of all previous cautions and convictions, including whether a person is on List 99, or indeed on other lists, and to make an informed decision on that basis.

Andrew Miller (Ellesmere Port and Neston) (Lab): Has my right hon. Friend considered the additional pressure that the measures will put on the CRB? Has she received an assurance from the CRB that it has adequate resources? If it does not, will she ensure that they are put in place? A great deal of concern will remain until her measures are firmly in place.

Ruth Kelly: My hon. Friend makes an important point. Both the CRB and my right hon. Friend the Home Secretary have considered the matter and given me the full assurance that the CRB has the capacity to deal with the measures.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): I thank the Secretary of State for a master-class in bolting the stable door. As a mother, I am angry to find that, since 1997, my three children have been at risk— *[Interruption.]*

Mr. Speaker: Order. Let the hon. Lady be heard.

Mrs. Dorries: What assurances can the Secretary of State give me that my children are safe in school today?

Ruth Kelly: No Education Secretary in this Government or any previous Administration could ever give an absolute guarantee that no one who poses a risk to children could work with children. However, we can give the public an absolute assurance that the process is as robust as possible to ensure that the risk to children is minimised.

The hon. Lady suggests that there was a key moment in 1997. There was: we introduced the sex offenders register, which provided another safeguard for individuals and employers. Further to that, we introduced the CRB, which means that all employers have access to all relevant cautions and convictions. The process has therefore been tightened considerably in the past eight years.

Lynda Waltho (Stourbridge) (Lab): I welcome my right hon. Friend's statement, especially her comment that there should be no witch hunt. As a former teacher, I have had colleagues whose careers, reputations and family life were damaged. Is it not the case that we need a balance between protection for children and confidence for our teachers?

Ruth Kelly: We do, and my hon. Friend makes the important point that we must have a fair as well as robust system. Today, I have set out the way in which I intend to rebalance the system so that the protection of children is always our first priority.

Mr. Peter Robinson (Belfast, East) (DUP): I welcome the steps that the Secretary of State has announced. Will she confirm that the reforms will be implemented throughout the United Kingdom—in Northern Ireland at the same time as the rest of the UK? Will she also confirm that, when primary legislation is necessary, Northern Ireland will be plugged into it rather than having to rely on separate legislation thus dragging months, if not years, behind?

Ruth Kelly: List 99 currently covers England and Wales although, of course, we are in contact with the devolved Administrations when appropriate about how to take forward the reforms.

Joan Walley (Stoke-on-Trent, North) (Lab): I welcome my right hon. Friend's announcement of proposals for further action. However, it is possible that loopholes exist whereby people who are elected as councillors could be on the sex offenders register and could not be barred from access to schools. Will she hold talks with the Standards Board for England, the Home Office and the Office of the Deputy Prime Minister to ascertain how we ensure that her further action can provide the safeguards that people seek?

Ruth Kelly: My hon. Friend makes a serious and well considered point. I will investigate that issue.

Mr. Andrew Mackay (Bracknell) (Con): Earlier, the Secretary of State admitted that she had not answered all the written questions that my hon. Friend the Member for Havant (Mr. Willetts) tabled 10 days ago and went on to say that she would do so later today. Does she not realise that many parents and teachers outside the House will wonder why she did not do that

[Mr. Andrew Mackay]

in the statement and will fear the worst? May I give her the opportunity to set the record straight and answer those questions now on the Floor of the House?

Ruth Kelly: I can reassure the right hon. Gentleman that I have placed a full report in the Library. It answers practically all the questions that the hon. Member for Havant (Mr. Willetts) put to me as Secretary of State. Any further answers that need to be given will be tabled during the course of the day.

Liz Blackman (Erewash) (Lab): Child protection always has, is and always will be work in progress because of its complexity and difficulty. I welcome the extent of the measures that my right hon. Friend announced. Will she undertake to make regular statements to the House, not only because hon. Members will appreciate the progress that will be made but because that will add to the wider public's confidence?

Ruth Kelly: I certainly will. I believe that my right hon. Friend the Home Secretary makes regular written statements on the implementation of the Bichard report and has issued a further such statement today. It is a good example, which I intend to follow.

Peter Bottomley (Worthing, West) (Con): Would the Secretary of State think it appropriate to ask directors of education authorities, including West Sussex, where we have a case that I will not mention in detail, and chief constables to communicate to the Department any helpful suggestions, and reactions to her statement and the current position?

Will she check with the CRB about delays in processing requests for information, given that one of her colleagues in the Department of Health said that they did not know how long it takes to clear doctors, and it would be useful to ensure that teachers' applications are cleared fairly fast? Will she ensure that teacher supply agencies are not left out of the loop because they often find themselves unable to provide necessary information?

As a final, brief point, will she try to ensure that relevant information is available to children who experience inappropriate or criminal behaviour by an adult—

Madam Deputy Speaker (Sylvia Heal): Order. We are looking for only one supplementary from hon. Members.

Ruth Kelly: Thank you, Madam Deputy Speaker. I assure hon. Members that I have written to all local education authorities and that my right hon. Friend the Home Secretary has written to all chief constables as well as several other relevant organisations. We shall consult on the detailed implementation of the proposals. The CRB has given assurances about its capacity to deal with the issues, and I covered in my statement and in questions our consideration of supply agencies.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): Does the Secretary of State agree that one of the key issues is communication? How will today's statement affect current communication between the police, head teachers and social workers? How will the Government's "Every Child Matters" agenda impact on the issue?

Ruth Kelly: My hon. Friend is right to draw attention to good communication and to a genuine understanding of the different responsibilities of central Government and local government and individual employers. I have therefore written today to all head teachers, local education authorities and further education colleges to set out their responsibilities. My right hon. Friend the Home Secretary has used a similar approach to the police.

Mr. Paul Burstow (Sutton and Cheam) (LD): Can the Secretary of State confirm the date on which the mandatory CRB checks will begin? Can she confirm that they will be enhanced checks? Why has she announced only now that training is necessary for those who make the vetting decisions? Surely training should have been in place for a long time.

Ruth Kelly: Training was a recommendation in the Bichard review. We have already made proposals on it—if the hon. Gentleman looks at the Department's website, he will see that they are set out in some detail. Sir Michael Bichard was impressed by our approach to that. We will table regulations to make the CRB process mandatory and introduce it as soon as that is reasonably practicable for head teachers.

Mr. David Chaytor (Bury, North) (Lab): My right hon. Friend has given an outstandingly informative statement. Because information is so important to the reassurance of parents, would she consider disclosing a little more? She said earlier that, of the 4,045 individuals on List 99, a subset of 210 were subject not to a full ban but to certain restrictions. Without going into the details of individual cases, would it be useful and helpful if she could say, now or in the near future, exactly which offences would justify certain restrictions and what those restrictions would be?

Ruth Kelly: I thank my hon. Friend for his comments. He is absolutely right to draw attention to the 210 cases that received a partial bar. Many of those will not have involved a sexual offence at all. If, for example, a teacher commits fraud, it may be considered that that person should not work in a capacity in which they had financial dealings in relation to a school or other educational institution. In such cases, it is perfectly reasonable to impose a partial ban.

However, in 2000, we introduced the concept of "unsuitable to work with children". Historic cases were considered on a piecemeal basis. For example, if an offence had been committed against a young boy, the offender could have been given a partial bar against working in boys' or mixed schools. Today, that would not be considered an appropriate response. That is why I have asked the independent panel of experts to review all past cases involving partial bars, to see whether new evidence has emerged about those individuals who had a partial bar based on a sexual offence, and to see whether we need to reconsider those cases.

Hywel Williams (Caernarfon) (PC): How will the independent panel that the Secretary of State is setting up be accountable to the House?

Ruth Kelly: It will be accountable via the Secretary of State for Education and Skills in the first instance, and after legislation has been put through the House, it will be incorporated into a statutory body that will be accountable through Ministers to the House.

Regulation of Cannabis

1.2 pm

The Secretary of State for the Home Department (Mr. Charles Clarke): With permission, I would like to make a statement on the regulation of cannabis. The House will know that last March I asked the Advisory Council on the Misuse of Drugs to examine new evidence on the harmfulness of cannabis and to evaluate whether it altered their assessment of the drug's classification. In so doing, I was particularly concerned by studies, published since the council's 2002 report, which seemed to indicate strong links between cannabis and serious mental illness. I am very grateful to the council for the work that it has done in responding to my request and I am today placing a copy of its report and conclusions in the Library of the House.

I shall highlight two conclusions from the council's report. The first is that cannabis is harmful and its use can lead to a wide range of physical and psychological harms and hazards; that the mental health effects of cannabis are real and significant; that cannabis is potentially harmful, with short-term risks to physical health; that a substantial research programme into the relationship between cannabis and mental health should be instituted; that the Government ought to seek to reduce the use of cannabis; and that the cultivation, supply and possession of cannabis should remain illegal.

The second conclusion is that the level of classification is only one among the issues to be addressed and that, in the council's view, priority needs to be given to proper enforcement of the law, to education and to campaigning against the use of cannabis. The council recommends a substantial Government education campaign, strengthened medical services for those dependent on cannabis and greater protection for those with pre-existing mental conditions that place them at particular risk from cannabis use. The council also proposes further research to improve our understanding of the mental health implications of cannabis use.

I have discussed those recommendations with my colleagues, the Secretaries of State for Education and Skills and for Health, and we have agreed to accept and implement them energetically. In so doing, we accept that the use of cannabis significantly increases the chances of developing chronic bronchitis and poses a potential lung cancer risk. We accept the growing body of research that suggests that cannabis may exacerbate or even trigger a range of serious mental health problems, including schizophrenia. In the words of the ACMD report,

"the mental health effects of cannabis are real and significant".

In summary, cannabis is anything but harmless. That is why possession of cannabis remains punishable by up to two years in prison. It is why the Government strongly oppose proposals to legalise the drug, and will continue to do so. This month, we have introduced new powers under the Drugs Act 2005 to strengthen the hand of the police in dealing with those caught supplying the drug.

However, as the advisory council's report indicates, the illegal status of the drug is not enough. We need a massive programme of public education to convey the danger of cannabis use. Our aim is to provide effective education in schools about the risks posed by cannabis,

[Mr. Charles Clarke]

to send the right messages about the harms the drug does and, very importantly, to equip young people with the knowledge and courage to make the right decisions. We will use the "Frank" media campaign and other channels to raise understanding about the dangerous and illegal impact of cannabis consumption. The campaign, delivered in partnership with the police, will publicise the penalties for cannabis dealing, production and use.

Growing and selling cannabis is neither harmless nor, as some argue, idealistic. It is a multi-million pound business, often organised by sophisticated and violent criminals. I remind the House that those who deal in large quantities of cannabis face maximum penalties of up to 14 years for this offence. That is why I have discussed with the Association of Chief Police Officers the need to focus police effort and to take strong action to reduce the supply of cannabis. The police and I agree that, in recent years, the production and dealing of cannabis have not always been targeted sufficiently vigorously, and we have agreed that this needs to change. ACPO will now draw up a consolidated campaign of action to attack the production and trafficking of cannabis, which provide obscene profits out of the misery of users. ACPO will aim to put cannabis farms out of business and dealers behind bars. At the same time, it will revise and strengthen its guidelines for dealing with cannabis-related crime.

As hon. Members will be aware, the Home Office recently published a consultation exercise to look at the threshold levels of cannabis in a person's possession at which that person would be deemed to be a supplier. I would like to inform the House that my final decision will involve a considerably lower level than the 500g suggested in the current consultation.

I believe that those education, health and police measures give clear and comprehensive messages about the dangers of cannabis and a warning that those who produce or are dealers in cannabis will be brought to justice. They are focused on reducing the use of cannabis, and I believe that reduction of use should be the goal of all our drugs policies, whether the drug is legal or illegal. Also, it is the case that clarity is the best weapon we have in the fight to reduce the use of cannabis. That is the basis on which I approach the issue of classification.

The more that I have considered these matters, the more concerned I have become about the limitations of our current system. Decisions on classification often address different or conflicting purposes, and too often send strong but confusing signals to users and others about the harms and consequences of using a particular drug. Furthermore, there is often disagreement over the meaning of different classifications. For example, many people wrongly interpreted the reclassification of cannabis to mean that cannabis was not harmful and that its use was acceptable and even legal. For these reasons, I will in the next few weeks publish a consultation paper with suggestions for a review of the drug classification system, on the basis of which I will make proposals in due course.

In regard to the particular issues in front of us now, as previously announced I have accepted the advice to keep methyl amphetamine as a class B drug, although this is subject to a review reporting later this year. Similarly, I have accepted the council's advice not to classify khat as a controlled drug. I can today announce that I have also asked the advisory council to report on the classification of so called date rape drugs, including GHB and Rohypnol.

On cannabis, I have considered very carefully the advice that I have received from many sources. I am influenced by data on levels of use of the drug and evidence that cannabis use had fallen among 16 to 24-year-olds from 28 per cent. in 1998 to 24 per cent. last year. The preliminary assessment is that, contrary to my personal expectation, reclassification has not led to an increase in use. Moreover, I accept the view of the advisory council that further research on the mental health implications is needed before any decision to reclassify is made.

While I shall keep this matter under close review in the light of the factors that I have mentioned, I have decided to accept the advisory council's recommendation, which is supported by the police and by most drug and mental health charities, to keep the current classification of cannabis. Everyone needs to understand that cannabis is harmful and illegal. Our education and health campaigns will clearly transmit that message. Police operations will target the producers and dealers so that the consumption of cannabis will be significantly reduced. I hope that the Government will have the support of the whole House in seeking that outcome.

David Davis (Haltemprice and Howden) (Con): I thank the Home Secretary for the courtesy of allowing me advance notice of his statement. It would have been helpful, however, if he had given the House some hours to read the report before this brief discussion. Despite that, in the past year or so there have been plenty of authoritative judgments and many new facts on which to base our judgment today.

Before I deal with the substantive case, may I welcome the Home Secretary's proposed education and other campaigns designed to cut down the consumption of cannabis? I would be interested in talking to him at some length about his proposals for the new classification scheme, which is extremely important, as will become apparent later.

The action that the Home Secretary has taken today, or talked about taking, will not by itself be enough. I am disappointed that, in the light of all the new evidence available, he has not decided to grasp the nettle and reclassify cannabis back to class B. The ongoing confused message will lead some, as it has done already, to continue thinking that cannabis is a soft, safe drug and that it is legal. It will mean that many more young lives will be damaged by the pernicious trade, as he described it, in this dangerous drug.

It was a brave decision by the Home Secretary to initiate a review of this policy. It is always tough to admit that a mistake might have been made. In the past, his views on the matter have been clear. He said that the relaxation of the laws on cannabis—I think that he alluded to this in his statement—would be

"bad for the people concerned and bad for society".

He is correct. In March 2000, he said that

"the most likely impact of a relaxation in the law in any of these areas would be to increase consumption of those drugs".

He denies that today, but I think that he was right first time round. I will explain why shortly. He also said:

"If we send any signal whatsoever which suggests that taking drugs is an acceptable way of proceeding I think we'll see consumption go up"—*[Interruption.]*

We will return to that matter. He also said that weakening controls on cannabis would send a signal that taking drugs is okay.

The Home Secretary might say, "So what? If the evidence changes, you change your mind", and I agree with that principle in general. The thrust of the evidence and leading opinion, however, is in the other direction. It shows that reclassification to class C was a mistake. From the Royal College of Psychiatrists, to the British Medical Association, to specialists in drug rehabilitation, to working police officers, we hear that the policy was a failure.

The British Medical Association has said that reclassification sent out "all the wrong messages" to people thinking of experimenting with cannabis, and that reclassification would lead people to believe that it was "safe". Keith Hellawell, the Government's ex-drugs tsar, said that reclassification led to "euphoria amongst drug dealers". That is because

"the perception now . . . is that the Government doesn't care about personal possession of cannabis".

The Police Federation chairman, Jan Berry, said:

"Many users who progress to hard drugs admit they started on cannabis. I am deeply worried that many people will see the reclassification of cannabis"—

downwards—

"as decriminalisation and we will see a rise in the number of users finding themselves drawn into a life of drugs and crime".

We know that the use of cannabis is a gateway to hard drugs. Research shows that regular cannabis users have a 59 per cent. higher chance of using other illegal drugs Most tellingly, new medical evidence has shown the serious harm that cannabis can do. To be fair to the Home Secretary, he referred to that. The Royal College of Psychiatrists says that there is now a "wealth of research evidence" linking cannabis to long-term mental disorders and violence. Professor Hamid Ghodse, a director of the college, said that as a result of the new evidence:

"Some countries with a more liberal policy towards cannabis, such as Holland, are reviewing their position. Governments need to take a strong stance towards cannabis abuse."

We now know that cannabis can cause psychosis. Professor Murray at King's college hospital in London has said that smoking cannabis raises the risk of psychosis by two to four times. People who used cannabis in their teens were up to seven times more likely to develop psychosis, delusional episodes or manic depression. The incidence of schizophrenia in that doctor's area of London has doubled, which means 50,000 people developing schizophrenia who would not otherwise have done so.

That new evidence demonstrates all too clearly the huge psychiatric damage, let alone the other physical damage, that cannabis does. That can only be expected to get worse, as modern cannabis varieties contain many times more psychoactive ingredients than cannabis of 10 or 20 years ago. As a result, modern cannabis does more harm than the older varieties. Professor Peter Jones of Cambridge university has said that first-contact schizophrenic services in the NHS were becoming cannabis dependency services.It is therefore clear that on the ground of medical risk alone, reclassification to B is justified.

That leaves us—the Home Secretary has a fair point—with a practical judgment as to what classification will do most to cut consumption of cannabis. That is undoubtedly hard to assess, but the best measure is perhaps the "Lambeth experiment" in cannabis liberalisation. The Prime Minister described that as,

"undoubtedly, in statistical terms, a success."

Let us consider the statistics. Incidents of drug trafficking rose by 100 per cent. and total drugs offences rose by nearly 200 per cent. It did save the time of two full-time police officers, but Metropolitan Police Deputy Assistant Commissioner Michael Fuller said that the increase in hard drug offences

"would negate any time saved through reclassification of cannabis, as the service would have to devote significant resources to enforce the law."

He said that his school officers reported that

"the police are sending mixed messages to young people, by on the one hand trying to deter young people from abusing and experimenting with drugs and yet appearing hypocritical by not strictly enforcing the drug laws".

Chief Superintendent Simon Humphreys of the Met said:

"There is a feeling that it contributed to confusion and cannabis is being used more."

That assessment was supported by a Police Federation official who said that the

"number of drug users within the area since the start of the initiative has increased dramatically and the real beneficiaries are the influx of drug dealers to the area."

The Home Secretary has said that

"people do not understand the impact of the consumption of cannabis well enough and what the legal consequences of consuming cannabis are."

He was making a virtue of the fact that 24 per cent. of 16 to 24-year-olds took cannabis last year—those are the ones that we know about. That makes us the cannabis capital of Europe. In recent weeks, he has said:

"the precautionary principle is an appropriate one."

He told *The Times* that he was

"very struck by the advocacy of a number of people who have been proposers of the reclassification of cannabis that they were wrong."

There are good reasons for that—good medical reasons, good public health reasons and good public order reasons.

The Home Secretary took a brave decision when he initiated the policy review. I admit that. He created an opportunity to protect or rescue thousands of young lives from harm by reclassifying cannabis as the very harmful and dangerous drug that it is. The fact that he has not followed through and taken the new evidence into account is a missed opportunity for him but, more importantly, a tragedy for many thousands of lives.

Mr. Clarke: There are four matters to which I need to respond. First, I hope that the right hon. Member for Haltemprice and Howden (David Davis) will continue

[Mr. Clarke]

to make it clear in every public statement that he makes that the consumption of cannabis is illegal—not a soft, easy option or whatever. I agree with him that there are confusions and I have tried to set out a process to deal with those. It is therefore important that public leaders, such as me and him, work together constantly to convey the message that cannabis consumption is illegal, with a potential two-year sentence in all respects. I am sure that he will do that—indeed, I am delighted that he will do so. I welcome his welcome of the review of the classification system and I will talk to him about it as he requested.

Secondly, evidence must be the core of what we do in this area—evidence of consumption and evidence of mental health and other health implications, to which the right hon. Gentleman referred. That is why I said in my statement that we will continue to review the matter on the basis of evidence as it evolves over time. I am certain that that is the right course to follow. Thirdly, the right hon. Gentleman made a large number of statements, with which I agreed entirely, about the dangers of the use of cannabis. I think that he was signing up to the proposition that the central aim of our policy ought to be to reduce the use of cannabis by whatever means, with which I agree 100 per cent.Finally, the right hon. Gentleman referred to the wide range of opinion that exists in the advisory council, among police and among drug and health charities. We must, however, make a balanced judgment.

As the right hon. Gentleman well knows, there is also a wide range of opinion in his party. As is shown in the Home Affairs Committee's report of 2001–02, the Leader of the Opposition—the current Leader of the Opposition, unfortunately; I wish that it had been the right hon. Gentleman—voted in favour of the then Home Secretary's proposal to reclassify cannabis as a class C drug. He has said that that was the case. Nine Members voted in the Division, and the Leader of the Opposition voted as he did. Extraordinarily, there was then a Division in Committee on an amendment containing the words

"we wish to go further, and recommend it should be legalised."

Mr. David Winnick (Walsall, North) (Lab): That was my amendment.

Mr. Clarke: Indeed, my hon. Friend features on the Division list, having voted as he did. Strangely, the nine Members became eight at that stage. My hon. Friend and another colleague voted for legalisation; everyone else voted against it. However, the Leader of the Opposition was absent for the vote on legalisation—*[Interruption.]* I am illustrating the wide range of opinion that exists. I hope that we can all agree that reduction in cannabis use is the key element that must be tackled.

Mr. John Denham (Southampton, Itchen) (Lab): I welcome my right hon. Friend's statement, and in particular his review of the classification system. Although the advisory committee has a broad membership, it seems to be more reliable when it comes to the clinical impact of drugs. Classification must take into account much wider questions of how particular drugs are used, links—or otherwise—with crime, whether there are ways in which young people are especially vulnerable, and so on. I hope that my right hon. Friend will be able to produce a system that will ensure that Ministers are advised not just on the clinical issues, but on all the broader factors that my right hon. Friend, like his predecessors and successors, must take into account.

Mr. Clarke: My right hon. Friend is entirely right. That is why I made my decision. Clinical, medical harm is the advisory council's predominant consideration, contrary to what was said by the right hon. Member for Haltemprice and Howden (David Davis), but there are also harmful implications for society more widely in the case of particular drugs, whether they relate—as my right hon. Friend suggests—to organised crime or to general social factors. The signals that emerge from the classifications A, B and C can be very confused, so it is important to re-examine the position. I do not think that I am betraying a confidence in saying that Sir Michael Rawlings, chair of the Advisory Council on the Misuse of Drugs, has welcomed my decision. I believe that that is because the council's members know that getting the classification system right is key to reducing the use of dangerous drugs, which I am determined to do.

Mr. Mark Oaten (Winchester) (LD): I thank the Home Secretary for giving notice of his statement. The Liberal Democrats strongly welcome his decision not to reclassify cannabis. It was a difficult decision, and I know that the Home Secretary did not take it lightly. I am encouraged by the fact that it was taken on the basis of evidence rather than political pressure. The Home Secretary is also right to point out that the drug remains harmful, and the Liberal Democrats will strongly support a new education campaign to make that clear. Does the Home Secretary agree that that campaign must emphasise not just the mental damage but the physical damage involved in the taking of cannabis? Does he also agree, however, that it must not fuel hysteria over issues related to cannabis? That would do little to instil trust in people who are receiving information from the Government on critical issues to do with drugs.

May I warn the Home Secretary against allowing police resources to be spent too heavily on cannabis that is grown for personal use? Will he ensure that they are directed more against organised criminals who are involved in drug dealing? In particular, he must now deliver on his promise to refocus police resources more on class A drugs. That, surely, is where the priority must lie.

Mr. Clarke: I welcome elements of what the hon. Gentleman said. He is right to say that the education campaign—I welcome his support for it—must be founded on a hard-hearted and evidential approach based on, for example, the mental health implications, rather than an hysterical approach. *[Interruption.]* I accept the correction: I should have said "hard-headed" rather than "hard-hearted".

I do not accept, however, that police resources should not be focused on this area, although the hon. Gentleman is right to point out the dangers of class A drugs. As I said in my statement, I think that the police would accept that

what has happened in the past can be interpreted as suggesting that they should not give priority to dealing with cannabis, but I do not accept that, and neither does ACPO. That is why we have an ACPO campaign aimed at the dealing, growing and production of cannabis. I think it very important for that campaign to proceed alongside the education campaign.

Let me finally say something with all directness to the Liberal Democrats who, I am sad to learn, will not now be led by the hon. Member for Winchester (Mr. Oaten). They have a confused position on drugs, which was exposed in a variety of ways during the election campaign. I honestly and sincerely ask the hon. Gentleman and his colleagues to come out and say clearly that consumption of cannabis is wrong and that we must drive it down by all possible means. They must not equivocate on policies surrounding that; they must get up front and campaign with all the rest of us to reduce cannabis use.

Mr. Winnick: May I point out that the only Conservative member of the Home Affairs Committee who voted against the reclassification when we met on 9 May 2002 to decide on our report and recommendations was the hon. Member for Upminster (Angela Watkinson), who took a consistent line? As my right hon. Friend said earlier, the present Leader of the Opposition supported the reclassification and abstained on the question of whether cannabis should be legalised.

Our report stated that some 44 per cent. of people had taken the drug at some point in their lives. I deplore that. I wish that people would not start taking drugs of any kind. We do not want our children to do so, and I hope that we can send a message throughout the country about how dangerous it is to start taking drugs. However, our report also pointed out that 120,000 deaths had been caused in one year alone by smoking, and that thousands of avoidable deaths were caused each year by alcohol abuse. Those drugs are all of a kind. We should deplore excessive use of alcohol and excessive smoking, as well as use of the ordinary drugs to which my right hon. Friend has referred.

Mr. Clarke: I thank my hon. Friend for what he has said, but I hope he agrees that, as I said in my statement, the goal of Government policy should be to reduce consumption of all drugs, legal or illegal. That should be the test. Our measures on smoking in public places, on taxation of alcohol consumption and on advertising the effects of consumption are right and in accordance with that. Our criteria must be based on how we drive down consumption of cannabis in the same context. I believe that my statement set out, in a direct and effective fashion, ways of accelerating the reduction of cannabis consumption. We need to do the same in respect of other drugs.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): I must say that I was disappointed by the statement, although I welcomed much of it. It is, of course, appalling that the use of cannabis continues. The figures that the Home Secretary gave in relation to use were very flawed, however. If he talks to those on the ground who are taking children off drugs, as we do in the Centre for Social Justice, they will tell him that the police no longer stop people who are using cannabis. They have lost all track of how many people actually use it on the ground. In their view, cannabis use has become worse on the ground and is now more dangerous. It is a question not just of psychosis and mental illness, but of massive behavioural problems, more bullying in schools, the theft of telephones and the beating up of children after they leave school. All that has increased.

May I urge the Home Secretary to rethink and to reclassify? If he is now to examine the classification process, may I urge him to look at Sweden, which has dispensed with different classifications? It applies a single classification, which means that all drugs are bad and that people are in trouble if they use them.

Mr. Clarke: That was a helpful question. Yes, I will look at Sweden, which is always a model for social democrats.

The right hon. Gentleman made an important point when he mentioned bullying. He was right to say that bullying, in and outside school, drives many people into consumption of the drug. That is why, in my statement, I spoke of the need to urge young people to have the courage to stand up for themselves in such circumstances.

I will, of course, look at the research that the Centre for Social Justice has carried out on consumption and various other issues, but when the right hon. Gentleman referred to police strategies he put his finger on an important point that is not always understood in these discussions. He is right to say that there has to be a question mark over police strategies in terms of focusing on this area, and the reclassification decision some years ago did not help that process. That is why, as I said in my statement, I have discussed precisely that question with ACPO. We must have a police strategy that says that we will pursue those who consume illegal drugs, and that means cannabis. That is why I did not agree with the point made by the Liberal Democrat spokesman a moment ago. I think we all agree that the key issue to target, other than education, is ensuring that an effective police strategy is in place, so that the police address the issue in communities throughout the country.

Natascha Engel (North-East Derbyshire) (Lab): As my right hon. Friend is aware, it is the police work on the ground that is key to combating drug-related crime. So will he join me in welcoming Inspector Trevor Durham and his team from Clay Cross, who are visiting Brixton police colleagues today to hear about the no deal programme on cannabis? Will my right hon. Friend also join me in encouraging more imaginative best practice sharing?

Mr. Clarke: I certainly will welcome my hon. Friend's police colleagues. She has briefed me on that exchange visit. It fits in entirely with the point that I made to the right hon. Member for Haltemprice and Howden (David Davis) earlier: that we have to improve our police work in these areas. The community policing in places such as Clay Cross, Holmewood, North Wingfield and Grassmoor is important from that point of view.

Mr. John Greenway (Ryedale) (Con): Had the previous Home Secretary not declassified cannabis, there is no way that the evidence that the Home

[Mr. John Greenway]

Secretary has courageously given the House today would have justified his announcing such a declassification today. He has said that he has an open mind. Will he ensure that a priority for his research programme will be to research the use of cannabis by the young people to whom my right hon. Friend the Member for Chingford and Woodford Green (Mr. Duncan Smith) referred? His experience is the same as that of every constituency represented in the House: this is destroying young people's lives, but they are unlikely to respond to the police. We are losing street-worker programmes through a lack of funding and we need to reinstate them. I hope that the Home Secretary will have a conversation with me about how to tackle that matter, because unless we can get those young people to co-operate, their lives will be ruined.

Mr. Clarke: I am happy to have a conversation with the hon. Gentleman about those matters and I respect his own police experience, which informs the way he looks at some of these questions. I agree that the question of police strategy is critical. Our neighbourhood policing strategy and police teams in every locality are important means of tackling that. It is critical to focus on the very large numbers of people who are consuming the drug, and I hope that the ACPO strategy, which will be published in due course, is able to do that.

Paul Flynn (Newport, West) (Lab): Should we not take advantage of the Leader of the Opposition's intelligent and progressive views on drugs in order to achieve a consensus and look at what we are doing today, which is based on evidence? What has happened? There were dire warnings that reclassification would lead to an increase in cannabis. It has not. Why do we not look to Portugal, Holland, Australia and other countries and see what the practical outcomes are? This country had 30 years of harsh penalties, followed by even harsher penalties, and has ended up with greater drug use and drug problems than any other country. Why cannot we have a royal commission, or look again at the balanced views of the Health Committee? Of course, I welcome the report and the health campaign, so long as it is balanced with a campaign against the dreadful harm caused by alcohol, tobacco and medicinal drugs.

Mr. Clarke: I agree with my hon. Friend that one needs to proceed on the basis of evidence. We have sometimes argued about what the evidence tells us, but that is part of the general discussion. Sometimes the battle between alcohol and tobacco, and cannabis is not constructive for the discussion. As I have said, our approach should always be to reduce consumption of all drugs and to work in that way. I look forward to hearing the outcome of the conversation between my hon. Friend and the Leader of the Opposition about how their approaches to legalisation could inform the whole House. That might be an unholy alliance, but nevertheless an interesting and constructive one.

Mr. Christopher Chope (Christchurch) (Con): How can we take the Home Secretary seriously when we know that his Department turns a blind eye to the increasingly widespread use of cannabis inside prisons by convicted prisoners and prison staff?

Mr. Clarke: The hon. Gentleman's statement is entirely untrue. It is not the case that a blind eye is turned. It is the case that throughout our prison system there are major programmes to reduce drug abuse. What I do say, and I conceded it in my statement earlier, is that we need a renewed focus against cannabis use of all kinds from the police and elsewhere. That is what I have announced today.

Joan Ruddock (Lewisham, Deptford) (Lab): I congratulate my right hon. Friend on his response to the advisory council today. With more than 9 million people admitting to taking the drug at some time and about 10 per cent. saying that they have taken it in the past year, it appears to me that the classification status is not the issue. Will he confirm that the greatest risk on mental health grounds is to young people, and will he ensure that a comprehensive programme on healthy living, reduction and avoidance of all harms be made available in our primary schools, where it is most necessary, so that young children do not indulge in temptation?

Mr. Clarke: I agree with my hon. Friend. That is why I am announcing today joint work with the Secretary of State for Education and Skills in relation to schools and with the Secretary of State for Health in relation to the public health White Paper to focus on precisely the young people whom my hon. Friend identifies.

Pete Wishart (Perth and North Perthshire) (SNP): I, too, welcome the review of classification. Some of us have been advocating that for years. Will the Secretary of State assure me that any new system will highlight the relative dangers of different drugs and, most importantly, be credible and realistic, especially for young people?

Mr. Clarke: I am surprised to say that I agree with the hon. Gentleman. Clarity is the most important thing. One of the biggest criticisms of the current classification system is that it does not illuminate debate and understanding among the young people who are affected by it. That is one of the reasons that I have decided to undertake an examination of this matter. It is unfortunate, although I understand why it happens, that all debate around the question is on the classification issue. A more important debate is the education programme, the health programme, policing and those other points.

Dr. Brian Iddon (Bolton, South-East) (Lab): The fact is that tetrahydrocannabinol, or THC, is the drug and, furthermore, there are more than 20 varieties of the cannabis plant, from hemp, which contains 0 per cent. THC, to skunk, which contains very high quantities of THC. I welcome my right hon. Friend's attempts to re-engage young people in the education debate, but would he give them the correct facts, so that they can avoid skunk, if and when—hopefully not—they choose to buy cannabis on the street?

Mr. Clarke: My hon. Friend is entirely correct. I pay tribute to his scientific work to try to get those issues across. Drugs education in schools is far more sophisticated than it used to be. For example, some of the software packages, which I know he is aware of,

draw out the point that he has made. However, he is right to say that we must focus on real understanding. That is what our education programme will do.

Mr. Nigel Evans (Ribble Valley) (Con): The initial report of the advisory council said that cannabis was harmful, and I was amazed that it came up with the recommendation that it did. It has now published another report that says that it is hugely damaging and come up with the wrong conclusion yet again. What is the compelling evidence against reclassification back to B? If the Home Secretary is looking for clarity and wants to send the right signals to young people, surely the best way of doing that is by reclassifying the drug as a class B drug.

I support the Home Secretary's advertising campaign to get across the message about how damaging cannabis can be. It is not a soft drug; it is very harmful and damaging—the new psychiatric evidence shows what cannabis can do. How much will he spend on advertising how harmful cannabis is? As he will remember, when he reclassified initially, he had to spend £1 million to get the message across that cannabis was still illegal. How much will he spend this time?

Mr. Clarke: I cannot give the House the figure at this moment, but we have a very substantial advertising spend already in this area, and the point about working with my right hon. Friends the Secretaries of State for Education and Skills and for Health is that it brings in increased resources. The reason why the advisory council recommended class C rather than classes A or B is that it went through precisely the process that my hon. Friend the Member for Bolton, South-East (Dr. Iddon) identified, of trying to examine the medical harm of particular forms of drugs, all of which are illegal, and all of which do harm. It gave a scientific assessment, and I have to take serious account of that—which is what I have done. However, as I said in answer to an earlier question, I do not think that medical harm is the only consideration; there is also harm to society and a range of other questions. That is why I believe that we need to reconsider the classification system. The hon. Gentleman is right to say that there is sometimes confusion in the messages that emerge. We need a system that does not confuse, but gives clarity.

Laura Moffatt (Crawley) (Lab): Grown-up Governments genuinely try to reduce the harm from dangerous drugs, and I welcome my right hon. Friend's reference to drugs such as Rohypnol, which are of increasing concern to women. Will he elaborate on what he said earlier and tell us exactly how and when women will be able to feel much more protected from those dangerous drugs, which they fear so much?

Mr. Clarke: My hon. Friend is correct. I have been very concerned, and I have seen many cases myself, as I am sure many other Members have, of truly appalling crimes committed as a result of date-rape drugs, including the one that she mentioned. That is why I took the view that it is necessary to understand more effectively the harm that drugs do, and to get them better located. To be candid, I think that there has sometimes been a culture of denial of the effect of those drugs, and those crimes, in certain areas. We need to change that by being completely up-front, to examine the classifications and to say that we will deal with all the harms—and I hope that we can succeed in doing that.

Bob Spink (Castle Point) (Con): Does the Secretary of State agree that his disappointing and confusing refusal to reclassify cannabis today will lead to an increase in the need for rehabilitation places for users of class A drugs, because cannabis is a stepping-stone drug?

Mr. Clarke: I am afraid that the hon. Gentleman is expressing the confusion that I have referred to throughout this discussion. What has the impact that he described on the use of class A drugs is the number of people who use cannabis. The key question is how best to reduce the use of cannabis. The subsidiary question is: what role does classification, as opposed to education, health and policing campaigns and so on, play in that? In this statement I have tried to convey what I think is the true point: that the range of attacks on cannabis consumption needs to be enhanced. I have set out a number of means of doing that, and that should be our priority.

Dr. Julian Lewis (New Forest, East) (Con): Is it not obvious that the Home Secretary is deeply uncomfortable with the statement that he has made, and that if he had been Home Secretary when the decision to reclassify was taken, he would not have made the decision that his predecessor did? Is it not also obvious that he has secured some sort of deal with his colleagues in the Cabinet that, in return for taking the decision not to upgrade the classification again, he can try to get round the problem by addressing the whole issue of classification? He is a loyal team player, but he is letting down the people who ought to be able to depend on him to say what he really believes.

Mr. Clarke: The short answer to that is no—and give up the conspiracy theories.

Mr. Lindsay Hoyle (Chorley) (Lab): I welcome my right hon. Friend's education policies about the dangers of cannabis, but there is a much better way to get a clearer message across—and that is reclassification. We promised to be tough on crime and tough on the causes of crime. The best way to do that would be to reclassify. Let us have a free vote in the House, and let Members decide the policy.

Mr. Clarke: I am, of course, grateful for my hon. Friend's comments on this question. I hope that he will agree—although he may not—that education, health, policing, the attack on dealing and on growing and production, and the classification system all go side by side in this debate. We may disagree about classification, but I hope that he will accept that we have an overall strategy across the whole range.

Mr. Colin Breed (South-East Cornwall) (LD): The Secretary of State will know that most schools have a policy whereby if cannabis is found on students on school premises, that normally results in an immediate and permanent exclusion. Yet the police are usually involved, and they often only caution the person. Most parents believe that the draconian penalty exacted by

[Mr. Colin Breed]

the school has a far greater effect on the child than the caution by the police. I urge the right hon. Gentleman to examine the guidance both for schools and for the police, so that when pupils are found with cannabis on school premises, there is a logical penalty somewhere between those two extremes?

Mr. Clarke: There are two points to make. The first is that, as the hon. Gentleman knows, since 1 January the police have had the power to arrest for any offence, including the actions that he describes—which are offences. That is a matter for the police, irrespective of the actual offence. Secondly, the question that the hon. Gentleman asks is the precise reason why I have asked for stronger ACPO guidelines on such matters, and why ACPO has agreed to provide stronger guidelines, which will be published in due course, to address those points.

John Mann (Bassetlaw) (Lab): The Hemp Embassy in Nimbin, Australia is the spiritual home of the legalise cannabis campaign, and it has said that there is a particular problem with home-grown cannabis. Can the Home Secretary assure the House that he will take exactly the opposite approach to that suggested by the Liberal Democrats towards the policing issues with home-grown cannabis?

Mr. Clarke: My hon. Friend is correct. That is why I have focused on policing strategies, because those relationships are so important. My hon. Friend has a strong and distinguished record in examining the issue of drug abuse, particularly in working-class communities, and I take his advice seriously. I think that it is important to refocus the policing issue, so as to hit the problem precisely as he describes.

Angela Watkinson (Upminster) (Con): I welcome the Home Secretary's acknowledgment of the links between mental illness and cannabis use, but I am disappointed that he does not find that evidence alone sufficient to reclassify it to class B. When he is undertaking his review of the general classification of drugs, may I urge him to give real weight to the gateway properties of cannabis, and the fact that it leads so many users on to hard drugs?

Mr. Clarke: I can give the hon. Lady that assurance. She has a distinguished record of contribution to this debate, and she is right to point out that relationship. I only hope that she can persuade the leader of her party of the merits of her approach.

John Robertson (Glasgow, North-West) (Lab): I echo the sentiments of my hon. Friend the Member for Chorley (Mr. Hoyle) on reclassification, but there are many good things in my right hon. Friend's statement that are pleasing to my constituents and me. Health and education are devolved matters in the devolved Administrations, so will my right hon. Friend ensure that any good health and education initiatives that come out of this for England and Wales are taken care of in Scotland, Northern Ireland and Wales as well?

Mr. Clarke: I pay tribute to my hon. Friend for his strong campaigning on these issues over a considerable period. Yes, I can give him the assurance that he seeks. I had a meeting earlier this week with the First Minister, discussing ways of improving our co-operation, and this is one of those matters on which co-operation can bring mutual benefits.

Tim Loughton (East Worthing and Shoreham) (Con): I welcome the Secretary of State's proposals, particularly on education and on targeting supply. I especially welcome his forceful comments on the dangerous links with mental health, because such comments were certainly not forthcoming at the time of reclassification by his predecessor, despite the emerging evidence. Why, however, did the advisory council call for evidence from only one mental health charity? On 5 January, the right hon. Gentleman said:

> "The thing that worries me most is confusion among the punters about what the legal status of cannabis is".

Would not the best way of combating that confusion be to admit that his predecessor was wrong to reclassify, and to reverse that decision now while his review is going on, thereby sending out a strong message to everybody, "There is no confusion: cannabis is bad"?

Mr. Clarke: It was for the advisory council to decide how to conduct its evidence taking and consideration of the issues. It is an independent body—rightly so—so I cannot answer the hon. Gentleman's first question. On his second question, I think that I have dealt with the issues that he raised, but I want to emphasise to the House the importance of evidence and research on this subject. That is why I have announced today that we will conduct significantly more research, especially into the relationship with mental health.

Lynne Jones (Birmingham, Selly Oak) (Lab): I, too, congratulate my right hon. Friend on accepting the advisory council's recommendations and on basing his decisions on the evidence, rather than on knee-jerk reactions. If it leads to more objective policies to achieve our aim of reducing drug use, I also welcome the review. Does my right hon. Friend agree with Rethink, formerly known as the National Schizophrenia Fellowship, which has long campaigned for us to recognise the psychosis-inducing dangers of cannabis, that an adequately resourced health education campaign—particularly one targeted at school-age children and people in contact with mental health services—and better health care will do more to reduce cannabis use than will dragging thousands more people through the courts?

Mr. Clarke: Without judging whether such a campaign would do more or less in that regard, I certainly agree that it would do a great deal, which is why we need to focus effort there. I pay tribute to the work of the Under-Secretary of State for Health, my hon. Friend the Member for Don Valley (Caroline Flint), who has put resources into health education for precisely the reasons that my hon. Friend suggests.

Mr. Mark Francois (Rayleigh) (Con): I sense that the Home Secretary is somewhat torn on this issue, so may I emphasise the point made by my right hon. Friend the

Member for Haltemprice and Howden (David Davis) and several others? One key difference and a very important point to be made in this debate is that the cannabis available on the street today, such as skunk, is much more powerful and dangerous than that which was available 10 or 15 years ago. Does he accept that there is an inherent contradiction between announcing a set of measures that are supposed to combat antisocial behaviour, and announcing just over a week later the decision to refuse to reclassify a drug that is behind so much of that behaviour? It makes no sense.

Mr. Clarke: I know that the hon. Gentleman is a very sensitive flower, so I appreciate his concern for my sensitivities. I commend to him the advisory council's report, which looks carefully at the very point that he makes about the trend in cannabis strength over time. This is a critically important issue in terms of scientific research, and if he reads the report he will see that one reason why the advisory council recommends that more work be done on it is that it is difficult to do good scientific work on understanding the strength of cannabis on the street in different areas. The advisory council focuses on that point, and it is precisely the reason why we need to do the research that I announced.

Tony Lloyd (Manchester, Central) (Lab): May I, too, welcome the tone of my right hon. Friend's statement, which rejects the moral outrage that we hear from Opposition Members and insists on an evidence-based approach? Frankly, our education programme will be credible and will work only if people accept the basis on which it is formed. Like others, I have a lot more faith in giving young people credible messages through an education programme than I do in criminalising a generation of people who do not believe that criminalisation will deter them, or their peer group, from using cannabis.

Mr. Clarke: I understand that point, but I do think it very important to make it clear that cannabis is an illegal drug that carries, potentially, a two-year penalty. I know that there are those who argue—I should be interested to hear my hon. Friend's view—that that penalty should be removed and that cannabis should be legalised. The Leader of the Opposition has wavered and flip-flopped on the question of which view to adopt, but I am of the view that we should not legalise. Rather, we should ensure, in precisely the way that my hon. Friend says, that people understand the consequences of their decision to consume cannabis.

Mr. David Burrowes (Enfield, Southgate) (Con): Is it not true that if we reclassified cannabis, we could spend more time debating and focusing on education and health and proper treatment? The decision not to reclassify shows a profound misunderstanding of what I, as a criminal solicitor, have seen happening on the ground over many years. There is inconsistency and chaos in the approach taken by the police in deciding whether to arrest cannabis users, and in the approach taken by divisions such as Enfield and Haringey. If and when such cases ever do get court, there are profound differences in the ways in which magistrates deal with them. Is there not a profound misunderstanding of the effect of cannabis on young people, which I have witnessed over many years? Cannabis abuse has led to many broken lives, and today's decision will not deal properly with the problem. Many such people now litter Pentonville and Chase Farm mental health unit. Will not today's decision be a profound disappointment to all those families who want the message to be sent out that cannabis is illegal and has a serious effect?

Mr. Clarke: That, of course, is precisely the message that I am trying to send, and I hope that all Members of the House will support the Government in doing just that.

Geraldine Smith (Morecambe and Lunesdale) (Lab): I welcome my right hon. Friend's decision to review the whole drug classification system, which is confusing. I also welcome the fact that he takes the issue of cannabis seriously and appreciates that it is a dangerous drug; there are Members of this House who do not appear to appreciate its dangers. I further welcome his education programme, which will prove important for young people, but does he not realise that the failure to reclassify could send out confusing signals and undermine his education programme?

Mr. Clarke: I am grateful to my hon. Friend for those comments. She has put her finger on precisely the issue that I found most difficult in reaching a view on these matters. I am conscious of her point about sending out signals, and dealing with that is a real issue; but I came to the view, which I of course defend, that we need to look at the situation in the round and to re-examine the classification system. I repeat that I was worried about precisely the point that my hon. Friend makes, but I believe that today's proposals and the message that we are sending are clear and unequivocal.

Orders of the Day

National Lottery Bill

As amended in the Committee, considered.

New Clause 1

REPORTS BY DISTRIBUTING BODIES

'After section 25E of the National Lottery etc. Act 1993 (c. 39) (inserted by section 11 of this Act) insert—

"25F Reports by distributing bodies

(1) As soon as possible after the end of every financial year, distributing bodies specified under section 23 shall make a report to the Secretary of State about how decisions on the awards made during that year have been reached.

(2) Matters which may be dealt with in a report under subsection (1) include—

(a) the independence of funding decisions;

(b) the principles applied to maintain the distinction between core government expenditure and lottery funding; and

(c) the proportion of funding that has been allocated to bodies (other than public bodies or local authorities) whose activities are carried on not for profit.

(3) The Secretary of State shall lay a copy of every report received by him under this section before Parliament.".'.—*[Mr. Don Foster.]*

Brought up, and read the First time.

1.56 pm

Mr. Don Foster (Bath) (LD): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Sylvia Heal): With this it will be convenient to discuss the following:New clause 2—*Additionality*—

'After section 25E of the National Lottery etc. Act 1993 (c. 39) (inserted by section 11 of this Act) insert—

"25F The additionality principle

(1) A body which distributes money under section 25(1) shall have regard to the principle that funding under that section should not be provided for the provision of services, benefits and capital works which would usually be provided by government, when—

(a) determining the persons to whom, the purposes for which and the conditions subject to which the body distributes any money under section 25(1);

(b) preparing, adopting, reviewing, modifying or replacing a strategic plan under section 25C or 25D.

(2) The Secretary of State shall have regard, where relevant, to the principle that funding under that section should not be provided for the provision of services, benefits, and capital works which would usually be provided by government, when giving any direction under sections 26 or 36E.".'.

Mr. Foster: I begin by congratulating the hon. Member for Cities of London and Westminster (Mr. Field) on his elevation to the shadow Department for Culture, Media and Sport team. I am sure that all who have followed the National Lottery Bill debate will enjoy his contribution today. It is said that a week is a long time in politics, but those who have studied the Bill will know that, unfortunately, it has taken a very long time to reach this stage. It is some 60 weeks since it was given its First Reading, on 25 November 2004, and here we are still working our way through it.

I want to make clear, as I did in Committee, my own position regarding the national lottery. I believe that my party was wrong to oppose establishing the lottery all those years ago. The evidence is very clear that it has been of enormous benefit to many communities throughout the country. Indeed, since it began, some £17 billion to £18 billion has been given to good causes, thereby benefiting people from all walks of life.

Some 200,000 grants have been made and, pleasingly, a very large proportion of them have been relatively small—some £5,000 or less—and have brought real benefit to local communities. There may have been disagreement on the odd lottery grant here and there, but in general everybody acknowledges that those awards have brought real and tangible benefits to such communities. My own community of Bath has received some £50 million in lottery grants over the years, including money for Bath university's new sports training village, a facility that I believe will enable us to capitalise fully on the benefits of the 2012 Olympics.

2 pm

The Minister for Sport (Mr. Richard Caborn): Yes.

Mr. Foster: The Minister, from a sedentary position, gives a confidence boost to Bath's bid. I am delighted at that.

Parts of the Bill will be criticised today, but I stress that my party supports much of it. For example, the establishment of a legal framework for the Big Lottery Fund is especially welcome, as that organisation has operated for 18 months before being allowed to come into formal existence. However, our biggest disagreement with the Government has to do with additionality, the subject of new clause 1, as we are concerned about the Government's tendency to try to get their hands on lottery money.

Sir John Major set up the lottery when he was Prime Minister, and made it clear that the money raised would "not replace public expenditure". In 1997, the present Prime Minister used similar words, saying that it would not be right

"to use Lottery money to pay for things that are the Government's responsibilities."

More recently, the Minister responding to this debate said in Standing Committee that lottery money was "special" and that it

"should add to, not substitute for, Government expenditure"—[*Official Report, Standing Committee A*, 3 November 2005; c. 240.]

Last June, the Minister told the House that additionality was

"an important principle that should be embodied in future legislation."—[*Official Report*, 14 June 2005; Vol. 434, c. 168.]

That is exactly why we have tabled new clause 1; to put into effect what the Minister said that he wanted. The hon. Member for Cities of London and Westminster will move new clause 2 shortly. Both it and new clause 1 are attempts to give the Minister what he said he wanted and ensure that the Bill deals with the question of additionality. If new clause 2 were to be pressed to a Division, I can assure the hon. Gentleman that my party would support it.

The public also believe that additionality is an important matter. Almost three-quarters of respondents to a 2003 YouGov poll said that it was "vitally

important" that lottery distribution remain independent of Government interference. We must ensure that lottery money is not used as a slush fund by the Chancellor of the Exchequer, something that has happened far too often already.

For example, £93 million of lottery funds has been spent on magnetic resonance imaging scanners for the NHS, and £42 million on providing fruit in school. That led Sir Clive Booth, the Big Lottery Fund's excellent chairman, to say that the

"days of the government issuing instructions over Lottery cash for schemes such as the distribution of fruit to schoolchildren are gone".

I hope that is true but, to make sure, we must get a guarantee enshrined in the Bill.

The Culture, Media and Sport Committee expressed concern about this matter in its 2003–04 report. It stated:

"The National Lottery has meant that there has been an erosion, in real terms, of the DCMS core funding."

Increasingly, the Department for Culture, Media and Sport is not spending as much money, as a proportion of gross domestic product, as it used to, but that is because it has come to rely increasingly on money from the various lottery distributors.

Another aspect of the problem is that there is increasing confusion about which expenditure comes from the DCMS and which comes from the lottery. I shall give two examples. On the one hand, the Government claim credit for projects that in fact are funded by the lottery; on the other, they try to pass the buck for failure to the lottery. Parliamentary answers last November revealed that one Department incorrectly claimed credit for a supposedly independent project that was successful, whereas a Minister in another Department has blamed the lottery for unwise Government spending.

A report from the Department for Trade and Industry said that the £1.9 million spent on renewable energy research into biomass was funded by "DTI and lottery spend". However, further questions uncovered the fact that none of the money spent on that research came from the DTI. In other words, the Government were claiming credit for research that was funded entirely by the lottery.

On 31 October last year, I asked a parliamentary question about a highly contentious sports questionnaire survey that was criticised by various newspapers. The survey cost £6 million, but the Government answered that the money came from the national lottery. I pursued the matter, and several weeks later the DCMS admitted that the original answer was incorrect and that the vast majority of funding for that controversial project came from the Department. That shows that the Government have tried to confuse the public about what is lottery money and what is departmental money.

Have the Government plundered lottery money? There are many arguments about that, but today's *Daily Mail* carries an article about a report from the Centre for Policy Studies. That is a Conservative-leaning think tank, but that does not mean that it is always wrong. The newspaper uses the headline "Labour Has 'Plundered Billions out of the Lottery'", and its analysis may go a little far. However, the centre's website carries the preface to the report, which I understand will be published tomorrow, and it makes very interesting reading. In it, Sir John Major—who, as I noted earlier, founded the lottery—states:

"From the outset, I insisted that Lottery money should be used for additional spending on causes or activities that the taxpayer should not be expected to cover . . . When the Lottery Bill was going through Parliament, the Labour Opposition was at pains to stress the importance of Government keeping an arms-length relationship from the Lottery and, in particular, grant distribution. But, since it took power, Labour has diverted Lottery funding into areas that have historically been funded by the Exchequer. Indeed, the "Big Lottery Fund" has a specific remit to fund health, education and environment projects when taxpayers would rightly expect many of these projects to be funded directly by Government. The Labour Government's deliberate muddying of the waters between Exchequer and Lottery revenues is an unwelcome development and which, as its creator, dismays me greatly."

David Taylor (North-West Leicestershire) (Lab/Co-op): I am often in a position to say to the *Daily Mail*, "Now, come on", but I rarely say that to the hon. Gentleman, who takes a sensible approach to such matters. If every penny piece that the lottery raised annually for good causes were to be transferred to the Government, it would pay for about a day's worth of public expenditure; £1.5 billion in about £500 billion. It is important to put the issue into context and realise that we are talking about relatively marginal amounts.

Mr. Foster: While I have some sympathy with those remarks, I made it clear earlier that the grants from the national lottery have been of enormous benefit to many communities. Some 200,000 grants have been made, including to projects in my constituency. The amounts of money may be comparatively small, but the benefit is enormous and the impact on the communities has been tremendous. Let us not belittle the importance of lottery money. We need to get the process for making decisions on how that money is spent right and ensure that it is separate from the Government's decisions. We have to have a clear independence of lottery distribution decisions from Government. That is what the new clause is about.

David Taylor: I am happy to clarify my earlier remarks. I was trying to say that although constituencies, including the hon. Gentleman's and mine, have benefited significantly—especially in economic, social and environmental regeneration projects—the impact on Government expenditure of a wholesale transfer of the lottery money to their coffers would be tiny. Therefore, what would be the incentive for the Government to do that? Is the hon. Gentleman suggesting that the Government are trying to drive down the tax bill to the cost of those buying lottery tickets?

Mr. Foster: The hon. Gentleman suggests that I am merely suggesting that the Exchequer has got its sticky little mitts on lottery money. I am not suggesting it; I am telling the House that that is what has happened. The New Opportunities Fund was deliberately established to take over responsibility for funding aspects of much needed service delivery from the Exchequer. The evidence is clear. I accept that the *Daily Mail* report and,

[Mr. Foster]

possibly, the think-tank report went a bit overboard and, indeed, I said so earlier, but I have already given several other examples.

Mr. Hugo Swire (East Devon) (Con): If the hon. Gentleman had finished the preface written by Sir John Major, which was not quoted in the *Daily Mail*, he would have seen that Sir John referred to the millennium fund, which wound up at the end of 2000. He intended that the resources released from that should be used to promote school sports. Instead, he says, the money was siphoned off by the Labour Government. That goes some way to answering the comments by the hon. Member for North-West Leicestershire (David Taylor). It is not necessarily the quantity of money, but the principle.

Mr. Foster: The hon. Gentleman is right to say that there was more to the preface. I was hoping that in the spirit of comradely friendship I would not be tempted into commenting on that aspect of Sir John Major's remarks, but now that the hon. Gentleman has provoked me I should, in fairness to the House, point out that the Conservatives' view of the issue of additionality is somewhat ambiguous. The hon. Gentleman raises the issue of sport, so I must now point out that that ambiguity was demonstrated in their manifesto at the last election, when their much heralded Club2School sport scheme was to have been funded by the national lottery. I have pointed that out to the Conservatives before and they have said, "Oh no, we got it wrong, we won't ever do it again." However, their new leader was at it again more recently, on 5 January. He was asked who would fund his idea for a new school leaver programme policy, and he replied:

"Well, we want to look at that, there is the National Lottery, there are all sorts of programmes we can access."

I accept that he did not say that funding would come from the national lottery, but clearly it was a possible source.

Mr. Mark Field (Cities of London and Westminster) (Con): The hon. Gentleman will be glad that I am here to protect the honour of my right hon. Friend the Member for Witney (Mr. Cameron). The hon. Gentleman has rightly quoted the transcript, but my right hon. Friend continued his remarks to Mr. Naughtie on the "Today" programme by saying:

"Jim, I can't pre-judge it because I'm having a meeting with the Prince's Trust and the Duke of Edinburgh Award scheme and the National Union of Teachers are coming in".

The lottery was one of a number of options that my right hon. Friend put forward in that interview for funding the national school leaver programme. No commitment has been made that contradicts our proposals in new clause 2.

Mr. Foster *rose—*

2.15 pm

Madam Deputy Speaker: Order. Perhaps we have now clarified that point and could now concentrate our remarks on the new clause.

Mr. Foster: I am grateful to you, Madam Deputy Speaker, but I would point out that the hon. Gentleman has just given a lengthier version of the cover that I had already given to the right hon. Member for Witney (Mr. Cameron). However, you rightly chide us to move on from that issue.

Notwithstanding the occasional blemishes on the record of parties on the issue, all the parties have said that they believe that additionality is a crucial issue. All parties have said that they do not wish to see the Government, whoever is in power, interfering in national lottery decisions. Given that occasionally people have strayed from that commitment, would it not be helpful to have legislation that ensured that that does not happen again in the future?

During the passage of the national lottery legislation in 1993, and the changes made to it in 1998, attempts were made to add additionality to it. We have already had attempts by the Conservative party and by me to place something in the Bill. Those were attempts to define additionality, but they fell on stony ground. Indeed, the Minister rejected our proposal for a definition of additionality in Committee because he said that it would result in bureaucracy. I am not sure that that is a good reason, but our attempt was rejected for that and, no doubt, several other reasons.

Today, I am taking a new approach that might find favour with the Government and obtain the support of the House. We do not suggest a definition of additionality but that the Bill should contain a requirement that the distributing bodies report annually on how they had reached their funding decisions. That would include the two crucial questions of additionality; how independence from the Government was maintained and what principles were used to maintain the distinction between core Government funding and the causes that the bodies had supported.

I know that many of the distributing bodies have already committed themselves to annual reports on a variety of issues. For example, the Big Lottery Fund is already committed to reporting specifically on the additionality issue. Under the new clause, we seek to place in the Bill the commitment that we have received from the biggest lottery distributor and perhaps to push the other distributors to follow suit, so that there is no opportunity to backslide in future.

We have support from many quarters for the route that we have chosen. The National Council for Voluntary Organisations said:

"We believe that these commitments must be enshrined on the face of the Bill if they are to be meaningful and lasting."

The National Campaign for the Arts said:

"The New Clause is a modest attempt to ensure that the line between Government and Lottery cash cannot become ever more blurred . . . If inappropriate political pressure is being put on the Lottery distributors, then the public should be made aware of it. If, as is insisted, no such pressure is being exerted, then there can be nothing to fear from the New Clause."

The Minister has given support to the new clause. In Committee, he said:

"Somebody has to define the concept for the purpose of day-to-day operations, but if the concept were tied down to a definition that would be challengeable in law, those funds might be put into all types of litigation."—[*Official Report, Standing Committee A*, 3 November 2005; c. 244.]

He will not go down the route of placing such a definition in the Bill—although he might be persuaded to do so, given new clause 2—but he has at least made it clear that he wants something similar in the Bill and that he believes that annual reports on such issues should be produced. That is why it is crucial that the Minister should be prepared to support new clause 1, which is a modest attempt to ensure that we get something in the Bill to ensure that there is never again the possibility of blurring the distinction between national lottery money and Government-funded activity.

Mr. Mark Field: Under new clause 2, we would introduce into the National Lottery Act 1993 a requirement to consider the additionality principle. I was very interested to hear what the hon. Member for Bath (Mr. Foster) had to say—we would very much support new clause 1 in any vote, if one is necessary—but I should like to explore one area with him, and perhaps the Minister will take my observation on board. Are there any circumstances in which certain projects could be paid for partly from the lottery and partly from Government expenditure? It was not entirely clear whether that could be possible with certain projects—for example, large-scale research. Again, we need to have a sense of transparency. We worry that too much in the Bill is entirely opaque.

We propose a definition of additionality in new clause 2, which states that

"funding should not be provided for the provision of services, benefits, and capital works which would usually be provided by government".

New clause 2 goes somewhat further than new clause 1. The first subsection of our new clause would apply that principle to the distributing bodies when distributing money or making or reviewing their strategic plans. The second subsection would apply the same principle to the Secretary of State or his Ministers when making directions to the Big Lottery Fund or other distributing bodies under section 36E of the 1993 Act.

As has become apparent, there is a plethora of new distributing bodies—Sports Council-related bodies, those related to the arts and the Heritage Lottery Fund, and so on. From the national lottery's inception, the Government have stated their commitment to the principle of additionality during the debates that took place when the lottery was being established and in those that have taken place since May 1997.

David Taylor: The hon. Gentleman says that new clause 2, which was tabled by the Conservatives, would tighten up the arrangements in some respects, but it suggests that lottery distributors should consider whether the Government "would usually be" the source of the provision. The word "usually" implies that a category of activities and projects would not fall within the proposed definition. How on earth will the lottery bodies make a distinction between the two? Unless we state that the Government will always make such provision—that could be impractical as well—new clause 2 is a dead letter, is it not?

Mr. Field: The hon. Gentleman makes a fair point. However, in fairness, we were trying to appreciate the fact that there are grey areas at times. We would like to think that the issue was entirely straightforward, but our contention is that that grey area has been greatly abused by the way in which the Government have sought to allow the Big Lottery Fund to make its own distributions.

As the hon. Gentleman rightly says, if we were to use the word "always", the provision could be open to all sorts of abuse. Indeed, the Government might be given an opportunity to walk away very happily from certain obligations. They could rely entirely on funding those obligations from lottery funds. We used the word "usually" to try, as far as possible, to adopt a pragmatic approach, while recognising that grey areas of expenditure may arise sometimes. Such financial provision might be covered generally by lottery funding, but also by Government expenditure—we are trying to get that balance right. Our contention—I think it is also that of the Liberal Democrats—is that we have not got that balance entirely right and that, recently, a coach and horses has been driven through the original idea and the original causes of the 1993 Act.

In the 1992 White Paper, in which the national lottery was initially suggested, it was stated that the lottery would fund only projects additional to those that would otherwise be funded by the public through general taxation. In written evidence to the fifth report of 2003–04 of the Select Committee on Culture, Media and Sport, the Department for Culture, Media and Sport defined the principle of additionality as not allowing lottery funding to

"become a substitute for funding that would normally fall into mainstream Government spending"

and stated that it

"remains firmly committed to that principle."

The Select Committee's report on the reform of the national lottery said:

"Many witnesses told the Committee that the principle of additionality was becoming increasingly eroded."

Obviously, those witnesses are experts in the field. It continued:

"The Lottery Council told us that 'additionality is something we take a strong line on, and we think that that line is getting blurred' and that 'there is a great deal of concern about the erosion of the additionality principle.' The NCVO believed that 'Lottery funding should be independent from Government but accountable to Parliament; that is should be additional to what should be properly spent by Government and not a substitute for it.' It was concerned that that was not happening."

The Select Committee therefore found in its conclusion that the additionality principle was being eroded, and it deplored that erosion in paragraph 165 of the report to which I referred.

We believe that it is necessary to include provisions on additionality in the Bill. New clause 2 would do that in a practical fashion by requiring distributing bodies and the Secretary of State to have regard to the principle when exercising their relevant functions under the Bill.

We contend that the Government have betrayed the lottery's founding principles by using lottery money for spending that should have come from taxes. Only this morning, as the hon. Member for Bath pointed out, the right-of-centre Centre for Policy Studies—*[Interruption.]* It is Conservative supporting, at least. The centre called for a stop to the Government's "larceny" and "plundering". Perhaps we would not use such emotive terms in this era of modernised

[Mr. Field]

Conservative thinking, but none the less there is little doubt that lottery money has been used, and increasingly will be used, to bail out the Government on some of their spending plans.

We fear that if the Bill that is passed does not address additionality, we will simply entrench and extend the use of lottery funds for matters that should be met out of general taxation. As I am sure that the Minister will point out, there are sometimes grey areas regarding lottery expenditure, and it was thus difficult to couch the new clauses in exact terms. However, it is also clear that we have moved significantly away from the founding principles of the lottery.

2.30 pm

We believe that the Labour Government are, via the Big Lottery Fund and the Heritage Lottery Fund, imposing on distributing bodies a mandatory policy direction that is in line with Government objectives. For example, a significant proportion of Heritage Lottery Fund grants are awarded to schemes that can show a measurable contribution towards addressing social and economic deprivation. We have no objection to the idea of addressing that problem, but we must question whether lottery money should be expended in such a way.

I was advised only this week by Trevor Watkins of Leonard Cheshire that a concentration on specific areas of the United Kingdom for eligibility has led to unnecessary duplication in bureaucracy for charities that work throughout the UK. The absence of a UK-wide Big Lottery Fund will mean that multiple applications for grants under the lottery will be required, which could be wasteful and create a strong disincentive for small nationwide charities to apply for funds to which they would otherwise be entitled.

I was sorry that the hon. Member for Bath stole my thunder by citing an entire quotation from the former Prime Minister, Sir John Major, during whose premiership the lottery was founded. However, I shall reiterate a few of those words. Sir John Major rightly said:

> "When the Lottery Bill was going through Parliament, the Labour Opposition was at pains to stress the importance of government keeping an arms-length relationship from the Lottery and, in particular, grant distribution. But, since it took power, Labour has diverted Lottery funding into areas that have historically been funded by the Exchequer."

We tabled new clause 2 as an attempt to row back from that regrettable tendency, which undermines many of the objectives that are close to the hearts of the many millions of our fellow countrymen who play the national lottery. I hope that the Minister will give serious consideration to not only new clause 2, but new clause 1. We await his views with interest, but unless we are entirely satisfied, I give notice that we will press the matter to a Division.

Mr. Charles Walker (Broxbourne) (Con): Thank you, Mr. Deputy Speaker, for allowing me to make a small contribution to the debate. It is always nice to speak to a packed House. I am sure that hon. Members are waiting with bated breath for my words of wisdom—[HON. MEMBERS: "Hear, hear."] I thank hon. Members very much.

Health, education and the environment are all hugely important things and they are quite rightly the responsibility of the Government. When the people of this country voted for the Government, they thought that they were voting for a Government who would meet their health, education and environment needs. However, they were not aware that the Government were going to use the national lottery as a means of topping up spending that should be central Government expenditure. If the British public knew what was going on today, they would be a trifle concerned.

We heard from the hon. Member for Bath (Mr. Foster) about the various initiatives that have been funded by lottery money already. Some 529 pieces of cancer scanning equipment have been funded at a cost of £93 million. Of course that equipment is hugely important and much welcomed by those whose lives it saves, but should it be funded by lottery money, or through central taxation? We have set up healthy living centres at a cost of £300 million and information and communications technology training for teachers and school librarians at a cost of £231 million. Out-of-school learning hours have been funded at a cost of £180 million. Those are vast sums of money. The hon. Member for North-West Leicestershire (David Taylor), who is no longer in the Chamber, suggested that we were talking about trifles and mere pennies, but we are not—we are talking about upwards of £1 billion. The Treasury already takes 12 per cent. of all money spent on the national lottery.

Mr. Don Foster: The hon. Gentleman adds to my list of examples. Does he accept that the ultimate example of funding by the lottery that clearly should have been provided by the Exchequer was the use of £111,000 for a heart failure nurse specialist at one of our hospitals?

Mr. Walker: I accept the hon. Gentleman's excellent intervention. It is a good intervention because it is the first that I have ever taken. In a sense, he has broken my virginity, and I thank him for that. Very pleasurable it was, too—he was very gentle.

Mr. Don Foster: I was delighted to have had the opportunity to do that, and I am delighted now that I have been able to do it twice.

Mr. Walker: It was as pleasurable the second time.

Things that should have been funded by central Government have, in fact, been funded by the lottery. All those things are hugely important, but the lottery was established to fund the additional things in life: sport, the arts and heritage—those little extras that make life worth living both nationally and as part of communities. I hope that the Minister takes our concerns on board. They were put to him in Committee. I hope that he has heard them again and will reconsider his position.

Mr. Caborn: I welcome the hon. Member for Cities of London and Westminster (Mr. Field) to his new position on the Front Bench team of the Department for Culture, Media and Sports. I hope that we have some good debates.

Additionality is an important part of the lottery. The hon. Member for Bath (Mr. Foster) has been helpful and he reflected what was said in Committee. However, I again want to put things in context. Before we introduced the Bill, there was wide consultation between 2004 and 2005 to discover what the public wanted. Hon. Members know, because it was brought up in Committee and is on the record, that only 6 per cent. of those who responded to the questionnaires as part of the consultation mentioned additionality. Of the themes that we put forward for consultation, nearly 60 per cent. of respondents acknowledged the three themes that the Big Lottery Fund would adopt. They thought that those were in tune with the things on which the lottery moneys should be spent. It is not without some major consultation that we introduced the Bill.

Mr. Don Foster: Will the Minister acknowledge that there is a huge difference between what he is referring to, which is the Big Lottery Fund engaging in wide-scale public consultation on how the money should be spent, and what happened when the Labour Government introduced the New Opportunities Fund and specified precisely what the money should be spent on? That is the big distinction.

Mr. Caborn: Against that background of the New Opportunities Fund, all I can say is that those were the general opinions of the public. They were reflected in their answers to the consultation. As I said, the themes that emerged from that are in tune with their opinions. They are now embodied in the Bill and the directions, at a high level, to the Big Lottery Fund. We have the evidence.

I must say that that research is far better than the research carried out by the Centre for Policy Studies. Ruth Lea astounds me sometimes. I do not know how, as an economist, she adds the figures up. She should go back to basic arithmetic from time to time. Its research is supposed to be embargoed until tomorrow, but everyone seems to have a copy, including the *Daily Mail*, and it is on the website. It cannot even get the embargo date right. The research is like a comic opera. Some of the figures do not add up. She just tosses in the odd £6 billion, which is the revenue taken by taxation. Others will make their judgments on that.

New clause 1 seeks to require each lottery distributing body to make an annual report to the Secretary of State on the way in which it makes funding decisions during the year. Although it does not seek to compel distributing bodies to include any particular item, it is clearly expected that they would report on the way in which their decisions were made independent of Government and how, indeed, they have followed the principle of additionality. Where appropriate, they would report on the proportion of funds given to the voluntary and community sector. As I said, they would do so where appropriate, and I assume that the new clause is referring to the undertaking by the Big Lottery Fund that 60 to 70 per cent. of funding will go to voluntary and community sector organisations. The fund will produce an annual report on the way in which the principle of additionality has been followed, and the hon. Member for Bath welcomed that provision.

The Government nevertheless agree with much of what lies behind new clause 1. We agree that the lottery funding decision should be made by distributing bodies independent of Government, although within an overall framework of high-level Government control through policy directions—I do not think that there is any disagreement about that. That is the proposition that we have submitted to the public in our consultation, to which I referred a little earlier, on the future of lottery funding for the good causes of the arts, film, heritage and sport. May I reiterate that we agree with the principle of additionality? We continue to follow the principle that lottery funding should not be allowed to become a substitute for funding that would usually fall to mainstream Government expenditure. When discussing additionality, it is important to clarify the nature of the Government expenditure that we are talking about. Some people call it core Government expenditure, others mainstream Government expenditure, but there is a great deal of Government expenditure, which I shall come on to, that falls outside such expenditure.

That does not mean that the lottery cannot support things that receive strong public support or that lottery grants cannot add to public expenditure. That, too, is the proposition that we are putting to the public in our consultation. As I have noted, the Big Lottery Fund has agreed to produce an annual report to show how the principle has been adhered to. All distributing bodies already produce an annual report, which is placed in the Libraries of both Houses. I am grateful to the hon. Member for Bath for drafting his provision in a way that tries to take account of some of my comments in Committee. In particular, we should not attempt to define additionality, as that would leave every funding decision open to legal challenge, thus preventing many good causes and projects from being funded in future. I am grateful to the hon. Gentleman for his helpful approach, and I am sympathetic to the notion that the other distributing bodies may follow the lead of the Big Lottery Fund and explain how their grants have been made and, indeed, how they have met the principle of additionality.

This morning, I discussed the issue with the chief executives of the distributors who, by chance, had a meeting at the Department for Culture, Media and Sport. In his new clause, the hon. Member for Bath has tried to reflect our debate and discussions, including sentiments expressed in Committee. Indeed, his provision builds on the fact that Stephen Dunmore, the chief executive of the Big Lottery Fund, told the voluntary sector that in his annual report he would report on additionality and the spend of 60 to 70 per cent. I wish to make it clear that the Big Lottery Fund has made a commitment to report on such matters in its annual report, but this morning, the other lottery distributors agreed that they would each determine a policy on additionality and make it publicly available, probably through the annual report. However, they will develop other ways of making that policy available. That goes a long way towards satisfying the demands, which I think are genuine, for the executives of the lottery distributors to be held to account in a way that does not finish up as a lawyers' paradise. If that can be included in the annual report of the distributors and placed in the Library of both Houses, that will allow Members the opportunity for further debate through Select Committees or Adjournment debates or on the Floor of the House. That debate will be informed by the

[Mr. Caborn]

way in which lottery distributors have defined additionality and how they dispense the lottery money. Additionality in an area such as heritage may be defined differently from the way that it is defined by the Big Lottery Fund. It can be applied in a different way, although the objective is the same.

2.45 pm

I welcome the undertaking by the chief executives of the lottery distributors this morning to try to ensure through their annual reports that the Members of both Houses have that information and can use it for informed debates. However, we must be conscious of the need to avoid additional bureaucracy, which would go against the important principle in the Bill that more lottery money should go more quickly to good causes.

I am sure that my parliamentary colleague the Under-Secretary of State for the Cabinet Office, not to mention the Prime Minister, would be less than pleased if I considered new clause 1 without acknowledging the Legislative and Regulatory Reform Bill. That was introduced earlier this month, supported by a number of stakeholders in the public and private sector. Members on the Opposition Front Benches would acknowledge that they have been at the forefront of the argument against red tape and additional bureaucracy. The Better Regulation Executive has made great efforts to tackle unnecessary or overcomplicated regulation and disproportionate bureaucratic requirements.

Mr. Mark Field: In that context, will the Minister answer the point that I made in my initial comments in relation to the Leonard Cheshire homes? Because the charity is a UK-wide body, it would have a single template and thus avoid multiple applications for Big Lottery Fund distribution, but the nature of the distribution and the other giving is such that there are many small, quite regionalised award-giving bodies, which makes it necessary for such a charity to duplicate its paperwork many times over for the various applications, instead of making a single UK-wide application. Is there any proposal to do away with such wasteful duplication?

Mr. Caborn: If the hon. Gentleman writes to me, I will take the matter up with the Big Lottery Fund. We will do anything that we can to streamline applications. That is covered on the website. Measures that the Big Lottery Fund has put in place should make it more sensitive at national, regional and sub-regional level to organisations such as the one that the hon. Gentleman described.

The undertaking by the Big Lottery Fund that 60 to 70 per cent. of its funding will go to voluntary and community sector organisations is a commitment by the Big Lottery Fund alone and is not applicable more widely. We shall have a full discussion of that undertaking when we come to amendment No. 4. For now, I say again that the undertaking has been given by the boards of the Community Fund and the New Opportunities Fund, operating as the Big Lottery Fund, and not by the Government. We fully support the undertaking, but we do not need to repeat it or write it into the Bill. I want to make it clear that it does not apply to other distributing bodies.

We do not support new clause 1 in the form in which it has been tabled, for the reasons that I have given, but we will have the co-operation of the chief executives of the other distributors, which will probably take the same position as the Big Lottery Fund. It will be possible to debate additionality in the House in an informed way, against the background of the annual report.

Mr. Don Foster: First, before the Minister was intervened on by the hon. Member for Cities of London and Westminster (Mr. Field), he began a set of remarks about regulatory reform legislation. I could not see where he was going with those remarks, so perhaps he will explain precisely what he means. Secondly, he has said that the chief executives of the various distributors have assured him that they will produce a report, which he has told the House will enable hon. Members to debate the matter. Without a mechanism to place the report formally before the House, however, he is not going very far in meeting the issues raised by new clause 1.

Mr. Caborn: The hon. Gentleman has been a Member of Parliament for many years, and he knows that Ministers do not organise the House's time from the Dispatch Box. The information on additionality that the hon. Gentleman wants will be available in the annual reports of the distributors, which will be placed in both Houses of Parliament. Those reports can be used to inform a debate, whenever hon. Members want to hold it.

The hon. Gentleman should make a commitment from his Front Bench that the Liberal party will give up one Supply day—half a Supply day will do—every year to debate additionality. If he were to make such a commitment, it would advance new clause 1. He should give up a Supply day to debate the information that the chief executives of the various distributing bodies will put in their annual reports. I wonder whether he wants me to give way so that he can say yes to that proposal.

Mr. Don Foster: I am not rising to give the Minister the assurance that he seeks. From the Dispatch Box, he has told us that additionality is so important that he interrupted a meeting in his Department today to discuss new clause 1. However, he expects Opposition parties to give up their limited time on the Floor of the House to debate it, when it is the Government's responsibility. It should be debated in Government time, not Opposition time.

Mr. Caborn: People reading *Hansard* will make their own judgment. The Liberal party tabled new clause 1, and I have delivered all the information required from the Dispatch Box. The information will be there for Parliament to debate, but the hon. Gentleman will not make a commitment from the Front Bench to give up a Supply day to use that information to inform the nation. I think that the nation will make a judgment on how he can be so hypocritical.

New clause 2 seeks to define additionality by reference to what Governments do not usually fund and to hold both distributing bodies and the Secretary of State to

such a definition. The Government entirely reject new clause 2 for reasons that I explained at some length in Committee. Strictly speaking, additionality is a matter between the Department for Culture, Media and Sport and the Treasury. If my Department were ever to seek to replace its funding with lottery funding, the Treasury would rightly reduce our funding by the same amount. Additionality will never be constant, so we cannot define what Governments usually provide. The Government provide money—*[Interruption.]* I wish that the hon. Member for Bath would listen—he has tabled new clause 1 but he is not even listening to what I am saying. I am trying to explain to him and to the hon. Member for Cities of London and Westminster why we reject new clause 2.

The Government provide money to some charities, which is not core Government spending. Does that mean that the lottery should not give more to charities? The Government provide money to arts, sports and heritage in many areas—that is not core, or mainstream, Government spending. Does that mean that lottery funding cannot be used as well? We can follow the principle of additionality, but if we try to define it, or what the Government should "usually" fund, we will be restricted in some way from funding genuine good cause projects in the future. We cannot predict what those projects will be, but it is likely that those who will be most upset when we do not continue to fund them are those calling on us to set a definition.

It might help if I highlight some examples of good projects that have been funded from just one lottery programme—"New Opportunities for PE and Sport"—in the constituencies of hon. Members who tabled the new clause. In the constituency of the hon. Member for Cities of London and Westminster, Westminster city council awarded almost £80,000 for improvements to the sports hall at Millbank primary school. Does he want us to withdraw that money because it is part of mainstream Government funding?

In the constituency of the hon. Member for North-East Cambridgeshire (Mr. Moss), Cambridgeshire county council received more than £1.1 million for sporting facilities to provide young people and the community generally with high-quality tennis courts, a floodlit multi-use games area and a wide range of after-school sports activities. Should we withdraw those areas of funding because they are additional to Government spending?

Mr. Walker: I hope that the Minister has some good news for Broxbourne on his list, because I recall that in Committee I was sometimes disappointed when he managed to gloss over my beautiful constituency.

Mr. Caborn: Unfortunately, I do not have an example, but I will find one. I will refer to the hon. Gentleman's constituency before the end of the debate. I am looking to my officials to ensure that they dig out all the stats.

As the hon. Member for Bath noted, there is a difference of opinion between Conservative Front Benchers. At the last election, the Conservatives proposed a scheme called Club2School, whereby every child would have the right to two hours of free after-school sports coaching. There is nothing wrong with that—we completely agree with it—but where was the £750 million with which they proposed to pay for it going to come from? The new Leader of the Opposition has told us that it would come out of the lottery.

As the hon. Member for East Devon (Mr. Swire) has just returned to his seat, let me tell him that he was wrong on two counts: the Bill winds up the Millennium Commission, and the residue of the money will go towards the development of the Olympics. The money was not spent in 2000, because it is still there. The final decision will be taken by the board.

To sum up, we support the independence of lottery distributing bodies and the principle of additionality. All distributors are aware of the need to follow that principle. They have responded positively and practically to the demands that were made in Committee. I hope that, given that explanation and the positive moves made by the chief executives of the funding bodies, new clause 1 will be withdrawn.

Mr. Don Foster: I begin by thanking the Minister for his conduct of the debate on the important subject of additionality. I also thank him for the praise that he heaped on me—for my helpfulness and consideration and the way in which I took account of all the discussions in Committee and other places. I thank him, too, for the meeting that he held today with the chief executives of the lottery distributors.

However, on 14 June last year on the Floor of the House, the Minister—nobody else—said that

"additionality was an important principle that should be embodied in future legislation."—[*Official Report*, 14 June 2005; Vol. 435, c. 168.]

He did not say that we should get assurances from all sorts of people outside and include nothing about it in the measure. I welcome the fact that he has got those assurances—that constitutes huge progress—but I believe that what he said in June last year was right. We need the principle to be embodied in the legislation.

3 pm

Mr. Caborn: Not to put too fine a point on it, every lottery distributor has to report to the House, through a report to both Houses of Parliament which is placed in the Library. A report on additionality by each lottery distributor will appear in the annual report, which is put in the Library. The report has to be produced by statute.

Mr. Foster: The Minister still refuses to accept that we need the principle to be on the face of the Bill, but we have experienced problems with previous lottery Bills. In discussions on them, hon. Members referred to concern about additionality. Prime Ministers and Leaders of the Opposition assured us that they would not raid lottery funds, yet they did so. It is therefore crucial to include the principle on the face of the Bill.

We have made enormous progress towards what I want to achieve. However, the Minister said that additionality issues "may" be reported in the annual report, not that they would be. More important, he has not acceded to his desire to include something about the matter on the face of the Bill.

It is therefore with deep regret, given our progress, that I press new clause 1 to a vote.

[Mr. Foster]

Question put, That the clause be read a Second time:—

The House divided: Ayes 179, Noes 271.

Division No. 129] **[3.02 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Carswell, Mr. Douglas
Clappison, Mr. James
Clark, Greg
Clegg, Mr. Nick
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Duddridge, James
Duncan Smith, rh Mr. Iain
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gray, Mr. James
Grayling, Chris
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horwood, Martin
Howarth, David
Howarth, Mr. Gerald
Huhne, Chris
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Laing, Mrs. Eleanor
Laws, Mr. David
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
MacNeil, Mr. Angus
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McIntosh, Miss Anne
Mercer, Patrick
Miller, Mrs. Maria
Moore, Mr. Michael
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Öpik, Lembit
Osborne, Mr. George
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Price, Adam
Pritchard, Mark
Randall, Mr. John
Reid, Mr. Alan
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Shapps, Grant
Smith, Sir Robert
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Mark
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wishart, Pete
Wright, Jeremy
Young, rh Sir George

Tellers for the Ayes:
Mr. Tobias Ellwood and
Mr. Roger Williams

NOES

Abbott, Ms Diane
Ainger, Nick
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen

Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hall, Patrick
Hamilton, Mr. David
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mactaggart, Fiona
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Pound, Stephen
Prentice, Mr. Gordon
Primarolo, rh Dawn
Purnell, James
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruddock, Joan
Russell, Christine
Sarwar, Mr. Mohammad
Shaw, Jonathan
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Mrs. Betty
Winnick, Mr. David
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Tom Watson and
Joan Ryan

Question accordingly negatived.

New Clause 3

DUTY TO CONSIDER EASE OF APPLICATIONS FOR MONEY

'After section 25(2A) of the National Lottery etc. Act 1993 (c. 39) (application of money by distributing bodies) insert—

"(2AA) A body which solicits applications from other bodies or persons under subsection (2A) shall have regard to the ease with which other bodies or persons can apply for any of the money which the body distributes."'.—*[Mr. Foster.]*

Brought up, and read the First time.

Mr. Don Foster: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker (Sir Michael Lord): With this it will be convenient to discuss amendment No. 13, in clause 11, page 7, leave out lines 4 and 5 and insert—

'(c) promotion of the benefits of the distribution of money under this Act.'.

Mr. Foster: New clause 3 deals with the important issue of the ease of applying for lottery grants. Many Members are well aware that in the early days of the national lottery, applying for a grant from any of the then distributors was quite a cumbersome affair. Things have become much better since then, year on year, but the purpose of the new clause is to insert in the Bill a mechanism to ensure that ease of application remains at the forefront of the thinking of all distributors.

I said that the arrangements had been problematic in the past. Only two or three years ago, Sport England had to employ highly paid consultants to help people fill in forms that had been drawn up by Sport England itself. Not only did sports clubs express concern, but David McNeil of the Arts Council, reflecting on the early days, said that the difficulty in applying for grants

"tended to benefit established organisations and those who had access to professional help and contacts."

As I said, things have improved. In the days when Lord Smith of Finsbury was Secretary of State for Culture, Media and Sport, he made it almost a requirement for all lottery distributors and those responsible for creating the forms to attend a presentation by the Plain English Campaign. That clearly was helpful. There are other tangible examples of progress. For example, the Heritage Lottery Fund has undoubtedly simplified its procedures and speeded up the way in which lottery money reaches projects, especially small grants to bodies that do not have easy access to professional help in filling in the forms. It is worth quoting figures showing how much progress has been made. Of those people who applied for grants in

[Mr. Foster]

2002–03, 71 per cent. felt that the amount of documentation required was "about right". That was a significant improvement on the previous year, when only 56 per cent. of grantees supported that statement.

Since then, there has been further progress. That has been particularly the case since the Government's review of lottery funding, which I welcomed and that was published in January 2003. We should all place on the record our praise to the relevant Ministers and their staff for their work on that. The report acknowledged that progress was made, but went on to say that more needed to be done. It said:

"Some respondents felt that it could still be difficult to apply for funding, especially for smaller organisations, but thought that it had become easier over the years since the Lottery began."

As I say, progress has continued to be made since that time. However, it is worth reflecting on how problematic it can still be. I could choose many examples, but shall give just one. The chairman of the Aln Valley Railway Society, Mr. Stuart Manley, pointed out that it had to spend £100,000 on putting together its bid for funding from one of the lottery distributors. It got £6 million as a result of the success of that investment of £100,000, but that was a huge amount.

We should praise the distributors, who are making progress. I welcome that and recognise that they acknowledge that more work still needs to be done. The HLF is consulting on its strategic plan, which will run from 2008. Included in that consultation is the issue of simplification and accessibility. The Big Lottery Fund has said that it has made enormous progress, but intends to continue to make progress. During the passage of the Bill in Committee, the Minister talked about the way in which the Big Lottery Fund will become a one-stop shop, or, as some people want to call it, one front door, for all lottery applications. I think that that will be an enormous help.

I am delighted that there has been support for the new clause from a number of organisations, including the Central Council of Physical Recreation, all of which have acknowledged that, while progress has been made, there is a need for more to be done. Therefore, new clause 3 requires that the issue of accessibility, of ease of application, be placed in the Bill so that we continue to be reminded of its importance.

Amendment No. 13 raises a different issue: whether it is right for lottery distributors to be promoting the playing of the national lottery. I said in Committee that it was right that the lottery distributors should promote the work that is done with the money that they distribute. They should be engaging in debate with the public about how that money should be spent. During the Committee stage, I tabled an amendment that basically had a similar effect, but in a different way. At the end of the consideration of the amendment I said:

"Perhaps in the interim"—

that is, between Committee and Report stages, although I did not anticipate that the interim would be so long—

"the Minister will reflect on the words he has used to see if he can bring himself to say, 'National lottery distributors shall not be allowed to promote the playing of the national lottery and national lottery games.' If the Minister persuaded himself to say that now, it would be even easier. Since he is not prepared to do that, and with a clear hope that we shall return to the matter if the words do not satisfy me, I beg to ask leave to withdraw the amendment."

I gave the Minister a chance to say those words then—today, I am giving him another chance to make it absolutely clear that the lottery distributors will not be able to promote the playing of the national lottery or national lottery games.

The Minister went halfway when he told me:

"Distributors are not in the business of promoting national lottery games . . . that is Camelot's responsibility under the terms of its licence."—[*Official Report, Standing Committee A*, 1 November 2005; c. 174, 171.]

I know that it is not the distributors' business to be doing that, but I am anxious to ensure that they do not actually do it. Greater clarity is needed.

I also want to put on the record how important it is for the distributors to promote the uses to which they put the moneys that they distribute. There is huge confusion in the mind of the public about the various projects. I referred in Committee to the ICM poll that found that people believed that the same amount of money went to help asylum seekers as to supporting disabled people—although the ratio is really 10:1 in favour of disabled people. I make no comment on whether that is right or wrong; I am merely pointing out that there is a huge misconception in the mind of the public.

That is not helped by some newspaper stories about applications being turned down for politically correct reasons, which often turn out to be a load of nonsense. For example, in October *The Times* ran an article about the Severn Area Rescue Association's application being turned down because it could not provide details of the social background of the people whom it rescued. That turned out to be totally untrue. *The Times* published the story on 18 October and had to correct it on 27 October.

The worry is that the problem continues to this day. Only today, in the *Daily Mail*, we are told yet again that St. Paul's Cathedral was turned down for funding because it did not appeal to a diverse audience. Again, that story is not true. The *Daily Mail* says:

"the heritage fund has forced St. Paul's Cathedral to withdraw an application for £8.9 million for restoration work because it allegedly fails to appeal to a 'wider audience' among minority groups."

I talked today to the people from the HLF and they assured me categorically that that story is untrue. St. Paul's voluntarily withdrew its application, which largely related to cleaning the outside of the building. It is worth reading out exactly what the HLF said in its briefing to me today, to put it clearly on the record:

"It's not true that the application was rejected because it didn't have wide enough appeal—clearly not the case at such a popular attraction and important cathedral. HLF has funded more than 2,000 places of worship and is committed to supporting this important expression of our heritage".

Indeed, I understand that discussions are ongoing between St. Paul's and the HLF about possible future funding.

It is important that the lottery distributors should engage with the public about the way in which money is used. I welcome the "Restoration" and "The People's Millions" programmes, and many other examples, but I worry about distributors promoting the playing of the

lottery itself. The reason for that is simple. The best way to give money to a charity or other good cause is not by playing the national lottery. If someone plays the national lottery and spends £1 on their ticket, only 28p goes to the good cause, but if someone gives £1 directly to a good cause, using the benefit of Gift Aid, £1.28 goes to the good cause. If we want to give money to a charity, it is much more efficient to give it directly, preferably using Gift Aid, than through the national lottery. However, people play the national lottery not just to give money to good causes, but to have a chance of winning one of the prizes. That is understandable and I make no criticism of that, but that does not mean that playing the lottery is the best way of giving money to a charity.

3.30 pm

We must ensure that lottery distributors do not promote playing the lottery or lottery games, but I am very keen for them to promote the activities that they engage in, using the money that they have raised. That is the purpose of amendment No. 13.

Mr. Caborn: As drafted, new clause 3 would require a distributing body to have regard to the ease of application for its grants if it solicits applications for grants. However, I wonder whether the intention behind the new clause was the more general one of requiring distributing bodies to have constant regard to the ease of applications, whether or not they have been sought. I agree with the sentiments behind the new clause, which was tabled jointly by the hon. Members for Bath (Mr. Foster) and for East Dunbartonshire (Jo Swinson). It is very important that it be made easier for people to access lottery funding; indeed, that is one of the Bill's aims. As the hon. Member for Bath said, we have made steady progress in that regard and, hopefully, we will continue to do so. As I said to the hon. Member for Cities of London and Westminster (Mr. Field) earlier, that is what we want to achieve.

We are encouraging all lottery distributing bodies to make their application processes easier, and that is already happening. Where we need to legislate, we have already done so. Clause 14 inserts a new section 36D into the National Lottery etc. Act 1993 that will enable the Big Lottery Fund to give wider lottery advice, particularly on the inviting, making or considering of applications for grants. That will, in turn, enable the BLF to develop common application forms, and to take a lead on the sharing of best practice and on the developing of pre-application support and common standards of service.

A good example of the sort of thing that new section 36D will enable is the lottery funding website, which will be launched soon. It will provide a single front door and give up-to-date detailed advice and guidance on how and where to apply for lottery grants. That will be particularly helpful to organisations and people who find it difficult to apply for lottery funding under the current system. One such example is village halls, as the hon. Member for Truro and St. Austell (Matthew Taylor) pointed out in an Adjournment debate last October. However, we see no case for introducing a specific requirement in that regard. As I said earlier, we are keen to reduce bureaucratic and administrative burdens, not to add to them. We see no reason to link such a requirement specifically to the soliciting of applications.

We gave lottery distributing bodies the power to solicit applications back in 1998, and doing so has proved very successful indeed. Before 1998, distributing bodies had to wait for an application to arrive, often from the great and good. That change has had a considerable impact. The lottery forum, which represents lottery distributing bodies, told us that introducing the enabling power to solicit applications was key to widening access to the lottery; it enabled distributing bodies actively to seek applications from certain communities. We do not want distributing bodies to be restricted in any way in their ability to solicit applications.

Amendment No. 13 takes us back to a debate in Committee. I appreciate that in tabling it, the hon. Members for Bath and for East Dunbartonshire were to some extent prompted by the National Council for Voluntary Organisations. They are concerned that, as drafted, clause 11 will encourage people to play the lottery and to regard it as a good way to give money to charity. As I tried to explain in Committee, it will do no such thing. Promotion of the lottery games is entirely a matter for Camelot, the lottery licence holder. Clause 11 will remove the doubt that exists in some minds about whether the lottery distributing bodies have the proper powers to publicise the national lottery beyond the grants that they award and the purpose behind them. It will allow them to publish more general information about the work of all lottery distributing bodies, so that the public can be better informed about where the money was awarded.

I agree with what the hon. Member for Bath said so succinctly in respect of today's national newspaper reports about the Heritage Lottery Fund and St. Paul's. The reports are unacceptable, and the newspapers involved should read *Hansard* and make amends by clarifying what actually happened. However, that case underlines why we believe that it is necessary for the lottery to promote the good causes that it supports.

Mr. Mark Field: May I say that I agree with the Minister? St. Paul's is in my constituency and I have had dealings with people there. I have also worked with people at St. Martin in the Fields, which in recent years received a very large grant. There were parallels between those cases, but it was accepted that St. Paul's would need to reassess its application.

The Minister has described the process of giving information, but will he confirm that it will involve more than simply rubbishing press reports? The process should not be merely reactive—information should be made available regularly and proactively, to ensure that the spirit of new clause 3 and amendment No. 13 is retained.

Mr. Caborn: I agree with the hon. Gentleman's sentiments, but I emphasise that we do not believe that it will be enough to restrict the power to the sole benefit of the distributing bodies. Our definition is wide because there is such a wide range of publicity activities for those bodies to get involved in. Public awareness of the lottery can take many forms and we would not want to limit how the distributing bodies can convey awareness of what the lottery has funded.

[Mr. Caborn]

The distributing bodies must be able to tell all the good news stories about the good causes and about how people are benefiting from lottery funding. To that end, we want to ensure that they can participate fully in the work of the national lottery promotions unit, which seeks to raise positive awareness of, and support for, the benefits of national lottery good cause funding across the whole country.

Specific examples of that wider promotion are the hugely successful national lottery day and the national lottery awards. Those innovations are designed to raise public awareness of how lottery money is used for good causes, and both are held under the auspices of the national lottery promotions unit. We want to ensure that they and other promotions of the lottery good causes can continue, and retain the full engagement of the distributing bodies.

I realise that some unintentional confusion was generated in Standing Committee when the hon. Member for Bath picked up a typographical error in the explanatory notes. I have served on many Committees with him and know that he always goes through such notes very carefully. With his eagle eye, he spotted that the notes said that the process would contribute to the "brand" health of the lottery. They should have said that the process will contribute to the "broad" health of the lottery, and that is what will appear in the revised version that I hope will come out tomorrow.

At the time, I did not recognise the significance of what the hon. Member for Bath was saying. I hope that he will accept my apologies and assurances in respect of this matter.

To sum up, new clause 3 is intended to be helpful, but it would put another bureaucratic obstacle in the way of getting lottery money more quickly to good causes. I am sure that the House would not want that to happen. Amendment No. 13 is similarly well intentioned, but it would place unreasonable restrictions on the ability of distributing bodies to be fully involved in work to promote the lottery good causes and would therefore undermine the good work of the national lottery promotions unit. The fact that the lottery can be undermined by inaccurate reporting shows that lottery promoters need the powers in the Bill so that they can give a positive and proactive account of what is happening with the good causes, and in that way retain public support. I therefore hope that new clause 3 and amendment No. 13 be withdrawn.

Mr. Don Foster: I shall begin as I began when I summed up the last debate, namely, by thanking the Minister. He has been extraordinarily generous in his remarks to me and to my hon. Friend the Member for East Dunbartonshire (Jo Swinson) on the new clause that we tabled. I am also grateful for his kind comments about the diligence with which I study explanatory notes. I hope that he noticed that I did not even refer to that episode in my opening remarks, having decided to reserve mention until this point, had the Minister failed to mention it. However, he has admitted that he made an error and confirmed that it will be changed, and I welcome that, as I welcome the spirit of his remarks.

In relation to new clause 3, I understand, just about, the Minister's point about it adding bureaucracy to the system, but the example he gave suggested that by making it easier to fill in an application form, it would somehow lengthen the time it takes for someone to access the funds. I have difficulty in coming to terms with that, but perhaps in a subsequent private conversation he will explain to me how that could be the case.

I am grateful to the Minister for confirming what I said earlier about the St. Paul's issue and he is 100 per cent. right to say that the newspaper concerned owes its readers and all the bodies concerned an early correction of the error. I acknowledge what he said about the need to ensure that lottery distributors do not promote the playing of the lottery and lottery games, but it is important that they should promote the good causes. I genuinely believe that the lottery distributors are doing that already and they are doing a good job.

I hear from Sir Clive Booth, the excellent chairman of the Big Lottery Fund, that every time I mention his name and call him excellent, one of his relatives goes—well, the expression he used is one that I probably should not use in the Chamber. Let us say that his relative is delighted when I make the connection between Sir Clive and excellence. In any case, I very much welcome the good work that the BLF and other distributors are doing.

Given the assurances that the Minister has given, it would be sensible to acknowledge that the work that I want to happen will happen and I shall therefore not press the issue to a vote. I welcome the Minister's assurances and I beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

Clause 4

LENGTH OF LICENCE

Mr. Caborn: I beg to move amendment No. 1, in page 4, line 1, after 'may', insert

'(subject to the restriction in subsection (1A)(b))'.

This amendment refers to the provision in clause 4 of the Bill to allow the National Lottery Commission to include provision in the licences it issues under sections 5 and 6 of the National Lottery Act 1993 to grant an extension of such a licence. It is our intention that any such extension is subject to the maximum total licence length of 15 years imposed by new section 7(1A)(b) inserted by clause 4. Although we consider that clause 4, as originally worded, would achieve that end, it became clear in Committee that the issue of the impact of an extension was subject to doubt. The amendment will therefore provide unambiguous clarification that the maximum length of a licence would be 15 years, inclusive of any extension. I hope that that clears up some of the misunderstanding that we had in Committee.

3.45 pm

Mr. Mark Field: I must confess that, not having served on the Standing Committee, it seems somewhat superfluous to refer to what happened 15 years ago. I am sure that the hon. Member for Bath (Mr. Foster) and the other hon. Members who served on the Standing Committee will tell me otherwise, but I am sure that this is an entirely uncontroversial Government amendment. Perhaps I speak for myself on that matter, and perhaps

we shall hear a longer speech from the hon. Gentleman before too long. The Government amendment obviously seems sensible. Their draftsmen no doubt have in mind a belt-and-braces approach. I do not think any great concern has been raised, and I therefore hope that we shall move swiftly on to the next group of amendments.

Mr. Don Foster: I had not intended to speak, but perhaps I can give the Minister an opportunity to reflect on the words uttered by the hon. Member for Cities of London and Westminster (Mr. Field). He said that the Government amendment is not controversial. It is not controversial in the sense that it merely confirms what most hon. Members knew was the Government's intention, but it is controversial in the sense that many people argue that a different licence length should be given to the lottery. Some people argue that the licence should last a short period, while others argue that it should last a long time.

Given that we are about to enter into a new phase of deliberation about who will provide the lottery in future, it is crucial that the Government are clear about issue, because it has a huge impact on who will bid to run the lottery and on the terms and conditions under which people would expect to run it. It is vital to make such matters clear, although, as I said in Committee, I believe that the Government have got the balance between the arguments about very short and very long time scales 100 per cent. right. Indeed, they have included the flexibility to extend the fixed period. So it is important to make that vital issue clear.

Mr. Caborn: It is absolutely right that this is one of the tools that we will use to maximise the lottery, by setting the conditions for those who will negotiate. I am sure that we will not finish up, as we did last time with the new licence, in something of a mess, which created a few problems. We have looked at that carefully and reflected on it, and as the hon. Member for Bath (Mr. Foster) says, we have just about got it right, so that we can maximise the marketplace. I am pretty sure that we will attract a good number of bidders, thus serving the health of the lottery.

Mr. Don Foster: The Minister says that he is optimistic that there will be a large number of bids. Since the proceedings in Committee finished, a lot of work has been going on to talk to various people. Perhaps the Minister can briefly bring the House up to date on how successfully that issue has been handled.

Mr. Caborn: I shall write to the hon. Gentleman about that, because I do not know exactly how many people are involved. I have not been briefed about that in recent weeks, so I would not want to say at the Dispatch Box something that is wrong. However, I will write to him and place a copy of the letter in the Library.

Amendment agreed to.

Clause 7

DISTRIBUTION OF LOTTERY FUNDS

Mr. Mark Field: I beg to move amendment No. 2, in page 5, line 14, leave out 'prescribed'.

Mr. Deputy Speaker: With this it will be convenient to discuss the following amendments:

No. 4, in page 5, line 19, at end insert—

'(2A) After subsection (3) insert—

"(3A) Not less than 70 per cent. of the sum allocated under subsection (3) (d) shall be allocated to bodies (other than public bodies or local authorities) whose activities are carried on not for profit.".'.

No. 3, in page 5, line 20, leave out subsection (3).

No. 5, in page 5, line 38, at end insert—

'(da) persons that the Secretary of State considers to be representative of bodies (other than public or local authorities) whose activities are not carried on for profit,'.

No. 11, in clause 14, page 9, line 13, leave out 'comply with' and insert 'take account of'.

No. 10, in page 13, line 2, leave out clause 19.

Mr. Field: */ Interruption. /* And people say that there is no bugging in the House.

May I take this opportunity to thank the Minister for his earlier kind words about my new Front-Bench role? We have a number of things in common. We are both keen football fans—a rarity, perhaps, among Opposition Members, but less so among Labour Members. The Minister might not recall that I first met him some years before I was elected to the House at the erstwhile ground of Reading football club—my home town—at Elm Park. Unfortunately, Reading have remained a thorn in the side of Sheffield United, and I suspect that they will remain so for much of this season, as they both try to get into the premiership next year. Good luck to the Blades and good luck obviously to the Royals as well.

The Minister and I also have another thing in common: we share a birthday. It may be obvious that he is a few years older than me. Suffice it to say that he came of age on the day that I was born, and of course coming of age in 1964—the year that I was born—was a somewhat different proposition to what it may be today. There is one other Member of the House with whom we share a birthday, although he does not attend regularly: the hon. Member for Belfast, West (Mr. Adams). Suffice it to say that if I grow a beard, we will be almost indistinguishable as a trio of people born on 6 October. However, enough of this frivolity, Mr. Deputy Speaker, let me turn to amendments Nos. 2 and 3.

A major theme of the Bill is the way in which the Secretary of State is taking more power over lottery expenditure than she has at present. Worry about that was expressed on Second Reading and in Committee, and it is one of the reasons why we have tabled the amendments. Section 22 of the National Lottery etc. Act 1993 sets out the division of funds among good clauses. Clause 7(2)(b) of the Bill will merge the charitable, health, education and environmental pots for the purposes of creating the Big Lottery Fund. However, that sum is allocated for "prescribed expenditure", rather than expenditure that falls simply within the specific categories set out in section 22 of the 1993 Act. The expenditure is, of course, prescribed by the Secretary of State by order.

Amendments Nos. 2 and 3 would remove the Secretary of State's ability to prescribe expenditure in such a way. The Big Lottery Fund should be able to

[Mr. Field]

spend on any matter that its objects allow, rather than be limited to the pet projects of any Secretary of State. We have in mind a situation in which there is discretion in the hands of the distributor, instead of a mandatory stick of compliance that is wielded by the Secretary of State.

The Bill sets out clearly and transparently the purposes of Big Lottery Fund expenditure, but we do not think that that should be narrowed down by the Secretary of State's orders. We will run the risk of that happening unless the amendments are accepted. While the Secretary of State has powers over spending due to sections 25 and 26 of the 1993 Act, the prescribed expenditure is a new and further way of directing funds. We find the proposal objectionable and think that we need some means of overturning it. In summary, amendments Nos. 2 and 3 would put the Big Lottery Fund in the same position as other distributing bodies and remove the prospect of the Secretary of State being able to override it. We may return to that matter later in the debate.

Amendment No. 4 would apply to charitable and voluntary groups that are not charities. It would put in the Bill the assurance that the Minister gave on Second Reading that some 60 to 70 per cent. of Big Lottery Fund expenditure would go to voluntary or community groups. We decided that as the Minister is a generous man and he intended to provide reassurance to those groups, we would pitch for the higher figure of 70 per cent. in amendment No. 4.

On Second Reading, the Minister said:

"I acknowledge that some have said that a Big Lottery Fund could lead to voluntary and community sector organisations losing out. I can give a categorical assurance that that will not happen ... The Big Lottery Fund has given a clear undertaking that 60 to 70 per cent. of its funding will go directly to the sector."—[*Official Report*, 14 June 2005; Vol. 435, c. 170.]

It was thus somewhat disappointing that the Minister resisted such an amendment in Committee, when he said:

"As that undertaking has been given by the boards of the Community Fund and the New Opportunity Fund, not the Government, it would not be appropriate to enshrine it in the Bill"

and

"It is not for the Government to decide whether it is 60 or 70 per cent.; it is a decision for the Big Lottery Fund."—[*Official Report, Standing Committee A*, 25 October 2005; c. 40.]

As I pointed out when I spoke to amendments Nos. 2 and 3, we want to ensure that the Big Lottery Fund has proper discretion. Given the assurances that were made on Second Reading, I hope that the Minister will accept amendment No. 4.

Indeed, on Second Reading, the Minister said:

"I give a guarantee that between 60 and 70 per cent. of the Big Lottery Fund's income will go to communities or charities."

In case there was any mistake, his ministerial colleague, the Under-Secretary of State for Culture, Media and Sport, the hon. Member for Stalybridge and Hyde (James Purnell), said in the same debate:

"We guarantee that between 60 and 70 per cent. of Big Lottery Fund grants will go to the voluntary sector"—[*Official Report*, 14 June 2005; Vol. 435, c. 175, 218.]

A Government guarantee was given to the House on Second Reading. Both Ministers who spoke in the debate made it clear that the matter was for the Government to decide, which is why amendment No. 4 should be accepted.

Amendment No. 5 is designed to add to the persons—bodies representing the voluntary sector—who need to be consulted before the Secretary of State prescribes expenditure. It is based on proposals by the National Council for Voluntary Organisations, which helped the Conservatives and Liberal Democrats to prepare for our discussion on Report. I shall also give it credit where credit is due at a later point. I understand that the hon. Members for East Dunbartonshire (Jo Swinson) and for Bath (Mr. Foster) put their names to the amendment in Committee.

Whether particular voluntary organisations or their projects will be able to obtain grants from the Big Lottery Fund will depend on whether their activities are within the expenditure prescribed by the Secretary of State. She should therefore identify representative bodies and ensure that she consults them before making such important decisions.

There has been concern about consultation on lottery issues. The NCVO concludes:

"the Department for Culture, Media and Sport ... and its affiliates have frequently ignored or overlooked"

a range of bodies that perhaps should have been consulted. I appreciate that the charitable and voluntary sector in particular is in a constant state of flux, with bodies starting up, closing down or amalgamating at any one time. It will be difficult to keep a rigorous list of those groups that should be consulted, but concern has been reiterated by a number of bodies about whether there has been sufficient consultation. On that basis, I hope that considerable thought will be given to what we are trying to do to ensure that a proper and comprehensive consultation process takes place.

We want agreement on the consultation between the DCMS and the voluntary and community sectors. The NCVO gave a specific example. It felt that there was

"A series of failures over an 18 month period by the DCMS to consult with the voluntary sector in a meaningful or clear way in regards to the proposed merger of the Community Fund and NOF."

On multiple occasions during that period there were also breaches of its consultation code. Many of us, as constituency Members, will have anecdotal evidence of that. Many of my residents and local groups are concerned about another aspect of the DCMS—the royal parks. They think that they should be consulted from time to time and feel outside the consultation loop. As I said, I appreciate that rigorous consultation is difficult when a large number of groups is set up and amalgamated, but it should be given proper consideration.

I again thank the NCVO for its assistance in helping us to propose amendment No. 11.

Clause 14 covers the functions of the Big Lottery Fund, including the power to distribute funds and to give advice, and the policy and financial direction of the fund. The amendment would ensure that the statutory framework for the new distributor more accurately reflected the statutory framework of the former distributors. The Community Fund was required only

to take account of such policy directions while the New Opportunities Fund was required to comply. Since its creation in 1993, the Community Fund has been required to take account of matters concerning grant making and the conditions under which the money is distributed by the Secretary of State. That should continue with the amalgamation of the funds into the Big Lottery Fund. We are suggesting that we have continuity in the manner in which the issues are debated.

There was concern among voluntary and community sector organisations at the time of the merger that the new distributor would more closely resemble the New Opportunities Fund than the Community Fund, representing a significant increase in Government control of funding for the charitable good cause. In Committee, the Minister said:

"We are combining NOF with the Community Fund and the Millennium Commission in the Big Lottery Fund, and we are taking no more powers than already exist under NOF."—[*Official Report, Standing Committee A*, 27 October 2005; c. 112.]

In oral questions as recently as 24 October last year and elsewhere, assurances were given that the Big Lottery Fund would not be subject to any greater powers of direction than its former distributors. It now transpires, however, that that means no greater powers of direction than were given to the New Opportunities Fund. Had that been mooted at the time of the merger, it would probably not have received such overwhelming backing from the voluntary and community sector, and certainly not from the NCVO.

4 pm

In its submission to DCMS in June 2003, the NCVO stated:

"The Secretary of State currently has the power to specify the initiatives to which NOF will give effect (i.e. the programmes which it is required to run) . . . To strengthen the independence of the new body and the additionality of its funding"—

I will not reopen our earlier debates on that subject, but the submission refers to the additionality of funding "both actual and perceived". Perception is important, as we discussed in relation to the last amendment. The submission said that, to strengthen the independence of the new body and the additionality of its funding

"there should be no comparable powers in the legislation setting up the new body."

Concerns about the New Opportunities Fund will multiply unless we use the words "take account of" instead of "comply with".

I hope that the Minister accepts that perception is important. The lowest common denominator—perhaps, from the Government's point of view, it is the highest common factor—means that there will be more Government control, which is not healthy. The NCVO submission to DCMS in June 2003 said:

"NOF only has the scope to consult on the way in which initiatives will be administered, not on what those initiatives will be. This is in contrast to the Community Fund which has the freedom to set its own strategic direction, priorities and programmes, following consultation with stakeholders, including the Secretary of State, albeit within broad Policy Directions.

The new body should be given the freedom and independence, in particular from government, to set its own strategic direction, priorities and programmes after consultation, within a broad framework set by the legislation and Policy Directions."

The control afforded to the Secretary of State in clause 14 as currently drafted threatens to undermine the independence of the Big Lottery Fund. It is vital that lottery distributors remain free from Government interference but accountable to Parliament. Research shows that the public are strongly in favour of the national lottery, particularly if it remains independent of the Government. Some 73 per cent. of respondents to an ICM opinion poll commissioned only last year said that an independent public body should decide how lottery money is spent. In Committee, hon. Members were provided with illustrative policy directions, and the Minister gave us the assurance that the Government have no intention of using those powers to intervene in individual grant decisions. Nevertheless, the future independence of lottery distributors cannot be guaranteed if those powers remain in the Bill. I hope that the Minister will consider our arguments carefully, as they are at the heart of several of our amendments and we intend to divide the House if we do not receive a satisfactory response.

Finally, with your consent, Mr. Deputy Speaker, I do not wish to press amendment No. 10. We have expressed concern that there is little reason to change the definition of charitable expenditure in section 44 of the National Lottery etc. Act 1993. There is certainly a good case for updating the guidance to ensure that it enables the new distributor to fund all the relevant organisations. However, my party takes seriously the work of organisations such as the Social Enterprise Coalition, whose representatives we have met on many occasions. The coalition's opinion is that the new definition proposed by clause 19 will give the lottery much greater scope for funding social enterprises that would otherwise fall short of the definition and be outside the scope of a lottery award. We appreciate that the issue should be subject to further consultation so that we get it right, and I hope that the Minister can initiate such consultation before the Bill goes to another place. On that basis, although we do not seek to press amendment No. 10, we trust that the other amendments that my colleagues and I have tabled will receive further consideration.

Jo Swinson (East Dunbartonshire) (LD): I take this opportunity to welcome the hon. Member for Cities of London and Westminster (Mr. Field) to his new role on the Front Bench. I am sure he will find it a very fulfilling one. He mentioned that he did not have the enjoyable experience of serving on the Standing Committee, which I certainly found interesting, but no doubt there are many future Committees for him to look forward to.

As has been outlined, amendments Nos. 2 and 3 remove the prescriptive powers of the Secretary of State which would otherwise be introduced. We support that. The view has emerged through Second Reading, Committee and Report that it is much better to ensure that lottery distribution is kept as independent of the Government as possible. That view is supported by the public. A poll for the National Council for Voluntary Organisations found that 73 per cent. of people wanted lottery funds to be distributed by an independent body. As the Bill is drafted, the Big Lottery Fund is not such a body, as the Secretary of State has the power to prescribe to whom it gives money and what it does. We support amendments Nos. 2 and 3.

[Jo Swinson]

Amendment No. 4 also revisits ground that was covered in earlier stages of the Bill regarding the percentage of the Big Lottery Fund's funding that will go towards communities and charities. On Second Reading, as has been mentioned, the Minister pointed out that that would be between 60 and 70 per cent., but in Committee he was unwilling for that figure to be written into the Bill, as called for by amendment No. 27, which both Opposition parties supported. We still believe it is important for that assurance to be enshrined in the Bill.

In Committee my hon. Friend the Member for Bath (Mr. Foster) argued that the Big Lottery Fund had come to the figure of 60 to 70 per cent., but without any assurances, there was no guarantee that it would not change its mind at some later date. After all, the members of the Big Lottery Fund would no doubt change, and Ministers have even been known to change. Writing the figure into the Bill would give communities and charitable organisations the assurance that they seek.

The Minister's argument was that it would not be helpful to have that set in stone. We must remember that the original National Lottery etc. Act 1993 set in stone the percentages of good causes money that had to be distributed by each distributor. The National Lottery Act 1998 adjusted those figures, but set them in stone. The Horserace Betting and Olympic Lottery Act 2004 adjusted the figures again, and once more they were set in stone.

The Bill itself proposes changes to the proportion of funding going to various bodies. The Act as amended will contain such specifics as the fact that 2.6 per cent. of the 16 per cent. of lottery money going to sport should go to the Sports Council for Northern Ireland, and that 1.16 per cent. of the 16 per cent. spent on arts should go to Scottish Screen, so I am a little confused about how the Minister can argue for all that prescription—all those powers to tell the Big Lottery Fund what it should be doing—and then say that it would be a problem to set in stone the percentage of the money that should go to voluntary organisations. That does not seem to fit. As we know, things change, and an assurance in the Bill would be a welcome guarantee for those involved.

Amendment No. 5 deals with a related issue—involving the voluntary sector in consultation. As was mentioned in Committee, the Department for Culture, Media and Sport is not usually judged to have a good record on consulting the voluntary sector. *[Interruption.]* It was mentioned in Committee on various occasions that there were concerns about how that was done. Including the new wording in the Bill would help to enshrine the best practice. If the Minister feels that the Department has a good record of which it can be proud, he will have no difficulty including those lines in the Bill to ensure best practice. If the Secretary of State is to have the power to prescribe expenditure that is likely to go to not-for-profit organisations, those organisations have a specific interest in the new power and should be consulted when it is used. That should be included in the Bill.

Amendment No. 11, too, would restrict the powers of the Secretary of State. The current wording would force the Big Lottery Fund to comply with decisions by the Secretary of State, rather than taking account of them. I have no problem with the Secretary of State advising, giving counsel or putting points to the Big Lottery Fund. That is fair enough, but the power to make it comply is a step too far. In Committee, the Minister said:

> "I have already announced that we have adopted a light touch on the direction of the Big Lottery Fund."—[*Official Report, Standing Committee A*, 27 October 2005; c. 110.]

In my view, a light touch involves cajoling, encouraging or putting forward points, not making an organisation comply. How would the Government respond if, for example, unwelcome stories appeared in the press? Would they encourage the Big Lottery Fund to change its awards? I think that an advisory role is much more appropriate, and many hon. Members on both sides of the House share that view.

In a letter dated 1 November to Denis Vaughan, president of the Council for the Advancement of Arts, Recreation and Education, Sir John Major, who, as has been said many times in the course of this Bill, was the architect of the lottery, said:

> "It is scandalous how the Government have so emasculated the original purpose of the Lottery and I do take every suitable opportunity to raise this matter publicly. I shall continue to do so until the resources that were intended for the original good causes are returned to them."

It is important to ensure that the lottery's independence is preserved, and the Secretary of State's powers should therefore be restricted.

I was interested to hear the hon. Member for Cities of London and Westminster withdraw amendment No. 10. We voted against clause 19 in Committee, but we understand its impact in allowing social enterprises to receive funding—social enterprises can often deliver projects effectively, and I know that hon. Members on both sides of the House support them. Clause 19 also raises some concerns about additionality, which we have already debated today. I hope that those concerns are addressed and that clause 19 is not used to put lottery funding into Government projects, which is not what the lottery was set up for.

Mr. Walker: It is always a pleasure to follow the hon. Member for East Dunbartonshire (Jo Swinson). One so young, but so brilliant; she is an example to us all.

I want to focus on amendment No. 11, because the national lottery should be independent of Government interference. Whatever the Government of the day, the lottery should be free from the political whims and imperatives of the moment. For example—God forbid—the Big Lottery Fund could find itself being directed towards marginal seats in the run-up to a general election. I am sure that the Minister does not want that to happen, but there is no point in having power unless one uses it.

The hon. Member for East Dunbartonshire has pointed out that 73 per cent. of people interviewed by ICM in 2004 wanted the lottery to remain independent of the Government, and their voices should be heard. The lottery should be free to decide who receives money. There will always be high profile worthy causes that attract the national lottery's attention and money, but we are a diverse country, so there will always be minority cases, too.

In giving the national lottery the power to award grants, we must remember that mistakes will be made. Such mistakes might not go down well in the national media, and the tabloid press might make a stink; guinea pig farms was one such example cited in Committee. We hear a great deal about asylum seekers and single mothers, but I feel that we, as politicians, are too often led by the tabloid press. Metaphorically speaking, I sometimes think that we should give two fingers to the tabloids and focus on running the country and doing what we think is right, as opposed to chasing headlines and trying to appease people who make a big stink about issues of little importance. If we give the national lottery independence, it will sometimes make unpopular decisions, but that is a price worth paying, and as a politician, I would support it in making such decisions.

Independence does not mean this thing called "The People's Millions", whereby the Big Lottery Fund will team up with ITV to have a sort of people's panel that will vote on which communities get what awards. Those awards will account for £50,000, and perhaps £5 million or £6 million will be given away each year. We are not too short a step away from moving on from that to ITV taking us to a geriatric ward and a children's ward, and asking voters to decide who gets the money—"Do the kids get to stay in hospital or do we throw the old people out on the street? You, the viewers, decide." That is pretty obscene. I have deep problems with the idea of a TV show deciding which communities get what money.

4.15 pm

As I have said before—I am getting a little repetitive—I do not believe that it should be up to the Minister to direct the Big Lottery Fund on where it should be spending money. That should be a matter entirely for its board. Amendment No. 11 would require the Big Lottery Fund to take account of the Minister's view but not to comply with it. That would be a step in the right direction.

The Big Lottery Fund is in danger of being seen as a body of placemen. After all, the Secretary of State will appoint the chair and all the members and direct them. One could say, "Let's just get rid of the Big Lottery Fund and the charade of independence and put all the decisions in the hands of the Secretary of State and her colleagues."

Mr. Caborn: Let me my preface my remarks by responding to the hon. Members for Broxbourne (Mr. Walker) and for East Dunbartonshire (Jo Swinson). They should bear in mind that the Bill was drafted after very wide consultation. Out of that consultation came the broad themes that we should advance through the Big Lottery Fund; creating opportunities, and promoting community learning, safety, cohesion and well-being. That is the high-level direction that is given by Government to the Big Lottery Fund.

We are talking about one of the most successful lotteries in the world. Over the past year or so, the take has gone up as more people have participated. It has been hugely successful in terms of the Olympics. Well over £4 million has already been banked, and we only won the Olympics on 6 July last year. The general public have responded to that.

The hon. Member for East Dunbartonshire said that we have a bad record on consulting the voluntary sector. In fact, when we consulted it on the terms of reference, we were accused of consultation fatigue. The accusations swing from one extreme to the other. Nevertheless, we will continue to have these positive consultations. The proposal to include a statement about additionality in the annual report to Parliament was made by Stephen Dunmore, the chief executive of the Big Lottery Fund, in consultation with the voluntary sector. That was a significant move.

This group of amendments is concerned with the Big Lottery Fund and what it will spend its money on. We discussed identical proposals in Committee at some length. I have set out clearly our reasons for resisting the amendments. No new evidence has been produced to support the amendments since our Committee proceedings, so my comments today will mirror what I said then.

Amendment No. 2 would remove the Secretary of State's power to prescribe expenditure for the new Big Lottery Fund good cause. Amendment No. 3 would remove the related order-making power. Those amendments would mean that the Big Lottery Fund was given 50 per cent. of all the lottery good cause money to spend on anything that was charitable or connected with health, education or the environment, without further recourse to Parliament. That is simply not sensible. The new lottery good cause is both broad in scope and large in terms of the percentage of lottery money allocated to it. The other good causes of arts, sport and heritage are relatively narrowly prescribed areas.

Within those relatively narrowly prescribed areas, existing legislation further prescribes sums to be distributed by different distributors, as has already been shown. That has the effect not only of limiting who can spend the money but restricting what it can be spent on. For example, prescribing the percentage to be distributed by the Film Council in effect prescribes the percentage of money from the arts good causes that must be spent on film. Parliament took the view in 1993 that such arrangements were necessary to ensure the effective distribution of lottery money. The powers in the Bill are not so different in effect, and it is our view that they are as necessary now as they were in 1993.

Creating a large and responsive good cause was one of the main reasons why we wanted to bring the Community Fund and the New Opportunities Fund together. However, given the breadth of the new good cause, we need to be able to set out at the highest level the types of expenditure on which the Big Lottery Fund should focus. It is right that that should be done in a transparent and accountable way, and that there should be proper parliamentary scrutiny of the process. That is why we are clear that that should be done by secondary legislation and subject to the affirmative resolution procedure.

The order-making powers in clause 7 will allow us to prescribe the three high-level themes of community learning and creating opportunity; promoting community safety and cohesion; and promoting well-being. I explained in Committee that the Big Lottery Fund has consulted widely on the three themes. Some hon. Members unfortunately sought to belittle this consultation, saying that the 850 responses was hardly a representative sample. However, the respondents included 429 voluntary and community sector organisations, 178 local authorities,

[Mr. Caborn]

43 health authorities or primary care trusts and 30 local education authorities or schools. Between them, those bodies represent millions of people.

Fifty-eight per cent. of the respondents agreed that the themes provide a sensible and flexible strategic framework for future funding. Only 5 per cent. disagreed. The order-making powers also allow us to prescribe devolved expenditure, which will be the responsibility of new country committees, subject to directions issued by the relevant devolved Administrations.

The Bill represents a significant devolution of power to Scotland, Wales and Northern Ireland, and the ability to prescribe devolved expenditure is central to achieving that. Without those powers, devolved arrangements in the Bill will not work. For the reasons I have given, we cannot accept amendments Nos. 2 and 3, and I ask the hon. Member for Cities of London and Westminster to withdraw them.

Amendment No. 4 would require the Big Lottery Fund to allocate 70 per cent. of its funding to bodies other than public bodies or local authorities whose activities are carried out not for profit. I well know the desire for reassurance on that matter. It has wrongly been suggested that the loss of the separate charitable good cause will cause voluntary and community sector organisations to lose out.

We fully recognise the vital role played by voluntary and community sector organisations in our society. Such organisations have benefited enormously from the success of the national lottery and we are determined that that should continue. The Big Lottery Fund has given an undertaking that 60 to 70 per cent. of its funding will go directly to voluntary and community sector organisations. That is a significantly higher proportion than has been the case under the New Opportunities Fund and the Community Fund combined.

At the moment, only the Community Fund's share of the money—16.6 per cent. overall or 33.3 per cent. of the Big Lottery Fund half—is allocated to charitable expenditure. The Big Lottery Fund's undertaking will ensure that, in future, voluntary and community sector organisations can count on twice as much—I repeat, twice as much—money as before.

Much has been made of the nature and ownership of the undertaking. Let us be clear about that now. The "Oxford English Dictionary" defines an undertaking as

"a formal pledge or promise to do something".

That is exactly what the undertaking amounts to; a formal pledge or promise that 60 to 70 per cent. of Big Lottery Fund money will go directly to voluntary and community sector organisations. By any standard, that is a huge increase compared with the moneys going to those organisations now. The undertaking has been given by the boards of the Community Fund and the New Opportunities Fund—now operating as the Big Lottery Fund—not the Government. We fully support the undertaking but we do not need to repeat it or to enshrine it in the Bill.

We have heard much during this debate about the need for less prescription and less Government control. It has been said that lottery distributors should be independent and make their own decisions, free from Government interference. But when it suits the Opposition for something to be prescribed by the Government, their fears about compromised independence seem to evaporate. They are happy for the Big Lottery Fund to spend 50 per cent. of all lottery good cause money without further recourse to Parliament, but they do not trust the fund to deliver on a formal pledge to the voluntary and community sector.

I believe that the Big Lottery Fund has done everything possible to show that it intends to deliver on its undertaking and to do so in a transparent and accountable way. The fund has worked closely with key voluntary and community sector stakeholders to develop the definition of voluntary and community sector organisations for the purposes of dispensing the 60 to 70 per cent. undertaking. It has invited key stakeholders to a lunch on 16 February to review the progress that has been made and to discuss further guidance on what will be funded under the definition. The Big Lottery Fund has already said that it will ask independent auditors to monitor where its funding has been going, and that the results will be published in the fund's annual report, which will be laid before Parliament.

The undertaking to the voluntary and community sector is unique. No other type of organisation is guaranteed a percentage of lottery funding. The undertaking will ensure that voluntary and community sector organisations benefit as much, if not more, from the lottery in future as they do now. There is no question but that the Big Lottery Fund will deliver on its formal pledge. I am not persuaded of the need to include provisions on this matter in the Bill, and I hope that amendment No. 4 will not be pressed to a vote.

Amendment No. 5 would add to the list of people whom the Secretary of State must consult before making a prescribed expenditure order

"bodies (other than public or local authorities) whose activities are not carried on for profit",

—that is, the voluntary and community sector. We would certainly expect to consult widely with representatives of the voluntary and community sector before making any orders. Although the amendment seems to assume that representatives of the voluntary and community sector are the only people with a legitimate interest, we would also want to consult other groups, for example local authorities and, importantly now, social enterprises. So we require a degree of flexibility in our approach.

There is a statutory requirement to consult the Big Lottery Fund and the devolved Administrations because, unlike representatives of the voluntary and community sector, they are directly affected. I am aware that precedents of a sort exist in certain other legislation requiring consultation with particular groups of people. However, each piece of legislation is considered on its own merits, and what is right in one case is not necessarily right for what will become the National Lottery Act 2006.

Instead of focusing on what is not in this Bill, I think we should look at the bigger picture. The Government are of course already obliged to comply with Cabinet Office guidance on consultations, and with the requirements of the compact. I explained this point in

great detail in Committee. We have shown our good faith in consulting recently on the interim order and directions for the New Opportunities Fund. Indeed, we made a change directly as a result of the helpful comments we received from the National Council for Voluntary Organisations.

The Big Lottery Fund itself is consulting closely with voluntary sector and other stakeholders on, among other things, the 60 to 70 per cent. undertaking, additionality reporting proposals, and general programme development. The Government will continue to consult widely, not because a statutory requirement says that we must, but because we think that that is a good way of doing business. That is the real safeguard, and I therefore hope that amendment No. 5 will not be pressed to a vote.

Finally we come to amendment No. 11, which would provide that the Big Lottery Fund must "take account of" rather than "comply with" directions given to it by the Secretary of State under new section 36E, inserted by clause 14 of the Bill. As I explained in Committee, all Lottery distributors are required to comply with directions about financial and operational matters; the points set out in new section 36E(3). I can see no good reason why the Big Lottery Fund should be treated any differently.

Financial directions are designed to protect public money and incorporate controls similar to those applying to all non-departmental public bodies through their financial memorandums. The requirements in section 26 of the 1993 Act are exactly the same as those placed on the Big Lottery Fund by proposed new section 36E(3).

4.30 pm

Concern is perhaps centred more on the power in proposed new section 36E(2) to issue policy directions. The powers have been drafted as they have in order to bring together the different regimes of control that existed over the Big Lottery Fund's predecessor bodies in a coherent way. A child can be expected to demonstrate the characteristics of both its parents, not just one. The Big Lottery Fund will therefore have characteristics, both in terms of control and framework, of both the Community Fund, which makes up one third of the money, and the New Opportunities Fund, which makes up two thirds of the money.

I should perhaps comment on proposed new section 36E(2)(a), which I know is a source of concern, albeit misplaced. The provision allows the Secretary of State to specify persons to whom the Big Lottery Fund may or may not make grants. I can give the House a categorical assurance that the purpose of the provision is not to intervene in individual grants or to choose between voluntary organisations. Its purpose is to enable Ministers to specify particular outcomes and priorities for the Big Lottery Fund related to specific groups of people, such as young people, as we have done in the interim and illustrative directions. We have given repeated commitments that we will adopt a light touch on the direction of the Big Lottery Fund.

We have put our money where our mouth is on the issue of new interim policy directions for the New Opportunities Fund and Community Fund. We have also made available illustrative directions, using the powers set out in the Bill. Both the interim and illustrative directions are very different from the type of directions issued in the past to the New Opportunities Fund. They neither prescribe how the funding outcomes agreed with Government should be delivered nor preclude the funding of other worthwhile priorities. They will allow the fund full scope to make decisions on programmes, choose delivery mechanisms, identify partners and select projects.

I cannot, of course, guarantee that if one of the Opposition parties were in power it would not seek to exercise the powers in a different way. This Government, however, have shown by their words and actions that we intend to direct the Big Lottery Fund with a very light touch. I therefore hope that my comments will reassure hon. Members, and that the amendment will be withdrawn.

Mr. Mark Field: I am afraid that that is wishful thinking on the part of the Minister.

First, I want to thank the hon. Member for East Dunbartonshire (Jo Swinson) for her kind words of welcome. Clearly, I am far too gallant to continue the conversation that I had with the Minister about ages. Suffice it to say, however, that the hon. Member for East Dunbartonshire is the youngest Member of the House, and the only one to have been born in the 1980s. At some point in the future, a Member who was born in the 1980s will be seen as an old Member; perhaps she will be in that position in several decades' time.

In relation to the amendments, I must confess that I am not terribly satisfied by the Minister's responses. He made a robust case—as robust as he was in Committee—but we remain concerned about the excessive prescription and emphasis on compliance. Subject to your guidance, Mr. Deputy Speaker, we want to press amendments Nos. 2 and 11, about which we feel strongly, to the vote. We will not press the other amendments in the group to the vote.

Question put, That the amendment be made:—

The House divided: Ayes 174, Noes 262.

Division No. 130] **[4.34 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Brake, Tom
Brazier, Mr. Julian
Brokenshire, James
Brooke, Annette
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Butterfill, Sir John
Cable, Dr. Vincent
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clegg, Mr. Nick
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Duddridge, James
Duncan Smith, rh Mr. Iain
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael

Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gray, Mr. James
Grayling, Chris
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horwood, Martin
Howarth, David
Howarth, Mr. Gerald
Huhne, Chris
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Laing, Mrs. Eleanor
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
MacNeil, Mr. Angus
Malins, Mr. Humfrey
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
Mercer, Patrick
Miller, Mrs. Maria
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Reid, Mr. Alan
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Shapps, Grant
Simmonds, Mark
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Steen, Mr. Anthony
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Taylor, Mr. Ian
Teather, Sarah
Thurso, John
Tredinnick, David
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Mark
Williams, Mr. Roger
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wishart, Pete
Wright, Jeremy
Young, rh Sir George

Tellers for the Ayes:
Mr. Tobias Ellwood and Angela Watkinson

NOES

Abbott, Ms Diane
Ainger, Nick
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Caton, Mr. Martin
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Cunningham, Tony
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Fisher, Mark
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hall, Patrick
Hamilton, Mr. David
Hanson, Mr. David
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne

McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Naysmith, Dr. Doug
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Pound, Stephen
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruddock, Joan
Russell, Christine
Ryan, Joan
Sarwar, Mr. Mohammad
Shaw, Jonathan
Sheerman, Mr. Barry
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Walley, Joan
Ward, Claire
Waring, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Mrs. Betty
Winnick, Mr. David
Wood, Mike
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Ian Cawsey and Mr. Frank Roy

Question accordingly negatived.

Clause 8

REALLOCATION OF FUNDS

Mr. Mark Field: I beg to move amendment No. 8, in page 5, line 41, leave out clause 8.

Mr. Deputy Speaker (Sir Alan Haselhurst): With this it will be convenient to discuss the following amendments: No. 6, in page 6, line 7, leave out 'order' and insert

'appropriate subsection of section 23.'.

No. 7, in page 6, line 8, at end insert—

'(2A) An order under this section may not prevent a body from meeting commitments it has made to provide funds in accordance with any agreed timescale.'.

No. 9, in page 6, line 21, leave out clause 9.

Mr. Field: Amendments Nos. 7 and 8 are designed to prevent a reallocation of funds that would result in current commitments not being kept or being delayed by force. The impact on projects of breaking commitments or delaying funding could be catastrophic. Problems with lottery funding could also lead to a loss of matched funding, which would be disastrous for the distributors concerned.

We were delighted to receive backing from the National Campaign for the Arts in tabling these amendments. It recognises that the intention behind providing the power to transfer money between distributors is to encourage a reduction in balances, and we accept that there is no intention that this power be misused. It also recognises that there are powerful reasons both for and against providing the imperative drastically to reduce distributors' balances. On the one hand, it is important that organisations receive money as quickly as possible; on the other, we should be wary of creating a situation in which distributors cannot be fully responsible for their financial planning. The uncertainty that that would create would be felt at the level of individual organisations, which could have the money allocated to their projects removed due to a transfer of money to another distributor.

In Committee, the Minister said that the Government had said that they would not exercise the power in a way that would threaten, or put into doubt, any commitment on the part of a distributor from which they proposed transferring a fund balance, and that he was happy to repeat that undertaking. We believe, however, that no convincing reason has been given as to why such a provision cannot be included in the Bill. We recognise that not all aspects of policy can, need or should be included in legislation. However, as the Minister is aware and as we said several times in Committee, the lottery is intended to promote and enable the good work carried out by thousands of organisations. They deserve no less than an absolute guarantee from the Government that promised funds will be delivered. We believe that Amendment No. 7 would secure that undertaking, and we ask all parts of the House to support it.

I appreciate that time is tight and that the hon. Member for East Dunbartonshire (Jo Swinson) would like to say a few words, so if I may I shall canter through our amendments Nos. 6 and 8. The former seeks to change clause 8 by replacing the word "order" with "appropriate subsection of section 23."

Clause 8 enables the Secretary of State to reallocate funds to different bodies without changing the purpose of funding. For example, the Big Lottery Fund could be authorised to spend some of the money allocated for arts or national heritage, instead of Arts Council England or the National Heritage Memorial Fund doing so. Section 23 of the National Lottery etc. Act 1993 sets out the various distributing bodies. The Bill as originally drafted provided for distribution by a different body, as specified in section 23. Amendment No. 6 confines the ability to reallocate funds between distribution bodies to those that are in the same category, so reallocation could take place between Arts Council England and the Scottish Arts Council, for example, as both are included under section 23(1) of the 1993 Act. However, the amendment would not allow a reallocation from Arts Council England to, for example, the Big Lottery Fund.

[Mr. Field]

We believe that there is no good reason why the BLF, which, as the Minister said only minutes ago, will have some 50 per cent. of the moneys in any event, should be able to redistribute the remaining arts, sports or heritage moneys. In practice, our amendment provides that the funds of the Heritage Lottery Fund and the national lottery charity fund cannot be reallocated. That is the right way forward, particularly given that the BLF will account for some 50 per cent. of all allocatable funds.

Amendment No. 9 would delete clause 9, which makes a change that, although apparently technical, will have a substantial impact on the good causes. Currently, the national debt commissioners invest moneys that are not immediately needed by distributing bodies, under section 32 of the 1993 Act. The interest received is paid back to the distributing body whose money it is.

Clause 9 will put that interest into a general lottery pot to be distributed among all the distributing bodies on the original proportionate basis. Those bodies funding projects with long lead-in times, such as major arts or heritage projects—like some of the projects in my constituency, which the Minister may have been too polite to mention earlier—will lose more interest on their funds than they will get back in the redistribution.

Clause 9 is an important mechanism for transferring money from heritage and lottery causes to the Big Lottery Fund, and imperils existing funding commitments. That was made clear in the Culture, Media and Sport Committee report on the reform of the national lottery. The Committee received significant evidence from the Heritage Lottery Fund that all the money currently held in the lottery national distribution fund, and £188 million extra, was not being badly managed but had already been allocated.

I hope that the Minister will give some thought to these amendments, as we are concerned about the reallocation proposals. I appreciate that time is tight, and that he might not be able to deal with all the points in full. If that is the case, he may prefer to do so in writing at some point. However, these are important issues and they go to the heart of the concern that the Secretary of State is gaining ever more power to prescribe. We believe that that is the wrong way to go.

Jo Swinson: I, too, am aware of the pressure of time, so I shall be brief. First, I want to place it on record that my party supports amendments Nos. 6, 7 and 8, but I have one question for the Minister in respect of amendment No. 9, which would delete clause 9 from the Bill. We believe that clause 9 would be to the detriment of the Heritage Lottery Fund and cause it to lose an estimated £15 million a year. On Second Reading, the Minister said that nothing in the Bill would allow money to be taken from heritage and spent on something else. In Committee, however, he said that my hon. Friend the Member for Bath (Mr. Foster) was right to think that heritage would lose out from interest accrued on large balances, as that interest would be distributed. Will the Minister clarify those apparently conflicting statements?

Mr. Caborn: I am sure that the House will be aware of all the pubic concern over the past five years about the high level of national lottery funds' balances. On television one night, I even had to defend those massive balances to Jeremy Paxman. The National Audit Office concluded in July 2004 that money held in the distribution fund was

"not delivering the intended public benefit".

The Public Accounts Committee concluded last October that

"the public benefit was delivered only when the money was spent in the community".

However, I can tell the House that the Government began to discuss the problems in earnest in 2001.

With these amendments, the Conservatives and the Liberal Democrats want to defend the status quo, and to keep money idle when it should be out in the community. As early as 2002, my right hon. Friend the Secretary of State took the initiative and set the specific objective that the overall balances of the distributing bodies should be halved. Under our watch, those balances have since fallen by more than one third, from more than £3.5 billion to £2.25 billion. That is a significant achievement.

However, the overall balance has not fallen as far as we would have liked, as Opposition Members have not been reluctant to point out. The PAC report also suggested that progress in that regard should be faster.

Clause 8 gives the Government another tool in the armoury for reducing the balances. The Opposition should not criticise our progress in reducing the balances when amendment No. 8 would deny us further powers to speed up that reduction.

Mr. Mark Field: We are asking only that the Minister ensure that the balances are reduced. That is what we want to happen, but we also want the interest balance to go to projects to which money has already been allocated, rather than into the Big Lottery Fund. That is the purpose behind the amendments.

Mr. Caborn: I will come to that point, because it was covered in a letter that I sent to the hon. Member for Bath.

Clause 8 will insert a new section 29A into the National Lottery etc. Act 1993, creating a reserve power—

It being Five o'clock, MR. DEPUTY SPEAKER *put the Question already proposed from the Chair, pursuant to Order [14 June 2005].*

Amendment negatived.

MR. DEPUTY SPEAKER *then proceeded to put the Questions necessary to dispose of the business to be concluded at that hour.*

Clause 14

FUNCTIONS

Amendment proposed: No. 11, in page 9, line 13, leave out 'comply with' and insert 'take account of'.—*[Mr. Mark Field.]*

The House divided: Ayes 171, Noes 259.

Division No. 131] **[5 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brake, Tom
Brazier, Mr. Julian
Brokenshire, James
Brooke, Annette
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Butterfill, Sir John
Cable, Dr. Vincent
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clegg, Mr. Nick
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Duddridge, James
Duncan Smith, rh Mr. Iain
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julie
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gray, Mr. James
Grayling, Chris
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horwood, Martin
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Huhne, Chris
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Laing, Mrs. Eleanor
Laws, Mr. David
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
MacNeil, Mr. Angus
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McIntosh, Miss Anne
Mercer, Patrick
Miller, Mrs. Maria
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Öpik, Lembit
Osborne, Mr. George
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Reid, Mr. Alan
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Shapps, Grant
Simmonds, Mark
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Steen, Mr. Anthony
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Taylor, Mr. Ian
Teather, Sarah
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Williams, Mark
Williams, Mr. Roger
Willott, Jenny
Wilson, Mr. Rob
Wishart, Pete
Wright, Jeremy
Young, rh Sir George

Tellers for the Ayes:
Mr. Tobias Ellwood and Angela Watkinson

NOES

Abbott, Ms Diane
Ainger, Nick
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Butler, Ms Dawn
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Caton, Mr. Martin
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Cunningham, Tony
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Elman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Grogan, Mr. John
Gwynne, Andrew
Hall, Patrick
Hamilton, Mr. David
Hanson, Mr. David
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hepburn, Mr. Stephen

Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Iranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
MacDougall, Mr. John
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malliaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Prentice, Mr. Gordon
Prosser, Gwyn
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruddock, Joan
Russell, Christine
Ryan, Joan
Sarwar, Mr. Mohammad
Shaw, Jonathan
Sheerman, Mr. Barry
Short, rh Clare
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Walley, Joan
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Wills, Mr. Michael
Winnick, Mr. David
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Ian Cawsey and
Mr. Frank Roy

Question accordingly negatived.

Order for Third Reading read.

5.13 pm

Mr. Caborn: I beg to move, That the Bill be now read the Third time.

I suppose that this would be a good time to thank all those who have been involved in the passage of the Bill, so I start by thanking the members of the Committee and all hon. Members who contributed on Report and, indeed, on Second Reading back in the summer. I especially thank the hon. Members for East Devon (Mr. Swire) and for Bath (Mr. Foster), who led for the Opposition in Committee and, in the latter case, on Report. Both hon. Members were nothing but dogged in their determination to test me on certain points. Hawkeye, as the hon. Member for Bath is now called, must undertake midnight reading of explanatory memorandums to ensure that everything is right with that as well. Of course, the doggedness of the hon. Member for East Devon actually paid off, and I would seriously like to congratulate him on his promotion to shadow Secretary of State. As I said earlier, I welcome the hon. Member for Cities of London and Westminster (Mr. Field) to his post and have no doubt that we will clash over the Dispatch Box in the future.

The National Lottery Bill has been debated for a long time, as the hon. Member for Bath said. When we look at legislation in great detail, it is easy to lose sight—as we sometimes do in Committee—of the overarching principles. The Bill will allow money to go to the good causes that are funded by the lottery. The formal creation of the Big Lottery Fund out of the merger of the Community Fund and the New Opportunities Fund, and the dissolution of the Millennium Commission, will yield a predicted £6 million to £7 million a year more. That money will be available to be spent across a range of good causes. It is good to be able to say to our constituents that more money will be available. We all know of many examples in our constituencies whereby lottery funding has made a difference to the lives of individuals and, on many occasions, to communities as a well. Once the Bill is passed, we can look forward to our constituencies receiving even more money from lottery funding and to the lottery as a whole becoming more open and responsive to those who play it.

By enabling the public to have a say on lottery awards and the awards made in their communities, we will build on their confidence in the lottery. I can only reiterate that people vote with their feet—or their pockets—and if that can be taken as a sign, then the lottery is in good health. I said in Committee that the lottery came on to the statute book under a Conservative Administration. We have modernised it, and it is something of which we can all be proud. The lottery is now an institution. It is well respected, which is why people continue to play it. All the indications that we got from the consultation are that it is well respected and is doing a good job.

There have even been lottery funds for the constituency of the hon. Member for Broxbourne (Mr. Walker). The heroes return programme allows people

who saw active service during world war two to fund commemorative visits. Of his constituents, it enabled six veterans, one widow, three spouses and seven carers to travel to France. That is what the lottery is all about. It can make all the difference to such brave people. Although the programme received a small amount, it probably changed, or at least enriched, their lives in a way that nothing else could.

The Bill exemplifies what we always say: that the lottery has been, and will continue to be, independent of the Government. It also paves the way for a streamlined and easier application process for lottery grants with the one-entrance approach. Stephen Dunmore and the staff at the Big Lottery Fund are working hard to ensure that once an application is made, it gets to the right department in an efficient way.

Under the Bill, the Government will take a lighter touch at the highest level on directing the way in which lottery money is spent. In addition, through the Bill, we will underline our commitment to ensuring that lottery money gets out of the door and into communities where it can do good as fast as possible.

Mr. Peter Bone (Wellingborough) (Con): When I was canvassing a few years ago, I knocked on a door that was opened by someone who said, "You Tories are wonderful", which was not the usual response at the time. He continued, "You brought in the national lottery and we won £50,000."

However, my serious point is that two villages in my constituency, Wollaston and Irchester, want to build a community hall. They have been turned down by the lottery, and I do not understand why. Does the Minister think that the Bill will make it easier for them?

Mr. Caborn: Very much so. I hope that the one-door approach to the Big Lottery Fund will help those villages. It will be able to solicit applications and give advice, which will also help such applications. The lottery has evolved over the decade or so in which it has been in operation, and it is now sensitive to such needs. I am not saying that it is perfect, because it will not be, but we will continue to review it against the background of the consultation. The Big Lottery Fund fits in with the public mood. It is important that it is transparent and has credibility and integrity, because then people will continue to play it. That is why it is the great institution that it is. All in all, the Bill creates a framework that will allow the lottery to continue to be modern, dynamic and successful, so I am delighted to commend it to the House.

5.19 pm

Mr. Mark Field: It is a great pleasure to make my Front Bench debut speaking on the culture and arts brief. I noticed with horror, however, that in my previous incarnation as the shadow Minister for London and the shadow Financial Secretary to the Treasury I confessed on my website to a cultural expertise that extended only to a passion for rock and pop music. I will have to do better in future.

Mr. Swire: It is a start.

Mr. Field: Indeed, but I will have to do better in future, not least because the Royal Opera house and the Royal Albert hall are both in my constituency. As the hon. Member for Bath (Mr. Foster) and the Minister pointed out, the Bill's passage has been long and drawn out. Second Reading took place as long ago as June, and the Committee stage meandered through October and November. As a conscientious Opposition, we have endeavoured to table reasonable amendments, and I thank my hon. Friends the Members for Windsor (Adam Afriyie), for Isle of Wight (Mr. Turner) and for Broxbourne (Mr. Walker) for their sterling efforts in Committee.

While some progress has been made, we remain concerned about a number of provisions in the Bill that undermine the fundamental principles of the national lottery. We shall continue to oppose in the strongest terms the vastly increased Government control and direction over the distribution of lottery funds. It is unacceptable that money should be withheld from the original deserving causes to be channelled into areas for which state funding should be preserved. Furthermore, the lottery was set up to improve the daily quality of life for all people in Britain by earmarking funds for activities that might otherwise be neglected in the everyday distribution of tax receipts.

In short, the flagrant breach of the additionality principle has fuelled the public's faltering confidence in the lottery. Controversial awards are always meat and drink to an ever more voracious press, but a strict focus on directing lottery receipts to the arts, heritage, sport and charity would doubtless minimise such criticism. Additionality is a principle that has been widely recognised, and political concern about it took up a significant part of our debates both on Report and in Committee. There is no doubt in our mind that the Big Lottery Fund has been used and, we presume, will continue to be used to replace core Government expenditure. We therefore sought to introduce a new clause that would provide a double lock in an effort to apply the principle that lottery money should not be spent on the services and works that are usually provided by Government. That applies not only to the Secretary of State in her activities but to the distributing bodies in their strategic plans. The additionality principle is central to all that is best about the national lottery, and it is highly regrettable that the Government have sought to flout it.

It was understood by Members on both sides of the House when the original lottery legislation proceeded through Parliament that Governments of whatever party should maintain an arm's length relationship with lottery operations and, perhaps more important, all aspects of grant distribution. Since 1997, however, there has been a systematic and presumably focus group-led strategy to allocate lottery money to projects whose funding should be the responsibility of the Government. When the Millennium Commission was wound up in 2001, its one-fifth share of lottery funds was transferred to the New Opportunities Fund, thus accounting for one third of good causes money in health, education and the environment. Inevitably, the strain on the public purse has resulted at the very least in the emergence of a grey area, with health and education funding for projects divided between departmental budgets and New Opportunities Fund expenditure. Expenditure on healthy living centres and a programme to provide cancer equipment in England has taken up almost

[Mr. Field]

£400 million of lottery resources, which has been spent on projects that, arguably, should be regarded as mainstream NHS responsibilities. The same applies to the information and communications technology training for teachers and the school librarians initiative and the out-of-school-hours learning programme, which account for a similar aggregate sum in education.

The Conservatives would like a more transparent system. The Big Lottery Fund has been charged over the past 18 months with the distribution of half the good causes money from the amalgamation of the New Opportunities Fund and the Community Fund. We believe that the latter should be restored, and that by scrapping the Big Lottery Fund we would save some £450 million, which would be released annually for charities, sport, arts and heritage.

We appreciate the need for a special London Olympic lottery initiative before 2012, but otherwise we favour a system granting 25 per cent. of lottery funding to each of the four pillars of the lottery that I just mentioned. That would help restore confidence in a distribution process that has increasingly become discredited in the eyes of the general public. Indeed, the Conservatives estimate that the four original causes have missed out to the tune of £1.29 billion in the five years to 2004.

We remain doubtful of the Government's wisdom in inserting clause 19 to widen the definition of charitable expenditure. We hope that a full debate will take place on the matter before the Bill goes to another place.

Where does the national lottery go from here? I have a small confession to make. I am one of the small minority of people who have never played the national lottery. [HON. MEMBERS: "Shame!"] That is not because of my technical inexpertise, but I have always regarded it with a somewhat puritanical eye.

Mr. Caborn: I will take the hon. Gentleman to the nearest newsagent and help him fill in one of the lottery forms.

Mr. Field: I will accept that kind offer only if the Minister will also pay the £1 fee that is required for the purchase of such a ticket.

It has always struck me as somewhat perverse that the tabloid press pillories those who have earned large sums of money in business activity, in contrast to the tabloids' championing of multimillion-pound lottery winners. Only last week in the national newspapers it was reported with distaste that thousands of workers in my City of London constituency were awaiting bonuses of £1 million or more, yet to earn similar sums or multiples of such sums by guessing six numbers on a national lottery ticket is regarded as legitimate and a desirable outcome.

Although I am not a supporter of what has become a highly progressive tax on lottery players, I believe that the House owes it to those who do play the game to promote transparency in what has become a national institution. Too much control over lottery distribution in the hands of the Secretary of State cannot be a sensible approach to a national lottery that is designed to serve all the people of this country. We shall take urgent steps to restore public confidence in our lottery by reducing both governmental and ministerial interference.

5.27 pm

Mr. Don Foster: I begin by thanking the Minister yet again. All my speeches this afternoon have begun by thanking the Minister. I have been pondering whether to reproduce and include in the next edition of "Focus" to go round the Bath constituency the Minister's praise in the form of my new nickname, "Hawkeye", and his comments a few minutes ago. I am grateful for his praise and for the fact that he began by thanking a large number of people for their contributions during the lengthy passage of the Bill—we have had almost 60 weeks of opportunity for consideration since its First Reading on 25 November 2004. I hope that the right hon. Gentleman will pass on my thanks to his officials, who have been extremely helpful in discussing the Bill with me and with members of the Conservative Front-Bench team.

We have had a useful debate today. Unfortunately, however, in view of a range of other things that have been going on in and near the Palace of Westminster today, it will get limited coverage. In the House we had reference to sex, we had a statement on drugs, and we have just heard from the hon. Member for Cities of London and Westminster (Mr. Field) a revelation about rock 'n' roll. Other things have been going on in the various campaigns for the leadership of my party. I suspect, therefore, that our deliberation on the lottery will not get a great deal of coverage, although I note with interest that the lottery more generally is likely to arouse a great deal of interest, bearing in mind the £85 million jackpot on offer, following nine roll-overs. I understand that tickets are currently selling at the rate of about 100,000 an hour, so whatever our deliberations about good causes, we know that they will get more money in the near future.

Notwithstanding the limited publicity the debate has been important, and we have made good progress. Hon. Members on both sides of the House have praised the distributors' work on the lottery and pointed out that nearly 200,000 causes, many of which are universally popular, have benefited from lottery funding. We have discussed how lottery distributors are making it easier to apply for lottery grants, although I have argued that more progress is needed. Work remains to be done to persuade the public about some of the grants and not to believe everything that they read in their newspapers. Earlier, I referred to the claim in today's *Daily Mail* that St. Paul's cathedral has had to pull out of lottery funding for certain reasons, which have turned out to be entirely incorrect.

The distributors still have a lot of work to do publicising their good work. Although we did not persuade the Minister on this point, we have discussed the importance of ensuring that the lottery distributors, while promoting the good causes in which they are involved, do not promote playing the lottery, for the very good reason that that is not the most effective way to give money to good causes. As I have said, if someone buys a lottery ticket for £1, only 28p goes to a good cause. If someone gives £1 directly to a good cause, however, that good cause will receive £1.28 with gift aid. If one wants to give money to good causes, it is more efficient to give directly.

We have made progress on a number of issues, and the Minister has made a number of welcome further assurances today. That said, unfortunately we have not made sufficient progress in a number of areas, the most important of which is additionality—ensuring that the Government do not interfere in the use of lottery funding—to which the hon. Member for Cities of London and Westminster rightly referred. When the national lottery was initiated, the then Prime Minister, Sir John Major, made it clear that he did not want to see the Government getting their sticky little fingers on lottery money, and the current Prime Minister, the Secretary of State for Culture, Media and Sport and the Minister have repeated that assurance. On Second Reading, the Minister said that a provision on additionality should be enshrined on the face of the Bill, but the Government have refused to include such a provision, which is one key reason why we will not support the Bill on Third Reading. We think that the distinction between Government spending and lottery spending is crucial.

We are equally concerned about some other aspects of the Bill, not least the powers of the Secretary of State. Line after line of the Bill refers to giving powers to the Secretary of State, which concerns us deeply. The Secretary of State's powers should be reduced, not increased, and that is particularly true of the powers on the redistribution of funds, which we discussed on Report.

My hon. Friend the Member for East Dunbartonshire (Jo Swinson) made an excellent 47-second speech in which she asked the Minister a question that he still has not answered. On Second Reading, he said:

"Nothing in the Bill will allow money to be taken from heritage and spent on something else."—[*Official Report*, 14 June 2005; Vol. 434, c. 169.]

whereas, in Committee, he said:

"if the hon. Member for Bath is asking me whether it"—

heritage—

"will lose out on interest accrued from large balances, the answer is yes, because that will be distributed."—[*Official Report, Standing Committee A*, 27 October 2005; c. 150.]

The Minister cannot have it both ways—either heritage is protected or it is not. The reality is that heritage is not protected because the Government will be held to interfere in the way in which interest and balances are used.

Mr. Caborn: The question was this: do we allow those who have large balances to profit by them? Good causes profit because the interest that is accrued is then redistributed, as in the case of distributions to sport and the arts. I gave two reassurances. Money that had been allocated from the lottery to the various distributors would be received, and no scheme would be stopped; it was simply that the balances would be reduced. There was a guarantee that once that expenditure had been confirmed it would continue, and they would not lose one penny piece of the money that had been allocated to the distributors from the lottery, that would have been accrued by interest. We believed that it was wrong to profit by that, which is why we distributed it in that way.

Mr. Foster: I am grateful to the Minister for repeating what he said earlier—

Mr. Caborn: I wrote to the hon. Gentleman.

Mr. Foster: Indeed. What the Minister said in that letter, what he said in a previous speech and what he has said today is that it is important that as far as possible we ensure that lottery distributors are getting the money that they bring in out to good causes as quickly as possible and that we keep the balances as low as possible. Nobody disagrees with the Minister about that. However, it does not deal with the point that my hon. Friend the Member for East Dunbartonshire and I put to him: either there is something in the Bill that will allow money to be taken from heritage or there is not. He cannot have it both ways. [*Interruption.*] The reality is that the mechanism that he just described means that the money will be taken away—[*Interruption.*]

Mr. Deputy Speaker: Order. We cannot have a series of sedentary comments.

Mr. Foster: Thank you, Mr. Deputy Speaker, for that protection from the Minister, who has until now been exceedingly courteous and kind to me. I do not know why I have suddenly riled him.

During our deliberations about this issue, it was pointed out that there are differences in the way in which distributors operate because of the significant differences in the nature of the projects that they are engaged in. That is why some of us are concerned about the Secretary of State's power to redistribute those funds.

I continue to worry about an issue on which we have had no significant debate—the structure of the board that will oversee all this work. It is possible that it could be chaired by somebody who is there to represent a particular country, which could lead to a conflict of interest. I am also worried that the new definition of charitable expenditure potentially blurs the boundaries between public services and third sector good causes.

For those reasons, we cannot support the Bill on Third Reading. None of that should detract from the fact that we have made good progress during its passage. I hope that if we are not successful in defeating the Bill at this stage, progress will continue to be made in another place. There are some good things in the Bill; unfortunately, there are sufficient bad things to cause us to vote against it.

5.39 pm

Mr. Walker: When the lottery was introduced, it was a great, noble and aspirational idea. It was a little like a marvellous African bull elephant in its prime. However, the Bill has brought it low. Introducing the measure is a little like shooting that beautiful bull elephant in the leg. It will not kill it—the bull elephant will run off into the undergrowth, settle for a few months and then return. It will have recovered but it will have a limp and not be quite as wonderful as it was.

[Mr. Walker]

The Minister claims that the lottery is a great national institution. It was, but I fear that the Bill makes it simply another institution. That is a great shame. The measure gives central Government far too much control over the destination of lottery money. The Minister claims that the Big Lottery Fund will be kept at arm's length but it will be the hand at the end of the Government's arm. In essence, it will be a dead hand. The Bill dissipates so many of the aspects that make the lottery a great national institution.

Too much money is being siphoned off to fund central Government expenditure on health, education and the environment. Again, that is a great shame. The Minister gave a wonderful, uplifting example of what the national lottery has done in Broxbourne, where it was used to take second world war veterans overseas to France, to places that they had perhaps not visited for 60 years. That is what the national lottery is for. It is for special things—village greens, community halls, the arts and museums. It is not for cancer and heart scanners—the national health service is for that. The lottery is for those people in Broxbourne to whom the Minister referred. I sincerely hope that he and the Government remember that.

Question put, That the Bill be now read the Third time:—

The House divided: Ayes 246, Noes 159.

Division No. 132] **[5.41 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Banks, Gordon
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blizzard, Mr. Bob
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Buck, Ms Karen
Burgon, Colin
Butler, Ms Dawn
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Campbell, Mr. Alan
Caton, Mr. Martin
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Cunningham, Tony
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Goggins, Paul
Goodman, Helen
Grogan, Mr. John
Gwynne, Andrew
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Heyes, David
Hill, rh Keith
Hillier, Meg
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
MacDougall, Mr. John
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruddock, Joan
Russell, Christine
Ryan, Joan
Sarwar, Mr. Mohammad
Shaw, Jonathan
Short, rh Clare
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Speller, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Timms, Mr. Stephen
Touhig, Mr. Don

Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Wills, Mr. Michael
Winnick, Mr. David
Wood, Mike
Woolas, Mr. Phil
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Mr. Ian Cawsey and
Mr. Frank Roy

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brazier, Mr. Julian
Brokenshire, James
Brooke, Annette
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Butterfill, Sir John
Cable, Dr. Vincent
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Conway, Derek
Comack, Sir Patrick
Cox, Mr. Geoffrey
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Duddridge, James
Duncan Smith, rh Mr. Iain
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gray, Mr. James
Grayling, Chris
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Luff, Peter
Mackay, rh Mr. Andrew
MacNeil, Mr. Angus
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McIntosh, Miss Anne
Miller, Mrs. Maria
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osten, Mr. Mark
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Shapps, Grant
Simmonds, Mark
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Taylor, Mr. Ian
Teather, Sarah
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wilson, Mr. Rob
Wishart, Pete
Wright, Jeremy
Young, rh Sir George

Tellers for the Noes:
Mr. Tobias Ellwood and
Michael Fabricant

Question accordingly agreed to.

Bill read the Third time, and passed.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

ENERGY EFFICIENCY

That this House takes note of European Union Document No. 10368/05, Green Paper on Energy Efficiency or "Doing More with Less"; and supports the Government's objective of securing an ambitious, but realistic, Action Plan on Energy Efficiency in 2006.—*[Mr. Watson.]*

Question agreed to.

THE SPEAKER'S ABSENCE

Ordered,

That the Speaker have leave of absence on Wednesday 1st March for the purpose of attending the opening of the new building of the National Assembly for Wales.—*[Mr. Watson.]*

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Thursday 26th January, the Speaker shall put the Questions necessary to dispose of proceedings on the Motion in the name of Mr. Edward Leigh relating to Public Accounts not later than three hours after their commencement; proceedings may continue after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.—*[Mr. Watson.]*

PETITION

Rail Link

5.56 pm

Mr. Iain Wright (Hartlepool) (Lab): I rise to present a petition from residents and businesses in Hartlepool and others for a direct rail link between Hartlepool, Sunderland and London King's Cross. The rail link is supported by Hartlepool borough council, Hartlepool Economic Forum, One NorthEast, the local newspaper—the *Hartlepool Mail*—and all the local authorities throughout the north-east. They are all

[Mr. Iain Wright]

confident that such a link would boost economic development in Hartlepool and would benefit the whole north-east. The lead signature on the petition is that of Mr. Michael Johnson of Benmore road, Hartlepool, and 1,242 other people signed it in just three days.

The petition states:

To the House of Commons.

The Petition of residents and businesses of Hartlepool and others,

Declares that there should be a direct rail link from Hartlepool to London Kings Cross, as proposed by Grand Central Trains. There is a need for a direct link at a reasonable price to help to boost Hartlepool's economic regeneration and development and to allow the town's residents to visit other areas of the country at a price which is financially viable.

The Petitioners therefore request that the House of Commons consider this wide support and urge the Government to ensure that the Office of the Rail Regulator considers the issues raised in this petition and the petitioners support for Grand Central Trains' bid when the bid is evaluated.

And the Petitioners remain, etc.

To lie upon the Table.

Failed Asylum Seekers (Scotland)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

5.57 pm

Mr. Eric Joyce (Falkirk) (Lab): My aim in raising the issue of the removal of asylum seekers in Scotland is to put a United Kingdom matter in a Scottish context, and to ask my hon. Friend the Minister a couple of questions about the progress of Government policy.

I want to mention some resources that I found extremely useful when trying to understand a matter that directly affects relatively few people as yet, but which most people place quite high on their list of priorities when it comes to public policy. The ATLAS partnership is based in Glasgow city council. ATLAS—Action for Training and Learning for Asylum Seekers—was set up to help organisations in Glasgow to respond to the dispersal of asylum seekers to Glasgow, which started in 2000. The partnership is led by Glasgow city council, and includes Falkirk college in my constituency.

I find ATLAS interesting for two reasons. First, it has produced a publication, "Asylum Matters from Scotland", which reads very well and is a useful resource. Secondly, the way in which people perceive ATLAS's role—whether they consider helping asylum seekers to find training while they await judgments to be a central or a peripheral aspect of the asylum process—will tell them something about their perception of the overall concept of asylum.

The Scottish Executive have produced a number of excellent documents describing the way in which asylum seekers awaiting a decision are supported by local authorities and other agencies. One report, "Asylum Seekers in Scotland"—which does more or less what it says on the tin—was produced by Barclay, Bowes, Ferguson et al at the university of Stirling in 2003. Leaving aside the happy coincidence that I am a graduate of that excellent university and the fact that it is on the doorstep of my constituency, I found the document measured, informative and useful. Since it was written in 2003, and as subsequent practice in Scotland appears to conform quite closely to its main tenets, I think that the document was influential in framing public policy at both Executive level in Scotland and local authority level.

I want to mention the Central Scotland Racial Equality Council, which is based in my constituency.

It being Six o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

Mr. Joyce: Dispersal in Scotland is only to Glasgow, of course, but there are from time to time people seeking decisions on asylum who appear in my constituency and who in one way or another are sponsored by local organisations. The Central Scotland Racial Equality Council therefore interfaces with the issue on a fairly regular basis.

As my hon. Friend the Minister knows, while his Department and its agencies liaise with local authorities and other regional assets in England, in Scotland the

picture is a little different. Scotland, uniquely in the UK, legislates for all the areas of policy devolved to it through an Act of Parliament, the Scotland Act 1998. That includes education, health and social services. As those services play important roles in supporting people awaiting asylum decisions, and as the media pay close attention both to public dialogue around those policy areas in general and to the issue of asylum, there is a tendency among some in the media and public life in Scotland to see matters of asylum and immigration through the prism of locally provided services.

There are many good aspects to that perspective, if I may put it that way, and the small size of Scotland in comparison with England means that those involved in the local provision of services can have a more direct relationship with legislators in those policy areas. Many more give evidence to parliamentary Committees, for example. Proportionately speaking, one has a 10 or 15 times greater chance in Scotland of doing that, so there is a bit of a closer link between the two.

Here, I make a distinction between the subtleties and trends of debate among those with a particular interest in the areas of asylum and immigration, and Scottish public attitudes in general. I have surveyed a great many of my constituents and find that, for the large part, Falkirk folk do not deviate from UK norms in their views on asylum and immigration. In my experience, most people want an asylum system that is well administered and an immigration system that is right for the UK, which is fair and designed to benefit economically both the UK and those who settle here through our immigration system. It is true that people often confuse asylum and immigration, and I wish to say a word or two about that in a moment. The point I make here is that in Scotland, for good or ill, it seems that sometimes the opinions of those who have special experience of a given area diverge to a higher degree from public opinion than is the case across the UK as a whole.

Whether or not my perception accords with reality, it is the case that there is a lively public debate among those closer to the issue of asylum removals in Scotland, and that is reflected in media coverage. I am struck by the extent to which debate in Scotland on the matter of asylum is anchored around the Scottish Parliament and its Members rather than the UK Parliament and its Members. As I have already noted, that is because of the Scottish Parliament's legislative powers in the areas that support those awaiting asylum decisions. In my view, one effect of that trend is that MPs tend to be sent material by interest groups that looks pre-cooked; it begins to look rather polemical. It has already passed through a political filter, as it were. By the time it reaches us here in the House, it is almost impossible, in some cases, to have meaningful dialogue.

I have also been struck by the fact that sometimes, although not always, the crux decision points faced by Ministers in this place are evaded, not always intentionally, by some involved in public debate in Scotland. I believe that there is room for a more productive relationship between Members of this House and Scottish groups with an interest in those issues.

Pete Wishart (Perth and North Perthshire) (SNP): The hon. Gentleman is redressing the fact that this matter has not been debated thoroughly in this House. I think that he will recognise that there is a raging public debate in Scotland, particularly when the removal of asylum seekers' children is involved. He has talked about people who are involved in this public debate. Perhaps he recognises the words of the children's commissioner for Scotland, Dr. Marshall:

"I've become increasingly distressed by the inhumane methods of removal of children and families from Scotland. What can happen is immigration officers and police, big groups of them, 11 to 14, go to a family's house at seven o'clock in the morning . . . in bullet proof vests".

She continues:

"they handcuff the parents in front of the children and then they remove them . . . on long journeys".

Surely he recognises that when such activities happen the public in Scotland have every right to be concerned and anxious about what is going on.

Mr. Joyce: I studied Dr. Marshall's remarks closely, and I think that she could have chosen her words better. I am not sure whether what she said is a fair reflection of the hard work of officials who deal with such very difficult removals. I am about to address one or two of the dilemmas that have to be faced but which are sometimes not being faced in the public debate in Scotland. That subject lies at the core of my speech.

I chose to discuss removals in this debate because in any discussion about asylum policy, that is the point at which reality bites. That is the hard edge, and the last option—but most people would agree that if we are to have a system at all, removals sometimes have to be made. Although I have encountered few people who do not accept the need for an asylum and immigration policy, and therefore the need, as a last resort, for removals, some organisations oppose every removal as a matter of course.

I am not in a position to say whether any given removal is valid or not, and of course no system is infallible. Yet the adoption of a de facto organisational policy decision to oppose every removal as a matter of course, as sometimes happens, is incompatible with the acceptance of the requirement for an immigration policy. It is hard to have intelligent dialogue in such circumstances.

Some people in Scotland argue for a different immigration policy for Scotland. Leaving aside the implications for the UK as a constitutional entity, I still have to say that such arguments are rarely accompanied by an acceptance that that would require a means of controlling movement between what would then be two jurisdictions—in effect, a border mechanism. That argument is impracticable to the point of nonsense, yet it surfaces regularly in Scottish public debate.

Another contentious point in Scotland—as, of course, in the rest of the UK since 2002—is that those awaiting a decision on asylum are unavailable for work. It is often argued that people should be able to work while awaiting a decision, bringing their skills to help the communities to which most have been dispersed. In Scotland, that means Glasgow. That is an interesting point of view, considering that the Government and the Scottish Executive fund programmes of work experience and tertiary education for those awaiting a final decision, and in some cases for people presently falling under section 4—those who have had a final decision but are awaiting removal to a country that is not now deemed safe.

[Mr. Joyce]

Of course it is desirable that those who are successful in their application should be as well prepared for their new life as possible, but it seems to me dangerous to make a leap from there to factoring in skills to the asylum decision, as is often argued in Scotland. It must be frustrating in the extreme for people awaiting decisions who have valuable skills not to be able to use those skills, to all our benefit, in the meantime—but to argue that the Government should factor those skills in to the asylum decision would be anathema in human rights terms.The purpose of an asylum system is to ensure that someone fleeing for their life from a dangerous regime is protected and able to carry on their life safely in a new country. Any suggestion that applicants' skills should in any way be a factor in the decision would be wholly wrong. It is fundamental to the human rights principles that underpin the concept of asylum that all applicants should be assessed as equals, on the basis of the threat that they may face in their country of origin.

The meaning of the word "refugee", at least in terms of public policy in Scotland, is often misunderstood. For the purposes of asylum policy, a refugee is a successful asylum applicant. However, in my experience such people do not always want to be labelled in that way. Why should they? They want to get on with their new lives as full and equal members of their own local communities. That is not to say that support services should not exist for those who want them—quite the opposite, in fact. However, the term refugee, I find, is usually used in public debate to mean something closer to the wider dictionary definition, and includes those moving from state to state for economic reasons. Of course, the UK Government, like all others, recognise the huge benefit that such economic movement brings—a recognition that is formalised in the form of an immigration policy. But obfuscation through misuse of the terms "asylum", "immigration" and "refugee" removes the clarity so important for intelligent public dialogue.

I conclude by asking the Minister to confirm that he has, over time, had effective dialogue with the Scottish Executive and other UK bodies representing more local populations—perhaps on a regional basis, or perhaps on a more specific basis. Is that helping to form his views and, ultimately, Government policy, on the whole process of dealing with those who seek asylum in this country?

6.9 pm

The Minister for Immigration, Citizenship and Nationality (Mr. Tony McNulty): I thank my hon. Friend the Member for Falkirk (Mr. Joyce) for his measured and well thought-through contribution, and also, in the traditional way, I congratulate him on securing the debate. From my perspective as Minister with responsibility for immigration, I agree with him—I believe that the hon. Member for Perth and North Perthshire (Pete Wishart), too, concurred in this—that we do not discuss such matters sufficiently, or with sufficient depth and maturity, in this Chamber. In part, that is because, until the very recent past, public policy has let the public down somewhat in terms of how these issues are debated. Such debates have always been accompanied by a degree of xenophobia and hysteria that prevent us from getting to the core of the complex issues that should be subject to serious public discourse. I therefore thank my hon. Friend for affording us the opportunity to have such a discussion today.

I also concur with many of the specific points that my hon. Friend made. In pursuing what I would term a robust and progressive asylum policy, our starting point is rightly the 1951 convention relating to the status of refugees, which, happily, is subscribed to by nearly all parties in this House. I am still not quite sure about the flip-flop official Opposition, but in time, they will probably restore the 1951 convention to their broad public policy offering, instead of adopting the position that they adopted during the last election.

If the 1951 convention is our starting point on human rights, which it should be, that implies two outcomes for all those who apply for asylum: security of refugee status, with all that that entails; and failure to meet the terms of the convention leading to an end-point of removal back to their country of origin. That must be the starting point of a robust asylum policy. My hon. Friend is entirely right to say that many in Scotland do not start from that perspective, as I have discovered when discussing these issues, directly and indirectly, with such people. Quite where they start from in terms of a developed asylum policy, I know not. In the context of the 1951 convention, it cannot be right, deliberately or otherwise, but in misguided fashion, to try to persuade those who are in the system and applying for asylum—I certainly do not blame them for doing so—that they have an absolute right to stay here under whatever circumstances, regardless of the merits or otherwise of their case. That is the premise of the campaign to which my hon. Friend has alluded. It is irresponsible and does a disservice to the very applicants whom such people and groups purport to serve.

If the 1951 convention is our starting point, once someone secures refugee status, collectively—UK Government, local government, the Scottish Executive and others—we should do all that we can to ensure that they are fully integrated into our community on their own terms. We then need to ask whether, in a UK and a regional context—in this case, the regional context is the Scottish Executive and local authorities—there are things that we are doing that we could do far better. My hon. Friend was entirely right in pointing out that I have had some contact—my officials have had far more—with not just Scottish Executive officials, but with local authorities and other organisations and groups in Scotland.

I start from a twofold premise. First, this is not a devolved matter, so our robust and progressive asylum policy will be implemented UK-wide. Secondly, and as my hon. Friend eloquently pointed out, given the devolution settlement, there are a range of public policy interactions between the UK, the Scottish Executive and local authorities. As a consequence, we should talk with and engage with each other far more readily than we do. Given Scotland's separate legislative and legal framework, I undertook when I was in Glasgow and in

Edinburgh—and before then—to explore in detail ways in which we might tweak and bend what is a broad UK policy to take account of that Scottish context.

Pete Wishart: I am pleased that the Minister recognises that the Scottish Executive and Scottish Parliament have a role in immigration, but does he accept that the different UK nations have different immigration requirements? The population in Scotland is falling, whereas the population in London and the south-east is growing. Is there anything that the UK Government can do to put that right? What about children who have become ingrained in communities thanks to the length of the asylum process, but who then are thrust out of the only social context that they have ever known?

Mr. McNulty: I accept much of that, but my hon. Friend the Member for Falkirk was right to say that the asylum and immigration systems are separate. They have common features, but the 1951 convention does not mean that the asylum system is somehow a disguised form of economic migration. A separate system deals with immigration.

Although the latest figures show that there has been an upward blip in the population of Scotland, the trend is broadly down. We are working with the Scottish Executive to ameliorate the problem, and all Scottish Members will be aware of the fresh talent initiative and other projects that are designed with that in mind. We are working with the Executive to see how we can address the problem in the context of the devolution settlement.

Mr. David Hamilton (Midlothian) (Lab): Does my hon. Friend the Minister accept that only one or two of Scotland's 32 local authorities have the necessary wherewithal and support networks to look after asylum seekers and those seeking to immigrate? In the rural and semi-rural areas, local MPs and politicians have to deal with a problem that is so big that errors inevitably occur. Much of the support network is good, but there is not much help available in Scotland apart from that offered by local authorities and MPs.

In addition, there are problems of communication. A constituent of mine in Penicuik in Midlothian has applied to stay in the UK, but a letter sent to the immigration authorities in 2001 did not get a reply until 2005. That does not help matters.

Mr. McNulty: I do not know the details of the case, but I should be more than happy to help my hon. Friend if he wants to take it up with me later.

In implementing a UK asylum system, it is right and proper that we should engage with local agencies and people at a local level, as my hon. Friend the Member for Falkirk suggests. That is exactly what we do.

I went up to Scotland for a couple of days before Christmas, and I made a promise to return once we have looked at some of the very matters raised in this debate. As I have indicated already, they include factors such as the different legal framework in Scotland, which means that some legislation—and especially that which relates to children—is different. We must make sure that we overcome such legislative problems.

Initiatives and discussions undertaken by the First Minister and his colleagues in the Scottish Executive have prompted us to look at everything that we do in terms of removals. As I said earlier, removals are a quintessential part of a progressive asylum policy, but media coverage that misinforms the public about what is going on is not helpful. I certainly acquit the hon. Member for Perth and North Perthshire (Pete Wishart) in that regard, but I am fed up with hearing about "dawn raids" when 20 police and immigration officers kick down a door at 3 o'clock in the morning and drag children out of their beds. If any hon. Member, or anyone else who hears or reads this debate, can prove to me definitively that any such event took place, I should be very grateful.

No removal happens before half-past 6 or 7 o'clock in the morning. Why so early? Well, because it is a guarantee that the family unit to be removed will be together. Nothing happens at 3 o'clock in the morning and children are not dragged from their beds.

At worst, we have heard stories about riot gear, teargas and other fantasies that do not do the debate much good, do not do the people making that argument much credit and, crucially, do not do much for the applicants and their cases. Things are getting better, but I shall keep my promise to return to Scotland and inform the Scottish Executive and MPs how the interface between local agencies, from local authorities up to the Scottish Executive, is working, especially with regard to children in the specific context of Scotland. Through the Scottish initiative, we need to see how we can improve matters in the broader UK context and that is why this debate is welcome.

My hon. Friend the Member for Falkirk is right that there are many unsung heroes among local authorities and local organisations, such as the ones that he mentioned, that are doing an enormous amount of work with new refugee communities and those who are still at the tail-end of the process and awaiting decisions or final removal.

I have also had the good fortune to talk with the Scottish Refugee Council. I have yet to arrange—we have tried once, but it has not happened—a separate meeting with the Scottish children's commissioner, although I have met her. I am trying to arrange a meeting with all the children's commissioners to get their perspective on all these matters.

I have no problem, other than those I have mentioned of sloppy linguistics and fatuous intellectual arguments, about where we are at with this debate and how it fits in with the wider public policy context that has been part of the media coverage in Scotland. I have no problem with people protesting and hurling abuse at me—in fact, they woke me up—as I go to BBC Scotland at about half-past 6 in the morning. However, I do object to people haranguing and harassing, in the guise of public protest, immigration and nationality directorate and immigration service staff at Festival court, day in and day out. Whatever people's objections to the public policy dimension—and it may be their view that if someone comes to this country, on whatever terms and in whatever context, they should be allowed to remain—I do not

[Mr. McNulty]

think that our rich history of public protest justifies the constant abuse and harassment, or at least the perception of it, of public servants who are just doing their job. I have said that in terms to the staff at Festival court.

I do not think that it is very bright or grown-up of people to lock themselves in or sit in at Festival court, or to superglue the gates or generally disrupt genuine and legitimate business carried out by public servants and the public. I deprecate those who are involved in such activities. I deprecate those who say, perversely, that Strathclyde police should arrest UK immigration officers as they go about their business. We have heard such flights of fancy from particular individuals, but they do not help the debate. As my hon. Friend says, we want to encourage that debate. I want a debate about how we can all do what we want to in order to manage migration and asylum policy. I am not running away from such a debate. That might be unusual for an immigration Minister, but the time is right for such a debate, not least for the population reasons that have been given. I think that both the Executive and others in Scotland are ready for that debate, too. All the rather immature comment about removals is hampering serious debate. None the less, as my hon. Friend suggests, we are looking at the processes in the broader sense, particularly where families with children are involved, in terms of the new asylum model and other general changes in our practice.

I have said repeatedly in the Scottish media and elsewhere that it cannot be right that people, especially those with children, are in the system for three, four or five years for whatever reason, given the roots that they put down, as the hon. Member for Perth and North Perthshire suggests. That is especially the case where children have come in at the age of two or three and are five, six, seven or eight by the time that their cases are determined. That cannot be right and we need to change the process and ensure that people get their decisions faster. That is not a reason to stop removals; neither does it challenge their legitimacy as part of a robust asylum policy. Yes, removals must be done very sensitively. Yes, we must work with the other agencies to secure them, as my hon. Friend suggests.

Again, I have said in the Scottish media that I would like to be the immigration Minister who finally sees an end to enforced removals. I am not apportioning blame or lapsing into using a *Daily Mail* lexicon in any way, shape or form, but at least part of the delays in the system until now involve the choices made by the individuals in the process. I can understand that if their endgame is that they would rather stay here than leave. Of course, there are sensitivities. Of course, enforced removals are always fraught with difficulties and stress, not least when children are involved. We are looking very seriously at that issue. If we need to change things because of the Scottish dimension, that would be more than appropriate. Part of my task is to ensure that, during my tenure and given what we are doing with managed migration and the new asylum model, we are not simply building up the next wave of cases of people with young children who remain in the system for three, four or five years.

Pete Wishart: I am grateful to the Minister for giving way again—he is being very generous with his time—and I am very encouraged by the tone of his remarks. I would encourage him to go further down that road, but does he not feel that the general debate is soured by the way that enforced removals are carried out in Scotland? He is right to identify some of the people who are involved at the fringes of such activity, but the First Minister, the Communities Minister and the children's commissioner also have great concerns about it. What possible improvements can the hon. Gentleman suggest that would be of comfort to them?

Mr. McNulty: I would tell all those to whom the hon. Gentleman refers to sit down and work with us in trying to reach a consensus on how to do things better than we do. Enforced removals are part of the process, as I have now said probably to the point of tedium. I agree with my hon. Friend that it is simply not good enough for the children's commissioner—a public official—to talk about inhumane conditions and terrorising children. Again, I said that in terms in the public domain.

Of course the language, emotions and so on used will be heightened because families and children are involved, but we need to talk in rational terms. The more that we can do with the recently announced package, which has increased the assistance available to those who remove themselves voluntarily, the better. The more that we can get people more broadly to understand what the asylum process is about—rather than confusing it with immigration, which feeds into the public debate, as my hon. Friend suggests—the better. To that end, the head man at Festival court spent the best part of a couple of hours with the girls at Drumchapel school going through how an asylum policy differs from an immigration policy. That sort of public awareness is very important. We need to do more of that work. We also need to turn things round and look at what we are doing in public policy terms with refugees.

I absolutely applaud all that Glasgow council has sought to do, as I told its leader when I was up there. As everyone knows, that is the main area not just of dispersal but of the asylum seeker population, for want of a better phrase. I have huge praise for what those involved are doing—often, in the early days, in very difficult conditions.

I implore Scotland as a body politic to talk about these issues. Let us have a proper, legitimate debate about asylum, immigration and all the other concerns about population. We are already revisiting the processes. I will go to Scotland in the next couple of months to report on how far with have got with that, and I am more than happy to engage further in the Scottish dimension of the debate. However, UK asylum policy is rooted in the 1951 convention and our new asylum model is the way forward—

The motion having been made at Six o'clock, and the debate having continued for half an hour, MR DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at half-past Six o'clock.

House of Commons

Friday 20 January 2006

The House met at half-past Nine o'clock

PRAYERS

The Second Deputy Chairman of Ways and Means took the Chair as Deputy Speaker, pursuant to the Standing Order.

9.34 am

Jim Dowd (Lewisham, West) (Lab): On a point of order, Mr. Deputy Speaker. I beg to move, That the House sit in private.

Question put forthwith, pursuant to Standing Order No. 163 (Motions to sit in private):—

The House divided: Ayes 0, Noes 80.

Division No. 133] **[9.35**

AYES

Tellers for the Ayes:
Jim Dowd and
Mr. Andrew Dismore

NOES

Anderson, Janet
Austin, Mr. Ian
Baldry, Tony
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Benn, rh Hilary
Benton, Mr. Joe
Bercow, John
Berry, Roger
Bottomley, Peter
Brown, rh Mr. Nicholas
Browning, Angela
Bruce, Malcolm
Cash, Mr. William
Caton, Mr. Martin
Challen, Colin
Chaytor, Mr. David
Connarty, Michael
Cunningham, Mr. Jim
Dean, Mrs. Janet
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Duddridge, James
Duncan, Mr. Alan
Ellwood, Mr. Tobias
Evennett, Mr. David
Fitzpatrick, Jim
Flello, Mr. Robert
Forth, rh Mr. Eric
Foster, Mr. Don
Gapes, Mike
George, Andrew
Gerrard, Mr. Neil
Gilroy, Linda
Hamilton, Mr. David
Hollobone, Mr. Philip
Hood, Mr. Jimmy
Iddon, Dr. Brian
Jones, Helen
Jones, Mr. Kevan
Keen, Alan
Keen, Ann
Kumar, Dr. Ashok
Lancaster, Mr. Mark
Levitt, Tom
Love, Mr. Andrew
Mackay, rh Mr. Andrew
Mallaber, Judy
McAvoy, rh Mr. Thomas
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Mudie, Mr. George
Mulholland, Greg
Murphy, rh Mr. Paul
Norris, Dan
Oliver, Mr. Bill
Prentice, Bridget
Primarolo, rh Dawn
Randall, Mr. John
Robertson, John
Rosindell, Andrew
Roy, Mr. Frank
Ruddock, Joan
Russell, Bob
Sarwar, Mr. Mohammad
Simmonds, Mark
Skinner, Mr. Dennis
Smith, rh Mr. Andrew
Snelgrove, Anne
Steen, Mr. Anthony
Stewart, Ian
Thomas, Mr. Gareth
Touhig, Mr. Don
Vara, Mr. Shailesh
Winterton, Ms Rosie
Wishart, Pete

Tellers for the Noes:
Mr. Tom Watson and
Tony Cunningham

Question accordingly negatived.

Orders of the Day

International Development (Reporting and Transparency) Bill

Order for Second Reading read.

9.49 am

Mr. Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): I beg to move, That the Bill be now read a Second time.

Last year was rightly dominated by the Make Poverty History campaign, which provided a welcome focus on issues such as aid, debt and trade. That focus simply must continue. Laudable progress was made at the G8 summit in Gleneagles, where commitments were made to double aid by 2010 and to cancel debt for up to 38 heavily indebted poor countries. A quarter of a million people marched in Edinburgh, demonstrating an unmistakable public commitment to making poverty history. Internationally, there were Live 8 concerts, including at Hyde park—appropriately during our EU presidency. The successful trade justice lobby of Parliament was followed by progress made at the World Trade Organisation ministerial meeting in Hong Kong, which agreed an end date for export subsidies.

I congratulate the Government, especially the Department for International Development, on their work and on the progress that they have achieved. I also congratulate the Prime Minister, particularly on his African initiatives, and the Chancellor of the Exchequer on his achievements on aid, debt and trade. However, the whole House will, I think, agree that much more remains to be done to turn that progress on aid, trade and debt relief into results on the ground, embedding prosperity, entrenching opportunity and, ultimately, eradicating poverty. The Bill unashamedly asserts the role of Parliament in holding the Executive to account in helping to meet that aim.

Mr. William Cash (Stone) (Con): I am an enthusiastic supporter of the right hon. Gentleman's proposals and believe that the Government have done a very good job in relation to Africa. Does he agree that it is essential to deal with corruption in Africa and to introduce a proper technical means of audit—external audit in particular, if necessary—to make sure that it is stopped?

Mr. Clarke: I am extremely grateful to the hon. Gentleman. I agree, and that is reflected in the Bill's requirement that there should be reports relating to proper accountancy and accountability, as well as transparency. That, I think, is consistent with the hon. Gentleman's view.

At the heart of my Bill is an annual report to Parliament on progress made by the United Kingdom on international development. Eveline Herfkens, co-ordinator for the United Nations millennium campaign, said:

> "Parliamentarians need to scrutinise their governments' Millennium Development Goal 8 positions on an on-going basis to ensure that they are in line with what their governments signed in the Millennium Declaration and Goals."

People such as Eveline Herfkens have consistently argued that it is critical that Parliaments and parliamentarians monitor their countries' commitments to increase aid, and important for Parliaments to achieve cross-party agreement on that vital issue.

That is one of the reasons why I welcome the fact that sponsors and supporters of the Bill are drawn from all parts of the House, reflecting a progressive consensus on the need to prioritise international development. I am particularly grateful to the hon. Member for Sutton Coldfield (Mr. Mitchell), who has intimated to me that he supports the Bill.

Mr. Andrew Smith (Oxford, East) (Lab): I warmly congratulate my right hon. Friend on what he personally has done to build, deepen and widen that consensus, which, as he says, is so important. Will he share with the House further information on the extent, breadth and depth of support that this important Bill enjoys?

Mr. Clarke: I am grateful to my right hon. Friend. He will know that there is a great deal of support from his constituency in Oxford, not least from Oxfam and a huge number of non-governmental organisations. I am also delighted that the Churches support the Bill. If I may say so, the Church of Scotland has been particularly active. I welcome, too, the contribution of the justice and peace committee of the Catholic Church, and many other Churches all over the United Kingdom that have written to me.

Mr. Eric Forth (Bromley and Chislehurst) (Con): May I add to that? We now know, thanks to the Division that we have just had, that the Bill would appear to have the support of 80 out of 650 Members of Parliament. Perhaps the right hon. Gentleman will bear that in mind as well.

Mr. Clarke: The right hon. Gentleman is, we accept, regarded as an expert, not least by himself, on parliamentary procedure. He will know that that vote was on a procedural matter unrelated to my Bill. The Clerk had not even read the name of my Bill. I hope I have helped the right hon. Gentleman's education on these parliamentary matters.

As the International Development Committee has pointed out repeatedly, parliamentary scrutiny and a coherent policy across Government are of the utmost importance. An annual report to Parliament carries more status than a departmental report or information posted online, and invites debate on the Floor of the House. I strongly believe that such a report is in the interest of Parliament and of achieving progress on international development. That, essentially, is what my Bill is about—progress in international development, accountability in terms of both bilateral and multilateral commitments, and transparency, which gives the people of this country—they watch what Parliament does, too—the confidence to support Government and Parliament in the objectives that we set.

My Bill is set to balance what I am convinced is the moral requirement and the necessity of eradicating poverty, while addressing the scepticism that undoubtedly exists and in some quarters is even

encouraged in the absence of transparency. The Bill will ensure that clear, detailed, coherent information is available on development assistance. It will allow added scrutiny of Government policy and provide for the monitoring and evaluation of exactly what aid accomplishes.

Mr. Philip Hollobone (Kettering) (Con): I very much support the Bill, but could it not be improved by removing the cap on scrutinising only the 10 largest recipients of British aid? Should we not examine most, if not all, of the British aid projects around the world?

Mr. Clarke: There have been extensive consultations on the Bill. I want Parliament to get as much information as possible, but I do not want to impose bureaucracy where it is not required. With great respect, that would be the result of the hon. Gentleman's suggestion.

Mr. Andrew Dismore (Hendon) (Lab): I am pleased to be in the Chamber to support my right hon. Friend's Bill—in fact, I am so pleased to be here to support it that I shall not be speaking on it, which I am sure hon. Members will welcome. Will the report deal with the effectiveness of aid to the developing world? In the past, particularly under previous Governments, some of that aid has been dissipated, has not been effective and has not helped the very poorest of the people whom we want to help.

Mr. Clarke: I am sure that there is widespread disappointment in the House that my hon. Friend will not seek to catch your eye, Mr. Deputy Speaker. The issue that he raises is one of the most important aspects of the Bill, and I hope to deal with it later.

Mr. Tobias Ellwood (Bournemouth, East) (Con): I echo the comments that have been made about the 10 countries on which the Bill focuses. Will the right hon. Gentleman consider expanding that number? An awful lot more countries require attention and observation, particularly with regard to corruption, which has already been referred to. To limit that to just 10 countries would not do justice to an excellent Bill.

Mr. Clarke: Nothing in the Bill prevents continued assistance to countries that are not specifically outlined in it. That is what the Department for International Development continues to do, and information will continue to be in the public domain. If the House agrees that there should be an annual report to Parliament, as I believe it will, the hon. Gentleman will have the opportunity to put precisely that point.

Malcolm Bruce (Gordon) (LD): As Chair of the International Development Committee I am grateful to the right hon. Gentleman, and I am pleased that the Bill's sponsors include members of the Committee from all three parties, which demonstrates the Committee's commitment to the Bill's objectives.

Will the right hon. Gentleman reiterate and reaffirm that it is important annually to evaluate how we are doing in achieving targets that go beyond this Parliament and the next one? Otherwise, not only accountability to the House but by Governments is too far distant to be effective?

Mr. Clarke: I am grateful to the hon. Gentleman. I think that the whole House appreciates the excellent work that he is doing as Chair of the International Development Committee, and I take on board the important point he made.

To return briefly to the issue of what aid accomplishes, the Bill's focus is on results, above all else. The millennium development goals, including the international commitment to halve poverty by 2015, represent clear benchmarks for us all, but the Chancellor has repeatedly made it clear that, on present progress, our goals remain too elusive. He has reminded us that primary education for all will be delivered not by 2015 but by 2130; the halving of poverty not by 2015 but by 2150, 135 years late; and the elimination of avoidable infant deaths not by 2015 but by 2165, 150 years late.

Andy Atkins of Tearfund has said:

"Shamefacedly the world is currently well off track to achieve the Millennium Development Goals. What is needed to put them back on track is a genuine partnership between North and South to overcome a number of chronic, interlinked problems that lead to more than 30,000 children dying every day from preventable diseases".

He said:

"Our job as citizens of one of the richest countries in the world is to hold our leaders to account."

My right hon. Friend the Secretary of State for International Development, whom I am delighted to see with us today, has given a tremendous lead. Few in the House who heard his speech on Africa in the Chamber on 30 June 2005, just ahead of the Make Poverty History week, will doubt his commitment. His desire to see developed nations accept their moral responsibilities, as well as truly to empower poor countries to reach the millennium development goals, was greatly encouraging. How could it be otherwise, when he reminded us that some 315 million people in sub-Saharan Africa, nearly half the population, live on less than $1 a day; some 40 million of its children are not where they should be—in schools; some 250 million Africans do not have safe water to drink or proper sanitation; and 6 million men, women and children died of AIDS in 2004 and of entirely preventable diseases such as tuberculosis and malaria? He was clear about the need to stamp out corruption, and gave examples of effective action to that end in Zambia, South Africa and Nigeria. Like my right hon. Friends the Prime Minister and the Chancellor, he saw the need for partnership—a concept that is embraced by my Bill.

My right hon. Friend the Secretary of State was specific when he said:

"We are also trying to improve predictability of aid—for example, by the 10-year agreements that we have reached with Rwanda, Sierra Leone and Tanzania. In every case, we assess the risk and put in appropriate safeguards against corruption. We are also working with countries to strengthen and improve their public financial management, because we have to be sure that we can demonstrate that the money reaches the poor."—[*Official Report*, 30 June 2005; Vol. 435, c. 1468.]

I welcome those assurances and the admirable commitment to ensuring that aid money is used predictably, safely and effectively.

[Mr. Clarke]

This year's United Nations Development Programme human development report underlines the need to eradicate poverty in the developing world, where more than 1 billion people are living in extreme poverty, and the same number do not have access to clean water. We have rightly recognised the injustices, but it is crucial that we continue to work to resolve them.

My Bill seeks to ensure that aid is delivered effectively and increasingly. It enshrines the target of spending 0.7 per cent. of gross national income on overseas development assistance agreed at the millennium summit in 2000.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): I support the Bill and acknowledge the good work of World Vision, which is based in my constituency, but does the right hon. Gentleman not think that, despite the Minister's good work, there should be some penalty if we fail to meet the 0.7 per cent. target?

Mr. Clarke: The great value of the annual report that will be required if the Bill is approved is that it would give the House the opportunity to ask that sort of question, to seek effectiveness and to hold the Executive to account, and I trust that the hon. Gentleman will welcome that opportunity.

My comments on our agreement at the millennium summit in 2000 underlines the UK's commitment to that target, which will double our current spending on aid.

Mr. Andrew Love (Edmonton) (Lab/Co-op): I, along with others, welcome my right hon. Friend's Bill and his particular commitment to the issue. He has rightly said that the millennium development goals are at the centre of the Bill. Has he considered whether there should be a wider commentary on the achievement of the millennium development goals within the report for which he asks?

Mr. Clarke: I welcome my hon. Friend's contribution and his long-standing interest in these issues. He is a very experienced parliamentarian, and I am sure that he would find no difficulty in pursuing that line if we get our annual report.

On that point, the Bill is about putting power in the hands of parliamentarians. It is about providing the House with the information to assess, analyse and scrutinise the Government's admirable commitments. It is about ensuring that all those people who marched to Edinburgh in the summer, who supported and watched Live 8, have before them the information to track the Government's progress.

Judy Mallaber (Amber Valley) (Lab): Like other hon. Members, I congratulate my right hon. Friend on the Bill. He has discussed the support of the people who marched in Edinburgh, but young children in our schools support the millennium goal of getting children into education around the world. In my constituency, for example, children have collected Christmas boxes for AIDS orphans in Africa. Will he say how his Bill can help us to harness the enthusiasm and commitment of the younger generation, who will be the flag bearers for our policy into the future?

Mr. Clarke: I am grateful for my hon. Friend's contribution. I am sure that she agrees with me that education is at the heart of what we want to achieve for children. I hope to discuss that objective later, which is embraced by the millennium development goals.

I shall briefly explain each clause in the Bill, which aims to promote transparency to forge and cement the confidence to sustain support for even greater progress. Clause 1 calls for an annual report to Parliament.

Mr. Jim McGovern (Dundee, West) (Lab): I congratulate my right hon. Friend on not only his success in the ballot but introducing this excellent Bill, which I wholeheartedly support. Given the massive success of Make Poverty History, does he agree that the report should be published in a smaller, easy-to-use guide, which—this relates to the previous intervention by my hon. Friend the Member for Amber Valley (Judy Mallaber)—would help schoolchildren to understand exactly what we are trying to achieve?

Mr. Clarke: I thank my hon. Friend for his suggestion. I have not included it in my Bill yet, but I am sure that discussions can take place. People outside the House do not always want to read lengthy legislation, and they may appreciate a plain person's guide to what we are seeking to achieve.

Clause 2 deals with the coherence of the UK contribution to poverty reduction and sustainable development, ensuring that Government policy is unified, holistic and joined-up in its objectives to further international development, which is consistent with the view expressed in the joint publication in March by the Department for International Development, the Foreign and Commonwealth Office and the Treasury.

Clause 3 sets out the financial reporting requirements, which embrace bilateral and multilateral development assistance and take into account information on low-income countries.

Joan Ruddock (Lewisham, Deptford) (Lab): I, too, congratulate my right hon. Friend on introducing this enormously important Bill, which I intend to support. Does he agree that when he refers to parliamentarians and the accountability of Governments to Parliaments, his Bill may set an example to aid recipients? We are committed to good governance in African countries, which want to join us in that, so it is important that African parliamentarians have the opportunity to understand what their Governments are doing with aid.

Mr. Clarke: I agree with my hon. Friend, who also made that point at a recent meeting in London with the United Nations millennium development goals co-ordinator. If the Bill is enacted, I hope that it inspires developing countries and their Parliaments to follow us on accountability and transparency.

John Bercow (Buckingham) (Con): I enthusiastically support the right hon. Gentleman's Bill. Does he agree that in some quarters, sometimes as a result of ignorance

rather than of malign intent, there is a supposition that there is on the one hand aid and on the other hand good governance, as though they should be juxtaposed against each other? Will he take this opportunity to underline the importance of good governance and the fact that it is not achieved on the cheap? Good governance requires a strong and continuing commitment by this country and others to international development assistance.

Mr. Clarke: I am grateful to the hon. Member for Buckingham (John Bercow), who has made an extremely important point underlining the emphasis on getting the results right. As my hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) has said, developing countries think that it is their responsibility to make an appraisal. When I was in Sweden last week, I was very impressed by the agreements and compacts, which are far removed from the terrible conditionality of the past.

Clause 4 seeks an assessment of progress towards fulfilling millennium development goal 8, including progress on aid, debt relief and, crucially, achieving objectives on the effectiveness of aid.

Clause 5 addresses multilateral development assistance and millennium development goals 1 to 7.

Mr. Jim Devine (Livingston) (Lab): It is a pleasure to be here to support my right hon. Friend. Last night, Bob Geldof said that if anyone tries to talk out the Bill, they will be vilified throughout the country. Does he agree that that is the case?

Mr. Clarke: Given the commitment of every political party in this House to the objective, I doubt whether any hon. Member would be so foolish. If such a thing were to happen, I would await the results, but I regard it as unlikely.

Angela Browning (Tiverton and Honiton) (Con): The right hon. Gentleman has just made a slip of the tongue: he said, "unlikely", but given the reaction, I think that the word he was looking for is "unwise".

Mr. Clarke: The hon. Member for Tiverton and Honiton (Angela Browning) is not only a sponsor of the Bill, but an extremely wise person. Who am I to disagree with the wisdom that she shares with the House?

Clause 5 addresses millennium development goals 1 to 7, which largely concern developing countries, and seeks to establish, for example, how much multilateral assistance is untied. Importantly, it makes it clear that we should know what assistance is being given to developing countries as they address environmental concerns, which are clearly of the utmost importance.

Clause 6 deals with the UK's expenditure targets and monitors progress towards the objective of spending 0.7 per cent. of gross national income on development assistance. That will include an annual revised assessment of when the 0.7 per cent. target is expected to be reached, as well as of the current percentage of GNI being spent. I am proud to say that if the Bill is enacted, it will be the first time that that figure has been enshrined in legislation.

Colin Challen (Morley and Rothwell) (Lab): The transparency that would be introduced by my right hon. Friend's Bill, which I welcome, would help to remove the barrier to our understanding of how we achieve the United Nations target. Does he agree that that target is not a speed limit, so that once we achieve that speed we can go no faster, but something that we must achieve at some point in the future?

Mr. Clarke: My hon. Friend is absolutely right. When we have, as I hope we will, annual reports to Parliament, as in at least five other countries that have reached or exceeded the target, there is no reason in the world why we should not continue to monitor the situation.

Helen Jones (Warrington, North) (Lab): We have heard much about good governance overseas. Does my right hon. Friend agree that his Bill would also promote good governance in this country, because the reporting that he is asking for would make parliamentarians focus on achieving what we have said so often that we wish to achieve, thereby translating our words into deeds?

Mr. Clarke: My hon. Friend makes an excellent point. In terms of coherence, particularly across Government Departments, the Bill would help us to get much nearer to what she is seeking to achieve.

Clause 7 deals with the effectiveness of bilateral aid and total overseas development assistance. It sets out benchmarks against which the effectiveness of aid can be measured, including the impact on HIV/AIDS, child mortality, trading opportunities and, crucially, good governance.

Anne Snelgrove (South Swindon) (Lab): I congratulate my right hon. Friend on introducing this excellent Bill. Has he considered adding education to his very good list for assessing the effectiveness of assistance? One of the ways in which we can effectively eradicate poverty is through the education of girls and young women, in particular. It would be interesting and appropriate to hear about what the Government have done in that respect.

Mr. Clarke: I thank my hon. Friend and remind her, if I may, that development goals 1 to 7 include education of girls in developing countries, particularly in relation to investment. There are some good examples of best practice even today, but we want to build on those. I am sure that my hon. Friend agrees that that is the right thing to do.

Michael Connarty (Linlithgow and East Falkirk) (Lab): Is my right hon. Friend aware of the work of Professor Calestous Juma from Kenya, who works at Harvard and who said that we must turn development aid away from a rescue operation for Africa into a learning process for Africa? Would my right hon. Friend like such an approach to be used to measure what is happening to our aid overseas?

Mr. Clarke: The answer to my hon. Friend's question is absolutely yes. We are seeking to encourage developing countries to do exactly as he suggests. I shall turn to the issue of empowerment in a few moments.

Mr. Ellwood: Clause 7(2), which would oblige the Secretary of State to provide an assessment of the

[Mr. Ellwood]

effectiveness of spending, gives a comprehensive list of objectives. May I suggest that it should include humanitarian assistance? I am worried that in focusing on a limited number of countries, if we exclude humanitarian assistance, which is a large proportion of the budget, we will exclude countries such as Iraq and Sudan, where there is a huge amount of interest in how the money that we are putting in that direction is being spent.

Mr. Clarke: Nothing in the Bill or in the millennium development goals prevents that discussion. Humanitarian aid is clearly of the utmost importance. Indeed, we carefully noted the statement that my right hon. Friend the International Development Secretary made yesterday about Kenya. We seek to encourage humanitarian aid, and if there is an annual report to the House, as proposed in the Bill, that, too, can be monitored by the House.

Clause 8 sets out requirements for an assessment of transparency in aid spending, including specified objectives on the evaluation of aid and progress on publishing mutually devised agreements with developing countries in receipt of assistance.

Clauses 9 to 13 deal with the technical elements of the Bill.

James Duddridge (Rochford and Southend, East) (Con): Will the right hon. Gentleman give way?

Mr. Clarke: I will, but I think that the House will recognise that I have been pretty generous with interventions, so I hope that this might be the last one.

James Duddridge: I fully support the Bill. Clause 12 mentions the expenses involved. Given that much of the information that would be provided is duplicated elsewhere, can the right hon. Gentleman confirm that the expenses incurred in producing the annual report will be minimal, so that Members on both sides of the House need not be too concerned about additional costs?

Mr. Clarke: I am grateful to the hon. Gentleman. Having managed to persuade both Houses to enact my Disabled Persons Bill, I can assure him with some confidence that the expenditure mentioned in clause 12 would be very limited. I know that none of us would seek to exaggerate the extent of that necessary expenditure.

I would not wish to make greater claims for the impact of the Bill, were it to be enacted, than its contents justify. However, apart from bilateral contributions to tackling problems faced in developing countries, its main thrust is to achieve two aims that are, in my view, profoundly relevant. First, we need to work within multilateral institutions, including the European Union, to address the challenges of poverty and deprivation that have existed for far too long.

Chris McCafferty (Calder Valley) (Lab): Will my right hon. Friend give way?

Mr. Clarke: I will make this the last intervention, if I may.

Chris McCafferty: Last night, I told my right hon. Friend that I could think of no more appropriate person to promote this Bill, although I confess that I wish it was me. I congratulate him.

My right hon. Friend acknowledged the immense progress that has been made on debt relief and poverty eradication through the pro-poor policies of the International Development Secretary and the Chancellor of the Exchequer. He also reminded us that the Chancellor's assessments of our current targets are way out of line with what we want them to be. We will not achieve the millennium development goals until the middle of the 22nd century unless we put more money into achieving them. Is my right hon. Friend aware—

Mr. Deputy Speaker (Sir Michael Lord): Order. The hon. Lady is in danger of making a speech.

Mr. Clarke: I am grateful for the support of my hon. Friend, who was beginning to make an interesting speech. If she catches your eye later, Mr. Deputy Speaker, I shall listen with even more interest to what she has to say.

The second crucial aspect of the Bill concerns assisting developing countries in whatever way we can in their approach towards empowerment. Our role should be to provide generous and predictable assistance and to work in co-operation with country-owned development goals, with the leadership coming from developing countries themselves. That is why the Bill is specific in referring to assistance in implementing development goals 1 to 7, which are largely the responsibility of developing countries. This assistance can be both visionary and practical, and some interventions have demonstrated that very point.

If the Bill can assist by way of an annual report to the House in eradicating extreme poverty and hunger, achieving universal primary education, promoting gender equality and empowering women, reducing child and maternal mortality, combating HIV/AIDS, malaria and other diseases and ensuring environmental sustainability, it will be worthwhile legislation.

When I first entered the House, third world development was a political backwater. It was in the margins of politics. I am pleased that now it is mainstream. Once, debates about absolute poverty were for the committed few. Today, they have a resonance with every Member in every constituency.

My Bill would put the Executive and their practical commitment to making poverty history under more formal scrutiny. It would also sharpen the responsibility of all Members to track the progress that is being made towards the millennium development goals and to push for action when that progress is not sufficient.

In this Parliament, lifting the weight of poverty that is crushing so many lives in the poorest countries has to be a task that is shared by Minister and Members alike. The Bill is conceived in that spirit.

What could be more terrible, after all the summits and songs, all the consultations and commitments of 2005, then to see a veil of tired indifference once again fall over the daily torment that is absolute poverty? Parliament must not be seen to be caring only when the ghostly images of hollowed-out children fill our television screens, or when Bob Geldof rightly raises the flag. We must be working all the time, especially when the gaze of the media goes elsewhere, to turn history's ratchet in favour of all those who are crying out for schools, medicines, freedoms and opportunities that will make their children's lives unrecognisably better than their own.

I hope that I have made it clear that the Bill, in some senses, has a technical purpose. I ask all Members on both sides of the House to see its value in the greater scheme of things. What scheme could be more admirable than ensuring that every one of the millennium development goals is, with each year that passes, more of a living reality in scores of countries and for millions of families throughout this potentially beautiful world?

The Bill is about the future, and what an immemorial achievement that would be. I commend the measure to the House.

10.34 am

Angela Browning (Tiverton and Honiton) (Con): I am genuinely grateful to the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) for inviting me to sponsor the Bill. It seems a long time ago when he telephoned me and outlined what he had in mind in framing the Bill. I was only too willing to say yes. As the right hon. Gentleman has so eloquently explained, the Bill will genuinely make a difference. I hope that it will make a great difference to people in developing countries. On a more practical front, I hope also that it will make a big difference to the way in which the House conducts its debate. Furthermore, I hope that the Government of the day will take decisions about how we spend money that is allocated for development purposes.

When we have debates on these matters, they tend to be ministerial statements about what the Government will spend and how they intend to spend the moneys; or rather worthy but lengthy debates, often a whole day debate on the Adjournment of the House, during which we take the subject matter around the course—indeed, around the world—in identifying the areas of need, the countries and the particular challenges and problems that they are facing. We never quite get to the intention that lies behind the Bill, and that is to have detailed accounting and reporting to the House so that factual information can inform not only our debate, but the way in which decisions are made about how the moneys are spent to best effect.

We see reports in the House, in newspapers or elsewhere—international reports—that sometimes raise doubt about whether money that is spent for aid is being spent properly or to best effect. When these discussions take place and when articles appear in newspapers, they do not have an impact only on how the Government spend money. There is a huge read-across into how the public decide to contribute, especially to charities and non-governmental organisations. If there is a feeling that somehow there is not a grip on this spending, that tends to make people very cautious.

We all receive applications from many charities across the spectrum of issues, and we decide which ones we shall prioritise. The decision on where we put money is influenced by whether we think that the money will be spent well and whether there is proper prudence in the way in which the money is managed. This is bringing together the money that the Government spend and allocate on behalf of taxpayers, but there is a huge read-across into the voluntary sector. The aid and development money that goes to developing countries—this is set out at the beginning of the Bill—is not only a matter of what the UK Government do, as money spent through the European Union and the policies and the spending of international development organisations and United Nations agencies are also involved. There is also the vast range of NGOs and charitable bodies that do so much good work in this area. The Bill would require, quite properly, that when we debate these matters annually and hold the Executive to account—which is our proper function, whether we are in Government or in Opposition—the debate is informed by an annual report to which Ministers will answer.

I am a member of the Public Accounts Committee; indeed, I greatly enjoy being a member. Last April, we took evidence and brought forward a report on a National Audit Office report on HIV/AIDS in developing countries. The permanent secretary from the Department for International Development and others were scrutinised in the robust way for which the PAC has a reputation. We produced a report that made specific recommendations about what Government Departments should do in future. The problem of doing things only through the PAC is that we hold only permanent secretaries to account. The PAC cannot call Ministers to account. They may be relieved about that. However, the Bill would ensure that the House has an opportunity to hold a similarly robust and informed scrutiny debate.

It does not matter whether one belongs to one political party or another, or whether one is a member of the party that happens to be in government in a specific year. The cross-party support and the overwhelming support of many outside the House for the Bill show that we are dealing with the biggest issue that cuts across party politics. At last there is a recognition nationally and internationally that unless Governments and non-governmental organisations can work collectively on the matter, we shall not make the progress that we would like. I believe that the Bill means not only that the Government will be in a position to inform the House, but that the House can use the information to assist the Government—I genuinely mean assist—to set priorities or to make changes in the way in which money is spent.

One of the recommendations in the PAC report of 6 April states:

"Only an estimated £19 million of the almost £1 billion the Department provides to the European Union annually is spent on HIV/AIDS."

[Angela Browning]

It goes on to make clear and specific recommendations about what the PAC believes the Government should do about the money that goes through the EU for HIV/AIDS spending.

The final recommendation in the paragraph states:

"The Department should be prepared to reduce or withdraw support to the European Development Fund where it has evidence that funding would be used ineffectively."

That is one of many specific recommendations from a report and evidence that were based on the specifics. The report is an analytical examination of how HIV/AIDS money is spent.

Mr. Cash: My hon. Friend and I agree about accountability and the Public Accounts Committee. Does she accept that there is a strong argument, which I have tried to present on previous occasions, that the manner in which the European Union organises the evaluation of its accounts through the Court of Auditors and so on should also be in the Public Accounts Committee's purview, so that the Committee would not merely make the sort of recommendation that she cited, but adjudicate on any EU failures to use the British taxpayers' money appropriately?

Angela Browning: I can reassure my hon. Friend that the Public Accounts Committee does exactly that. We have been to see the Court of Auditors in the past six months.

On development and HIV, the report provided the sort of analytical information that is needed not only for the Public Accounts Committee but for the Floor of the House. That applies not only to HIV, but to all the important matters that are listed in the millennium goals and in the Bill. The measure provides for holding that sort of debate annually on the Floor of the House with Ministers. I know that we might be considered to be anoraks, but the PAC focuses on public money, the way in which it is spent and its effectiveness. However, as I said earlier, civil servants appear before us, not the people who make the policy.

The Bill is not only about how much money is spent, but about an analysis of the effectiveness of the spending so that we get more value. Value, translated into practical terms, means saving lives, reducing disease, raising standards of living and education. All those matters are not quite within the scope of the Public Accounts Committee.

Jo Swinson (East Dunbartonshire) (LD): I welcome the opportunity to put on the record my support for the Bill. Although it is important to assess the development assistance on, for example, tackling HIV and AIDS, is it not also important to ensure progress towards empowering countries to tackle the problem themselves, through reviewing such matters as the trade-related aspects of intellectual property rights, which act as a barrier to that? Should not that progress be tracked and reported?

Angela Browning: Yes; the hon. Lady makes a pertinent point. The scope of the Bill means that the annual report that the Government will have to make will allow the House to challenge across the range. Although the Bill requires the Government to report on the way in which United Kingdom Government development money and aid is spent, the measure covers spending across the piece. Analysis of UK spending on a bilateral or multilateral basis is also included.

We are not simply considering the money that the Department for International Development spends in isolation. The Bill provides for examining our work with other countries, NGOs and international bodies to ensure that we have the best value for that money in resolving the problems and helping them to be prioritised in a way that has perhaps not happened previously.

The Public Accounts Committee report that I cited was narrow because it was specific to HIV/AIDS. I do not make my next point in a partisan way, because not only more recent Public Accounts Committee reports but internal reports from the Department have expressed the same view. For example, in November 2003, an internal Department report said that

"there is generally insufficient information on the links between DfID's inputs and interventions on the one hand, and the positive outcomes observed on the other".

The Department has picked up on the need for change in the way in which such matters are analysed. The Bill provides that they would be reported to the House, thus informing the wider debate.

The measure is one of the most important private Member's Bills to be introduced in recent years. I hope that it gets on to the statute book. Hon. Members keep referring to last night. For those who were not present, a meeting took place with many people, from outside as well as inside the House. It is probably the only occasion on which I will pray in aid the words of the Chancellor of the Exchequer—*[Interruption.]* Yes, it is a rare moment. When the Chancellor spoke last night, he said that he wondered why the measure was not already on the statute book. That is exactly right. I wish it a swift and fair passage.

10.49 am

Mr. Nicholas Brown (Newcastle upon Tyne, East and Wallsend) (Lab): It is a pleasure to follow the hon. Member for Tiverton and Honiton (Angela Browning), and especially to follow soon after her kind words about the Chancellor of the Exchequer. I do not have the same difficulty in reaching for friendly words about him.

I want to make a brief contribution because I know that it is possible for private Member's Bills to be talked out by their friends as well as their opponents. There is cross-party willingness to put the measure on to the statute book and to give it an easy passage.

Like the hon. Member for Tiverton and Honiton, I am a sponsor. The measure commands all-party support and my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) made a compelling speech. The Bill is well structured. Of course, some of the information that it covers is already available, but it is not drawn together in one place and not supplemented with the sort of detail that we require. The Bill reflects great credit not only on my right hon. Friend and the team that has supported him in preparing it, but on the public servants and outside organisations—the non-governmental agencies—who have been involved in

ensuring that we have logically mustered all the objectives so that they can be achieved rationally. This goes to the heart of the core objective of the Bill, namely, the millennium development goals.

The focus of the Bill is the target of 0.7 per cent. of gross national income, which is already Government policy. My right hon. Friend's Bill will set out the progress that we are making towards achieving that level of expenditure by 2013. It will enable the House to monitor that steady progress, but if progress is not being made, we shall be able to see that as well, as will the country. All hon. Members have been approached by our constituents on these issues. People of all ages, and of all faiths and none, care deeply about the plight of others, not just about themselves. There is a feeling in the House that we must do something to respond to that.

It is to my right hon. Friend's credit that this private Member's Bill does as much as any private Member's Bill could possibly do in this area. Of course one could say, "Why not draw the 2013 date forward?", but it is not possible for a private Member's Bill to do that. We should not set impossibly high hurdles, then ask why they have not been accomplished. My right hon. Friend has ensured that absolutely everything that a private Member's Bill can do in this area has been included.

The three-year programme set out in the Bill will enable the recipients of aid to see in advance what aid flows will be coming, which will allow them to plan ahead. The Bill places an emphasis on the independent monitoring of the effectiveness of the expenditure, not just the total. There is no point in giving money if it is going to be spent on guns, palaces and other such follies. The money is for a specific purpose: to bear down on poverty. As well as having the generosity and commitment to vote the money, we should also care about how it is spent. My right hon. Friend's Bill will give us, as parliamentarians, rather than the Executive, the opportunity to do that. For that reason, if for no other, I commend it to the House.

10.53 am

John Barrett (Edinburgh, West) (LD): I congratulate the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) on the introduction of this excellent Bill. As a co-sponsor of the Bill, I am delighted, along with other hon. Members, to register my support for it.

Several hon. Members have mentioned yesterday evening's event in Portcullis House in support of the Bill, which was excellent for a number of reasons. It involved not only Members of Parliament but volunteers and non-governmental organisations, and it also had a touch of glitz and glamour, which does not happen often here. I thank the right hon. Member for Coatbridge, Chryston and Bellshill for arranging it.

The Bill is a good one, but it is only one piece of the jigsaw. It rightly adds force to the drive to achieve our target of 0.7 per cent. of our gross national income, and the call for annual reports on our progress is excellent. The Bill mentions all the right issues: coherence, sustainability and the millennium development goals. The aspect that I want to concentrate on, however, is the effectiveness of aid.

"Effective aid" and "fair trade" are four words that encapsulate the way forward. This has been a long journey. It has been 35 years since the 0.7 per cent. target was first mentioned at the United Nations General Assembly in 1970. Painfully slow progress has been made to date, but in the past few years there has been a steady increase in the UK's overseas development assistance, and I congratulate the Chancellor and the Government on that. As the sums involved have increased, so has the responsibility to ensure that that aid is effective.

We have a responsibility to several groups. One is the poor in the developing world, whether in the slums of Kibera in Nairobi, the refugee camps in Darfur, or the arid regions of Ethiopia that we often see on our television screens. Those people need every penny to be wisely spent; this can often be a matter of life and death. The victims are often the weakest, the women and the children, and many of them are the victims of man-made disasters as well as natural ones.

Another group consists of our constituents, many of whom have problems of their own, but who understand the desperate need of those who live every day close to the edge, unable to change their own lives without the aid that we know can and must be delivered. We can justify an increased level of aid if it is effective aid. We cannot justify it if it is going into some dictator's bank account.

Anne Moffat (East Lothian) (Lab): I thank the hon. Gentleman for sponsoring the Bill. It is particularly welcome that someone from my neck of the woods should do so. He mentioned the effectiveness of aid. Last year, I visited the Niger delta and saw the stark contrast between abject poverty and an oil-rich country. The governor of the region that I visited had just bought himself a private plane, yet the children there were starving and had no clean water to drink because of the Government's corruption. The effectiveness of the aid in getting through to those people is paramount.

John Barrett: The hon. Lady makes a valid point. The drive towards increasing aid is undermined when people see Californian lifestyles next to mediaeval poverty. This is a problem in India, the Niger delta, Kenya, Malawi and a number of other countries whose rulers can often be seen taking delivery of a brand new Mercedes or a brand new aircraft. This undermines the good work being done by so many Governments, donors and non-governmental organisations.

We can justify the increased level of aid if it is spent effectively. The problem, which was identified on a visit by the Select Committee to the United Nations, is that it has sometimes been Government policy in some countries to put money into the bank accounts of dictators. We would obviously object to that happening, and we must ensure that we are consistent in that regard. We need to see the money going to where it is needed, and to ensure that it is effectively delivered.

Mr. Cash: I do not know whether the hon. Gentleman is familiar with the Bill that I am introducing for consideration at a later date. It is called the International Development (Anti-corruption Audit)

[Mr. Cash]

Bill. I trust from what the hon. Gentleman has said that he will support it, and I should be grateful if he would have a good look at it.

John Barrett: I had heard of it, but I shall now look at it in more detail. When people hear about corruption, waste and mismanagement, it undermines the thrust of Bills such as these. Once we have the annual reports proposed in the right hon. Gentleman's Bill, however, it will make the work of the House more straightforward in that regard. It will also assist the Select Committee's work, as the hon. Member for Gordon (Malcolm Bruce), who chairs the Committee, has already mentioned.

Other Governments must also play their part. The millennium development goals will not be delivered by any one country on its own, and we are just one small part of a complex multinational picture. The Chancellor said last night that the Bill provides hope, but people cannot live on hope alone. Without it, however, many of them would simply give up. Although, by the end of this debate, people in the Chamber will have played their part, the problems that we have discussed will not be solved. However, there will be a little more hope for a brighter tomorrow for many people who at present have a very bleak future. If anyone does try to talk the Bill out, Bob Geldof will be after them and they will wish that they were in the "Big Brother" house.

10.59 am

Mr. Andrew Smith (Oxford, East) (Lab): It is a pleasure to follow the hon. Member for Edinburgh, West (John Barrett), and I congratulate him on his contribution in sponsoring the Bill. It is nice to hear the Liberal Democrats, as well as the Conservatives, praising the Chancellor, I must say.

I know that time is pressing, so I shall be brief. I warmly congratulate my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) on introducing the Bill. As my right hon. Friend the Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown) said, its great strength seems to be that it would ensure that an annual progress report to Parliament appeared in a consolidated form, covering the contribution towards the millennium development goals not just from the Department for International Development, but from the Government as a whole. It would maintain the momentum of progress towards the 0.7 per cent. target and fulfil our wider international obligations—not least because it would commit future Governments to report in a similar way.

It is important that the report the Bill would require should be accessible and readily comprehensible by the general public, because the jargon and complexity of mechanisms and agreements in trade, debt, aid and development can all too easily alienate a concerned public, who cannot always see what is or is not being delivered by international agreements, perhaps especially in relation to multilateral assistance. The aim should be to make this a document that a concerned public want to read because it shows clearly where progress has been made and where there is more to do.

I am pleased to have the new Oxfam headquarters in my constituency, and I know that Oxfam strongly welcomes not only the benefits that the Bill would achieve for public accountability and debate in this country, but the notice it would give to developing countries of their aid flows for the forthcoming three years, as well as the independent monitoring arrangements it would put in place.

I draw hon. Members' attention to clause 2, which relates to reporting on the coherence of the United Kingdom's contribution to poverty reduction and sustainable development. It would give the Secretary of State some discretion on further matters to be added to the annual report. I very much hope that, whether under this clause or other clauses on millennium development goal 8 or transparency or effectiveness, some further important issues may be included in the interests of parliamentary and public scrutiny, and of understanding.

For example, Oxfam has pointed to the value of also reporting on the conditions applied by the Government and multilateral agencies through which they contribute. There is certainly scope to do that, and DFID has pledged to provide information on conditions through its website. That could therefore be usefully incorporated in the report.

As we are all aware, aid is not just a question of money. Much of DFID's international support is technical assistance, and there is a strong case for integrating technical assistance, as well as other aid, within the report to give a full picture of what the UK is doing.

Last, and very relevant to integrated and comprehensive reporting, are the Organisation for Economic Co-operation and Development targets for aligning and harmonising donor countries' aid programmes and practices. Measures of progress towards harmonisation, such as how many missions and how much country-analytic work DFID undertakes jointly with other donors, deserve to be reported. We need international performance indicators for this international issue. I would urge that those points be further considered by the Government as and when the Bill becomes law.

This is a great step forward, and my right hon. Friend the Member for Coatbridge, Chryston and Bellshill was characteristically modest about his role and what the Bill would do—it is enormously important. We all want the millennium development goals to be achieved, and we all want to help the poorest people in the poorest countries to transform their life chances.

Dr. Roberta Blackman-Woods (City of Durham) (Lab): I am grateful to my right hon. Friend for giving way and allowing me the opportunity to put on record my support for the Bill. Britain is now the third-largest contributor to the United Nations. Does he agree that that is an excellent achievement by the Government and that the Bill is crucial to helping and enabling parliamentarians and others fully to understand the good that is being done with that aid, as well as to monitoring progress against targets?

Mr. Smith: My hon. Friend makes a good point. As my right hon. Friend the Member for Coatbridge, Chryston and Bellshill said, it is not that long ago that international development issues were at the margins of political debate and overseas aid was being cut. We all

welcome the enormous shift that has come about through the concerns of the public, the faith groups and others who have been out there campaigning, and who have created this new consensus and shifted the centre of political gravity to a point where everyone wants these goals to be achieved.

Doing so depends on policies and actions in practice. It depends on the practical benefits of fair trade, debt relief, effective aid and investment, sound government and respect for human rights. Reporting clearly on the contribution that Britain is making and renewing our commitment would help to keep up the pressure for progress. The Bill would help to make public and parliamentary accountability and, most importantly, public enthusiasm motors for the continued change that is needed to achieve a fair world order. I very much hope that the House gives the Bill a Second Reading today.

11.6 am

John Bercow (Buckingham) (Con): It is a privilege to follow the right hon. Member for Oxford, East (Mr. Smith) and, in particular, to welcome and pay tribute to the Bill so eloquently introduced by the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke).

In May, it will be nine years since I was elected to the House. I can honestly say that, over that period, the 10 months that I was fortunate to spend as shadow Secretary of State for International Development, from November 2003 to September 2004, represent the most harrowing, mind broadening and inspiring of all the parliamentary experiences I have so far had.

In that period, as anybody in my post would, I travelled around Africa. I saw for myself the faces of despair and the wretched conditions in which all too many people, including very young children, were obliged not to live, but to exist. The pervasive sense in parts of Africa was of hopelessness. There was a sense in some quarters that nothing would ever get better. In so far as that attitude has gradually changed and there are in the developing world rays of light that did not previously shine, those Governments, as well as private sector organisations, that have accepted a responsibility to promote development can claim some credit.

Let us be, therefore, absolutely clear in discussing this matter: what is the significance that we attach to it? Fighting global poverty is not an optional extra. It is not a desirable goal. It is not even a necessary policy. It is, in my view, unquestionably the supreme moral responsibility of our times. It is the moral responsibility, very specifically, of the rich world to the poorest and most destitute people on the planet.

My view is that the Bill would considerably improve knowledge of this country's international development effort and the quality of that effort. Reporting of what we do, transparency on development assistance and education as to what is spent, where it goes, who benefits and how effective it is are all invaluable features of the Bill.

I do not want to detain the House at length, because I am very conscious that other hon. and right hon. Members want to speak. I would like, if I may, to focus on clause 1, which is, after all, the kernel of the measure. It talks about that annual report, although it does not explicitly require there to be an annual debate on the report in the House. It is, however, my view that there should at the very least be an annual debate on the Floor of the House, not one relegated to Westminster Hall, on the quantity and quality of the British international development effort.

Ann McKechin (Glasgow, North) (Lab): Does the hon. Gentleman agree that there is also a need for an annual discussion in the main Chamber on the progress of the world trade talks, particularly as we face a crucial stage in negotiations and the subject is so relevant and pertinent to development? That is an issue that the House should be debating, fully, in this Chamber.

John Bercow: I am extremely grateful to the hon. Lady for that intervention, because it underlines the range of matters relating to international development which we in this House have a responsibility regularly, as a matter of course and of pride, to debate. It is no secret from some of my colleagues any more than it is from the Leader of the House that I have been arguing for some time that we ought to have more debates in this Chamber on international development matters. I know that I risk offending some of my right hon. and hon. Friends in saying what I am about to say, but it is my strong view that we are too tied to ancient practices in the selection of issues for consideration in the Chamber.

For historical reasons, which I do not think are particularly compelling or valid today, every year we have a welter of debates on the European Union—I am sure that those are very worth while and important—on defence in the UK and on defence in the world. Ordinarily, those are debates on a motion for the Adjournment. No doubt a case can be made for them. There can certainly be an extremely powerful argument for having, on the Floor of the House, regular debates on development assistance and progress on trade.

Pete Wishart (Perth and North Perthshire) (SNP): I fully agree with the hon. Gentleman that there should be more debates on international development. Does he agree that half an hour of International Development questions is insufficient for such an important issue? Surely there is a case for having a full hour for those questions.

John Bercow: I agree. Harmony is breaking out across the Chamber. It is a relatively uncommon phenomenon, but in this case it is a very healthy state of affairs because it reflects the fact that people from different parties, united in good will, persuaded by the evidence and conscious of the moral imperative to help the developing world, are prepared to put aside their differences, in the way that the electorate would expect, to try to make lives better. We should be conscious of the pervasive cynicism in the country at large about politics and politicians. We have a responsibility—we often touch on it—to try to counter that phenomenon. The electorate today, in so far as they see, hear and take note of our proceedings, will regard this as an example of the House of Commons at its best, not at its worst.

I want to add a further point; it is quite a big ambition for the Bill. I hope that as a result of the Bill and the greatly increased focus on international development matters that can be a by-product of it, we will educate much more widely the public at large about the

[John Bercow]

importance of these matters. Yes, there is a great constituency out there who think that the issues are important, but let us be clear that there are also many people who have not the foggiest idea what this country spends on international development. In America, polling suggests that a lot of people think that their Government spend anything from 5 to 20 per cent. of gross domestic product on international development, whereas we know that it is, as a share of GDP, substantially less than we in this country spend. I would wager that not one person in 100 among the electorate would know what this country currently spends on international development.

If we can achieve that greater intensity of focus on the issue, give it that political priority and begin that dialogue between ourselves and the electorate, it will serve to show how serious we are and encourage people in our constituencies to press us and the Government of the day, irrespective of their political pedigree, to step up to the challenge and to do more.

The hon. Member for Amber Valley (Judy Mallaber) referred earlier to her participation in the project to send boxes of educational materials to Africa. I was fortunate to participate in that project, diligently instigated and pursued by the hon. Member for Northampton, North (Ms Keeble). I am delighted that it made a difference in some of those recipient African countries, and I can tell the House how gratified the children in schools in Buckingham are that what they have done has made a difference to children of a similar age in the poorest parts of the world.

If we can ensure that there is awareness of the Bill in every school in this country, we will be doing a signal service to the education system, to the importance of international development and to the cause of increased pressure from the electorate on the Government of the day to do more, to do better and to accept the responsibility to report on both.

11.16 am

Ann McKechin (Glasgow, North) (Lab): It is a pleasure to follow the hon. Member for Buckingham (John Bercow), who is always very eloquent in his passion for development issues.

I, too, am pleased to speak as one of the supporters of the Bill and to congratulate my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) on introducing this important and timely measure. My right hon. Friend is of course an expert in private Members' Bills; in fact he is the only Member of Parliament for whom my mother put pen to paper—she wrote to congratulate him on his Bill on disability. He has a strong track record of interest in both these matters in the House.

The Bill not only bolsters the Government's commitment to eliminate poverty around the globe, but creates a new window of opportunity for the increased transparency and accountability of international development assistance and policy and, as many Members have mentioned this morning, for Parliament to engage thoroughly in detailed debate on these issues in the House.

As a member of the International Development Committee and chair of the all-party group on debt, aid and trade, I have been inspired and humbled by the idealism and commitment demonstrated by literally hundreds of thousands of members of the public—our constituents—particularly over the last 12 months, in the Make Poverty History campaign. It has been a long, long journey, and it is how I became involved and engaged in political discussion when, over 20 years ago, I became a voluntary campaigner for Oxfam. The issues of debt and aid, far less trade, were pursued only by a very small minority. The degree to which that has changed in Government and in Whitehall is like the difference between night and day.

I remember taking part in an Oxfam campaign to secure aid, any aid at all, for Cambodia after the expulsion of the Khmer Rouge. I remember visiting and lobbying a Foreign Office official about the Government's policy on Cambodia; he told us with great pleasure that Cambodians really were not that important in the grand scheme of things because they had no natural resources, the country was landlocked and it held no political power: why should the UK have any interest in their plight? It has taken many years and hundreds of thousands of ordinary people, working together in faith movements, through NGOs, through trade unions and taking a strong moral interest in these issues, to keep going with a consistent campaign to urge us, as their political representatives, to take note of what they want this country to represent and to be.

I had the greatest pleasure, before I came into the House, of taking part as a volunteer in many of those activities. I took part in the march in Birmingham for the G8 summit in 1998 when 70,000 people turned up from all over the United Kingdom. I went there and back in a day in a bus from Glasgow. Many people attended a major public demonstration on something that had no direct influence on their personal lives. I thought that 70,000 was the maximum we could get, but of course we had 250,000 people in Edinburgh last year in the largest public demonstration in Scotland's history. Ordinary people from all walks of life came out, people of all ages and all creeds and colours, to say that they wanted this country to continue to take a lead role in eliminating poverty in the world.

I am pleased that all the main political parties have indicated their support for the campaign and accepted the case for substantial increases in development aid. The Bill will help to ensure that the UK Government, of whatever political flavour, can be held accountable on those people's hopes and demands.

Although 2005 was a fantastic year for international development, with unprecedented public mobilisation and significant steps taken by the international community on aid and debt relief, we all know that there is still very much that we need to do. As a member of the International Development Committee, I am well aware that we need to ensure that substantial increases in aid over the next few years are spent wisely. The rise in DFID funding will be approximately 20 per cent. per annum for each of the next four to five years. That is unprecedented for any Department in our history. It will undoubtedly present the Government with a major challenge.

Multilaterally, either at the European Union or in international finance institutions, there will also be significant increases in aid. There have been increases by other EU members, by Japan, and, to be fair, although it is from a very low base, by the United States of America. We will need to ask hard questions about how that money will be spent. We need vigorously to examine how we ensure that the outputs—the hon. Member for Tiverton and Honiton (Angela Browning) correctly said that this is about outputs and how they affect the millennium develop goals—are going to be achieved. That is why the Bill is important in ensuring that part of the process comes within the House.

I wholeheartedly support the Bill's focus on the millennium development goals, which have been the internationally recognised targets over the past six years. They provide a focus for development work and a means to harmonise the provision of aid throughout the world. Increasingly, there are issues about donor harmonisation. Someone in Tanzania facing up to 80 different donors has different standards of how the aid is applied, different accountancy dates and different audit procedures, which is a recipe for inefficiency. We need to try as far as possible to act internationally and cohesively to achieve the best aid efficiency.

We must also remember, as the hon. Member for Buckingham (John Bercow) correctly said, that we are discussing basic rights that every human being should have—to food, sanitation, shelter and education. They are the core of human rights.

The Bill's endorsement of the millennium development goals comes at a crucial time. Unfortunately, although the G8 summit led to substantial progress and a real shift forward, the subsequent UN world summit in September witnessed a worrying lack of commitment and urgency from some world leaders. More importantly, a third of the way towards the 2015 target date, many of the millennium development goals and the nations involved in them are worryingly off track. Fifty countries are going backwards on at least one millennium development goal. As a region, sub-Saharan Africa is failing on every one of them.

That does not simply mean that world leaders will have to lament missing yet another target. It actually translates into death and suffering for millions of people across our globe. Reaffirming the UK Government's commitment to those goals will reinvigorate global debate on the urgent action needed to turn those promises into reality.

Ed Balls (Normanton) (Lab): As a fellow co-sponsor of the Bill, I am grateful to my hon. Friend for giving way. On her present point, and in the light of the comments of the hon. Member for Buckingham (John Bercow), what are her views on transparency of reporting and on the role it can play in pursuing the Bill's objectives and the millennium development goals? The Bill's emphasis on transparency of reporting is important for reasons that go beyond simply making sure that people are aware of the scale of the challenge, or holding people in the House to account for the actions that need to be taken.

Cannot the very process of transparency and reporting play an important role in building the consensus required to take the necessary actions to meet the goals? Does she agree—

Mr. Deputy Speaker: Order. The hon. Gentleman has perhaps given the hon. Lady enough to agree with.

Ann McKechin: I agree with my hon. Friend, who, before he came to the House, played an important part in directing Government policy in the areas we are discussing. If we are to instil the principles of good governance throughout the world, we need to be able to show that our own standards are fully transparent and as accountable as possible. The report will be read not only by people in the House or by our constituents: it will be read by parliamentarians in many of the developing nations that we seek to help and will assist them in holding their own Governments to account. They will know how much money has been received.

John Bercow: The hon. Lady will have to blame the hon. Member for Normanton (Ed Balls) for prompting this intervention, but he made a very important point. Does she agree that in making people aware in our constituencies of the scale of what is being done, we are also reminding them of the importance of their ratcheting up their contributions? Would not it be helpful if, in as many cases as possible, voluntary giving could be devoted to specific and identifiable projects, in which one could be sure that the intended beneficiaries are the beneficiaries and that money is not lost unnecessarily?

Ann McKechin: The hon. Gentleman makes a very good point. It is important that it is not just our Government but NGOs and other donors who, when they receive money from the general public, are directly accountable to the public for how they spend the money. In return, if they advise how much they are spending, and what they are spending it on, not just the donor but the donee nation will know how the money is spent. That is just as important a side of the equation. Parliamentarians from developing nations frequently tell me that their major problem is the lack of information by which they can hold people to account, whether it be their own Governments or NGOs operating within their borders.

In reaching the millennium goals and increasing aid we have to have a sense of great urgency. I commend the UK Government's efforts to increase and front-load aid. The Bill attributes importance to the 0.7 per cent. target.

I welcome the holistic approach found in clause 2, which requires the report not only to review DFID's progress towards eradicating poverty, but all other Departments. That is a crucial point. DFID's work will only ever have limited success, unless the Government as a whole incorporate poverty reduction policies into their agenda. The report should not only be about the presentation of statistics. It should allow us to ask fundamental questions about how cohesive our own Government's policies are in fostering sustainable development. I should like to give one example. The Tax Justice Network estimates that $385 billion is lost in the developing world every year through a combination of

[Ann McKechin]

tax evasion, tax avoidance and money laundering. The organisation argues that the British Government are in a unique position to tackle the problem, given the UK's known strength in the international financial markets and the fact that a large number of tax havens—about 35 of the 72 in the world—either have close links with or are dependencies of the United Kingdom.

Sub-Saharan Africa will be the major beneficiary of last year's G8 agreement, which delivers about $1 billion a year in debt cancellation and about $25 billion in aid. Capital flight in that part of the world is estimated to be $50 billion, and the figure continues to rise in real terms, so any increase in aid to the area threatens to be eroded by money flowing out of the region.

It is estimated that more than 55 per cent. of international trade passes through offshore tax havens. The biggest cause of the so-called leaked income is the widespread practice of mispricing exports and imports to shift profits out of a country. For example, African diamonds have been exported by businesses at a book price that is only a fraction of their true value, so that the real profit shows up only in the offshore location. Private firms, including many multinational corporations, use a sophisticated and wholly illegal network of notional companies to remove millions of dollars of profit from the taxman. Other leaks, including criminal proceeds and corrupt funds, are important, albeit much smaller in volume, but they piggyback on the sophisticated money-moving apparatus set up by western banks and financial institutions. Every nation loses to that type of system. The loss to the UK is estimated to be £100 billion per annum, so putting in place effective anti-avoidance legislation and working to achieve much greater international co-operation would benefit not only the developing world, but all of us.

Good governance must include the ability to administer and collect taxes efficiently, but if increasing amounts of untaxed income and profits are taken out of countries, both legitimately and through corruption, that will severely undermine developing nations' ability to increase their own revenue streams, which would in turn allow them to provide essential public services to their citizens and become less aid dependent. Our objective in working towards the millennium development goals is not just to increase aid but to allow countries to become less aid dependent and able to provide basic public services and meet the needs of their own citizens, which in turn increases accountability, helps the establishment of democracy, and encourages good governance.

We all have a duty to consider every aspect of the way in which we try to achieve that. If we are serious about meeting the millennium development goals, we need to examine our own legislation to rectify and control the problems that I have outlined. It is not simply a matter of increasing funding through a single Government Department. Only by tackling all the issues in a cohesive manner with a unified goal of poverty reduction—from the less obvious issues such as tax havens to central ones such as international trade and the role of the World Trade Organisation—can the UK Government take significant steps towards achieving the millennium development goals and eliminating poverty.

Debt relief is dear to me as chair of the all-party group on debt, aid and trade. The Bill rightly highlights how crucial debt relief is to international development. The UK Government have an outstanding record of making debt relief central to international political priorities, and the G8 deal, combined with the Paris Club deal on Nigerian debt, will make a huge difference by lifting part of the unsustainable debt burden. We need clear and comprehensive reporting, however, because debt relief is an extremely complex matter. One hundred per cent. debt relief must mean 100 per cent. relief, but there are questions about whether it refers to debt stock or to interest payments.

Crucially, the Bill includes the reporting of an area known in debt relief circles as export credit debt. That is important because it accounts for 34 per cent. of global debt and about 20 per cent. of heavily indebted poor countries' debt. When private companies export goods abroad, they obtain an export credit from their own country—say, a rich western nation. The export credit is a guarantee that they will receive payment. If the contract goes sour, they reclaim the money from their own country, which in turn seeks to recover the money from the country in which the contract was carried out under its export credit system; and that country is left with the often hopeless task of trying to recover the money from a domestic private firm. As a result of that system, substantial debt is placed on developing nations.

To be fair, the UK Government have a good record in this respect: they have a policy of writing off the export credit debt of HIPC nations. However, it is important that that element of the debt burden is reported correctly and transparently. I hope that the example provided by the Bill will be followed by other donor nations, so that we can see the full extent of how they are tackling the burden placed on developing nations. By increasing the visibility and scrutiny of such matters, the Bill will highlight the fact that debt relief is not yet a done deal and thus help to maintain the effort to achieve increased debt relief. The Government have recently made announcements on ensuring that other nations support their aim, which I fully support, of extending the HIPC initiative to a further 30 or 40 nations, but the Bill will allow us to track our record and compare it with that of other creditor nations.

Not only will the Bill increase accountability in respect of the Government's international development policy within Westminster, but through the provisions of clause 8 it calls for agreements between the UK Government and its developing nations partners to increase accountability between the parties. Local ownership and a dialogue between donors and recipients is crucial for successful development programmes that meet the needs of local populations. The provision of a forecast of aid three years in advance will put recipient countries in a better position to plan and implement their development programmes. For too long, aid has been provided from year to year on a rather ad hoc basis, which makes it impossible to plan for long-term investment and infrastructure projects such as hospitals, schools and roads. If we provide clear information on how much we are to spend in the next three years, developing nations can make their own plans on how they hope to invest the funds.

The Bill will increase accountability to international partners, as I have said, and it will serve as an example for international financial institutions, and perhaps

persuade them to apply similar transparency and accountability measures. Last year, the international parliamentarians' petition for democratic oversight of the IMF and the World Bank attracted the signatures of more than 1,000 parliamentarians across the globe, including 250 from the UK. Parliamentarians and civic society groups in the least developed countries often have the least access to comprehensive and reliable information on the source of Government funding. The Bill will assist their efforts to hold their own Governments to account.

Transparency and accountability are at the heart of the Bill, and I commend my right hon. Friend the Member for Coatbridge, Chryston and Bellshill for raising those issues. Critically, the Bill relates not only to the amount of aid being spent but to the efficiency with which it is spent: it sets out basic standards to measure efficiency and creates the opportunity for that to be scrutinised and debated in the public realm. The Bill has the potential to contribute to much better public understanding of aid and its complexities, while encouraging new debate, thinking and learning on aid efficiency in the next few years within Westminster and Government Departments, as well as in the broader development community.

That transparency, by breaking down aid country by country, allows scrutiny of the interests and agenda driving aid allocation, and allows parliamentarians to ensure that the needs of the poor rather than political interests determine that. I commend the Bill for introducing some important practical measures to promote the Government's poverty reduction policy. I hope that it will be followed by an annual debate on the Floor of the House, in which the general public could participate by increasing their representations to parliamentarians throughout the year. I am sure that Members are more than willing to take up that challenge and to represent their constituents in making poverty history.

11.40 am

Mr. William Cash (Stone) (Con): I am glad to follow the hon. Member for Glasgow, North (Ann McKechin). I am also glad to have been able to speak from the platform at the Birmingham meeting in 1999 in respect of debt relief, which was my privilege as chairman of the all-party group on the Jubilee campaign for debt relief.

It is often thought that commitment to the alleviation of poverty and AIDS in the third world is somehow the prerogative of those from one end of the political spectrum. I would disabuse the House of that notion. The involvement of the hon. Member for Buckingham (John Bercow) and a whole list of Conservative Members shows that it is genuinely an all-party concern, and there are those among us who are deeply and passionately concerned to ensure that the moral dimension associated with international poverty, and particularly the difficulties in Africa, is properly appreciated.

I want to refer briefly to the Prime Minister's statement to the House on the G8, in which he rightly said:

"So Africa is an immediate moral cause that commands our attention."

I also want to pay tribute, as I have done previously, to the Under-Secretary of State for International Development, the Secretary of State for International Development, the Chancellor of the Exchequer and former Conservative Ministers who have taken an active part in promoting such important issues. I want to refer particularly to the acceleration of concern in recent years, which included the cancellation of 100 per cent. of heavily indebted poor countries' multilateral debts through the efforts of the Chancellor of the Exchequer and the Secretary of State for International Development.

Some people were cynical about the Chancellor's trip to Africa, but I am not. It is vital that senior Ministers are seen to be taking an active interest and that they do so. I also commend the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) for promoting the Bill with all-party support, because it is important to provide such information as a step towards improvement of the situation. I also endorse the comments of my hon. Friend the hon. Member for Buckingham, the hon. Member for Glasgow, North, my hon. Friend the Member for Tiverton and Honiton (Angela Browning) and others with respect to the need for a debate and for tackling such matters in a nuts-and-bolts fashion.

The Prime Minister, in his statement to the G8, said:

"It was the most detailed and ambitious package for Africa ever agreed by the G8. However, none of it can be implemented or improve the lives of African citizens without significant improvements in standards of governance, transparency and accountability. It is a partnership, not an act of charity. In the end, only Africans can lead and shape Africa. We can help, but every Government in Africa who betrays the principles of good governance betrays Africa."—[*Official Report*, 11 July 2005; Vol. 436, c. 580–81.]

Those were important words. As chairman of the all-party Uganda group, and as vice-chairman of the Tanzania and Kenya groups, I believe strongly that it is in Africa's interests that we speak plainly about those questions. Furthermore, we should do so with the object of improving the lot of those who are governed in those countries, for the moral reasons that the Prime Minister set out, to which many Members of the House are dedicated.

Having said that, I am also bound to say that, on examining the Bill, I feel that however worthy and valuable its objective in terms of the presentation of information, there is a difficult nuts-and-bolts question that we must confront. Where the Bill refers repeatedly to the Secretary of State's assessment of this, that and the other, the real question will be whether that assessment will necessarily lead to sorting out the problems evident not only in Africa but in other countries where questions of aid and international development apply.

I refer, for example, to clause 5, which states:

"The annual report shall include the Secretary of State's assessment of the United Kingdom's contribution both financially and in other ways . . . given through"—

for example—

"the European Union".

My hon. Friend the Member for Tiverton and Honiton made that point with respect to her Bill on the Public Accounts Committee. We all know, if we are straight and honest, that a vast amount of money is maladministered through the European Union, and my good friend Sir Bob Geldof, with whom I have discussed the matter on many occasions, has strong views on it, as

[Mr. William Cash]

I do. Those views are justified. One only needs to read the Court of Auditors' report to realise that I do not need to elaborate. It is there for anyone to see. But what is done about it? Very little. Therefore, while a lot of money goes to people whom everyone in the House believes passionately should be helped, the amounts are not what they should be.

That raises the question not only of corruption but of maladministration. That problem must be addressed, and my belief is that it could be addressed through rearrangement of the way in which British taxpayers' money, for which Members of the House have an interest and responsibility, is paid over to the European Union and directed to those countries that require aid or help. Our Public Accounts Committee should be able to exercise a more direct control over the way in which it is either maladministered through the EU or ends up in the wrong bank accounts.

Hugh Bayley (City of York) (Lab): I believe that the hon. Gentleman, like me, wants an increase globally in the amount of aid given to poor countries. This country is moving in the right direction, but not every country is doing so. If aid currently administered by the European Union were repatriated to member states, we in this country might well use it better, but other countries might not spend it on aid at all, and overall there might be a reduction in aid. Does he therefore agree that the sensible thing is to tackle inefficiencies in the European Union rather than to repatriate the money to member countries?

Mr. Cash: It would take quite a lot to get me to agree to the latter, but I passionately agree that it is important that procedures are deployed properly at any given time for the right purposes. So it may surprise the hon. Gentleman to know that at the moment, given present arrangements, I would prefer an improvement in the way in which the EU operates in this respect, without prejudice to my general concern that it might be better done by us. However, that is a separate issue.

John Bercow: I realise that one cannot extend the parameters of the Bill without limit. Its purpose of course is to record the help that we are giving, but does my hon. Friend agree that we ought in all honesty to record also the damage that we are doing? Given that currently the European Union is spending €64 billion a year on domestic agricultural support, a very significant proportion of which is the cause of dumping on African countries and damage to them, should not we own up to what is morally wrong, economically counter-productive and politically indefensible?

Mr. Cash: Indeed; I absolutely endorse what my hon. Friend has said. It is very important that such comments should not be seen as some illustration of a Europhobic outburst, which some like to make them out to be. I wish people would grow up for a bit on these matters. We are talking about practical questions and realities. The hon. Member for Leicester, East (Keith Vaz) and the right hon. Member for Rotherham (Mr. MacShane) gave evidence to the European Reform Forum, as did Will Hutton and Charles Grant and many others from the other side, as it were, of the European debate, and Oxfam has agreed to give evidence on behalf of those such as itself who are deeply concerned about these matters on the implications for international development issues, in order to ensure proper analysis of what is going on. That evidence is periodically published. Above all else, we need to get away from the idea, which is quite often suggested, that the remarks of those of us who have reservations about the way in which the European Union functions are driven by irrational, Europhobic views. In fact, they are based on evidence that needs to be properly evaluated.

That brings me to my point about transparency. I have heard much today about the question of accountability. In fact, I think that I have heard accountability mentioned about 30 times. It is a matter of what one means by accountability. It can mean in a rather loose sense that information is provided, which is what the Bill provides for. It can mean that there is a debate. However, there might be a vote at the end of that debate and—surprise, surprise—if that debate is in the Government's name or it is an Adjournment debate, we know what to expect in any vote, particularly if the Government have a majority. So, that does not prove anything. If we want to solve the problems that are inherent in the question of where the money goes in respect of vital matters such as people dying of AIDS, malaria or starvation, let us be grown up about it. It is not enough just to talk about such things or even to be informed about them, important as that is. We need to establish the evidential basis for putting things right. That is what accountability means.

As has been mentioned, the Public Accounts Committee meets only permanent secretaries and officials. It does not meet the Minister and ask him the questions. Let us face it, in International Development questions we do not always get the answers that we would like. We may get the best answer that Ministers are prepared to give, but that might not solve the problem. Clause 8 deals with the issue of transparency, and I would very much like to be added to it provision for an internationally supervised audit, which is the bones of the Bill that I have already proposed. I consulted extensively on my International Development (Anti-corruption) Audit Bill, and I am grateful to the Secretary of State for writing to me about it on 23 July. The Under-Secretary replied in an Adjournment debate in Westminster Hall on the subject. Unfortunately, however, clause 8 of the International Development (Reporting and Transparency) Bill does not address the questions that need to be addressed. I am not suggesting that we should impose our will without being sensitive to the necessity for other Governments to run their own affairs. However, when we provide substantial sums of money to assist those countries, whether that money comes from international organisations or the United Kingdom, whether it is passed through the channels or conduits of the European Union or otherwise, it is essential that it is properly audited.

That raises the important question of the nature of the public accounts committees of the countries in question. It is no secret that, over the years, substantial sums of money that have been made available through the agencies, Governments and Parliaments of the nations that I have mentioned have gone to countries where the money ends up in the bank accounts of leaders and other

people. The report by the Commission for Africa entitled "Our Common Interest" faces up to that problem. I need not go into it in detail, as the issue is set out in chapter 4. The report addresses the need to do the job properly, along the lines that I propose in my Bill. I am not criticising the right hon. Member for Coatbridge, Chryston and Bellshill, as his Bill is a first-class measure, which I support. However, it needs some hard nuts and bolts, such as the external audit that I propose in my Bill.

Such a measure would be required if analysis showed that other countries' public accounts committees and their internally supervised domestic audits simply are not working. There are means to introduce such provisions, and I believe that we should do so. We should impose conditions on assistance provided under the International Development Act 2002 and encourage other countries and the relevant international financial institutions to do likewise. The kernel of my Bill is the requirement to hold an audit of any public expenditure within the country in question arising from assistance under international development arrangements. That audit should be carried out

"by or under the supervision of suitably qualified persons authorised by relevant international financial institutions, undertaken, so far as the Secretary of State deems practicable, in conjunction with those appointed for the purpose of such audit within that country".

Clause 8 of the right hon. Gentleman's Bill states that the annual report should provide an "assessment of transparency". Subsection (2) states:

"The Secretary of State's assessment of transparency shall take account of whether it is possible to . . . make provision for the independent monitoring and evaluation of the effectiveness of policy and expenditure in achieving its stated objectives".

It is not enough merely to require the assessment to take account of whether it is "possible" to secure independent monitoring and evaluation. It is a wish list—a hope. I invite the Minister to address the matter when he replies.

The clause goes on to state that the assessment shall take account of whether it is possible to

"secure and publish an agreement with recipient countries which will contribute towards the achievement of the objectives listed".

There is a serious practical question which requires a hard, nuts-and-bolts evaluation. That does not detract from the Bill, which takes matters well forward in a constructive manner. I pay tribute to the promoter for that, but I am not satisfied that it does the job of dealing with an independent evaluation, not simply because of its academic approach to the need for better accounting procedures, but because if an evaluation is not carried out properly, as I described, the people who ought to receive the money will not get it and nobody will know why not. There must be a proper Public Accounts Committee that delivers, and a proper auditing arrangement.

There are countries that do undertake proper accounting and there are countries that will want to improve their procedures, so I make this constructive suggestion. For countries that have not complied and will not comply, it is essential that we move from encouraging them to the next stage, which is to make that a condition of our providing assistance. That is in line with the Prime Minister's comments in the G8 statement about the need for Africans to help themselves, and in line with good governance and with the thrust of the report , "Our Common Interest". It is imperative that we get to grips with the issue and do not just talk around the subject.

12.1 pm

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): I congratulate my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) on the characteristic clarity and compassion with which he introduced the Bill to the House. Several Members mentioned the reception that was held last night, when our right hon. Friend the Chancellor reminded us of something that Gandhi had said—that when we face decision or action to eradicate poverty, we should remember the last face we saw that was suffering the devastating effects of poverty.

That brought to mind a number of things, including a delegation of which I was a member, as was the hon. Member for Stone (Mr. Cash), in 1998. That was my first visit to Tanzania. Nothing can ever prepare one for a first visit to Africa. We see it; it comes into our living rooms every day, but somehow the television screen manages to diminish the extent of the poverty. It is only when one travels hundreds of miles by road, as we did on that occasion, that one sees the face of poverty in all its devastation for the millions of people who, sadly, are still at the sharp end of that.

I listened with interest to what the hon. Member for Stone said about his Bill. On that visit to Africa, we were studying the rule of law and democracy, and examining issues of governance, which are extremely important. It is essential that they are covered by the reporting system that my right hon. Friend seeks to introduce through his Bill. I will look with interest at the proposals of the hon. Member for Stone, although I would be cautious about the costs and bureaucracy that they would entail, which could get in the way. Nevertheless, the hon. Gentleman has aroused our interest in his Bill.

I visited Africa again four or five years later, after travelling to Nigeria with a Commonwealth Parliamentary Association delegation. I cannot forget the mile after mile of poverty. That, together with the urging of our constituents to do something about it, engages us all in measures to bring about international development and tackle poverty.

Some hon. Members will associate me with championing Fairtrade chocolate here in the House of Commons—on one occasion I even brought chocolate on to the Floor of the House without anyone noticing. I do not think that we are supposed to bring food into the Chamber, but I did on that occasion. I followed my visit to Nigeria with a personal visit to Ghana, which I asked the Divine chocolate company to assist me in bringing about. I asked if I could meet a cocoa grower and I was taken into the Ashanti country to a village called Fenaso Domeabra, which means "If you love me, you will come to me", a delightful name for a village, and I was introduced to a village of cocoa growers. That brought home to me the positive side, but also the reality for people whose lives are blighted by poverty. Hon. Members have heard me speak of that visit before, so I shall just take a couple of points arising from it that are important to the issue of transparency with which the Bill deals.

[Linda Gilroy]

Fair trade had allowed that village to invest in a water well, and I saw for myself how that transformed the lives of the women and children in particular. Previously, they had had to walk for four hours every day to get the water that the village required, and that meant that there was no time for school, and at that time they probably did not have the money either. The well had transformed their lives. It made it possible for children to spend time in school, and it allowed the women of the village to use the time that that made available to develop a second cash crop, crushing palm fruit and extracting oil for sale, thereby helping, however modestly, to raise their standard of living, and that was very necessary.

The village had a school when I visited, but it was a salutary lesson to be faced with the raw facts. The villagers' income at that time was about $1 a day, and out of that they paid for the schoolteacher. That village had education, but it paid for it out of very low incomes. The whole question of sustainability, which my right hon. Friend, through transparency, seeks to develop, particularly in clause 7, will allow us to focus on how we can make the money work much more effectively. During that visit, some farmers and their wives walked for two hours from a neighbouring village to ask me how they, too, could obtain a water well, because they could see how such a simple measure, even at that very basic level, could transform their lives.

My right hon. Friend reminded us of the distance that we have to travel in order to meet the millennium development goals to bring water, education and health to many more villages in Africa and elsewhere, and the Bill will help us to focus on what we can do. Ghana is one of the 10 countries that we would be reporting on in greater detail, and clause 7(2)(d) and (e) deal with furthering sustainable development, including the protection of the environment, and with expanding trading opportunities for low income groups. The Kuapa Kokoo company, which is a co-operative with 750 cocoa growing villages, is exactly the sort of the project that we should highlight in the annual report and the regular debate.

Yesterday, I was working with people to develop our economic vision for Plymouth. It was an exciting day that involved an ambitious yet realistic agenda to tackle the poverty that we inherited in our city, which was one of two in our country to host an Oxfam project in 1997. I am pleased to say that we have made so much progress in Plymouth since then, but my constituents have also found time to urge me to support initiatives on debt reduction, trade and international development.

After yesterday's Plymouth economic development strategy meeting, I went to the annual event hosted by Hamoaze House, an imaginative project that seeks to assist substance abusers. It presents its annual report imaginatively, using drama, poetry and film. The second contribution—sadly, I could not stay for the whole presentation—was from a woman who has managed to restore her self-belief and deal with her substance abuse issue. She recited a poem that she had written as a seven-year-old about how important it is that all the children of the world receive education. People in this country whose lives are blighted by poverty understand the importance of the millennium development goals on a worldwide scale.

The hon. Member for Buckingham (John Bercow) has suggested that the annual reporting associated with the Bill could help us to educate our constituents. He hazarded a guess that perhaps as few as one in 100 of our constituents understand the issue, but I am not sure whether that is correct because several hundred of my constituents write to me regularly. For example, Carrie Flint of Connaught avenue, Plymouth, states that only five of the richest countries are fulfilling the promise to provide 0.7 per cent. of gross national income in overseas aid, and that six countries, including the UK, have set a clear target to reach that objective soon. She has a clear understanding of the Bill and why I should support it.

John Bercow: I do not want to quibble with the hon. Lady about the matter and my point was not a criticism. I put it to her that although there is a significant body of people who are passionate about the issues, who constantly urge us to do better and who write regularly, they form a small proportion of the electorate as a whole. It concerns me that there are a lot of people out there who are of good will and who want us to do the right thing, but who are not aware of the scale of what we are doing and, by implication, of what we are not doing.

Linda Gilroy: I accept that people are not aware of the scale of what is being done, but, as we have seen at demonstrations, a substantial number of people know a good deal about the matter, and I have received many letters urging me to support my right hon. Friend's Bill. My right hon. Friend has reminded us that those issues were once a backwater, whereas now they resonate in all our constituencies, and I hope that he and I are here to experience not only the day when the Bill is enacted, but the day when we pass the Finance Bill to provide the resources to meet the 0.7 per cent. target.

12.14 pm

Pete Wishart (Perth and North Perthshire) (SNP): I will be brief to allow other hon. Members to speak.

I join the chorus of congratulations to the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) on introducing this fine Bill. I commend the assiduous way in which he has gone about garnering support, not only from Members of Parliament, but from aid agencies and the whole non-governmental organisation community. Three Scottish National party Members are here today—half our parliamentary group—to support him in his endeavours. We are here not just out of affection for the right hon. Gentleman, although he can take that for granted, but because we believe that this is a very important Bill.

The key words that keep ringing around this Chamber today are "accountability" and "transparency". Those words are particularly important in relation to international development, and we should air them as often as possible. As I have said before, the Department for International Development should be as spin-free as possible in discussing its international aid strategies. On occasion, this Government, particularly the Chancellor,

come pretty close to spinning such issues. That is utterly counterproductive: first, because it heightens expectations among African and developing nations, which can only end in disappointment; and secondly, it does not allow us, as Members of Parliament, to get a full picture of what is happening and what more needs to be done. The Bill would ensure that we got the raw data, spin-free. All that it asks is that an annual report be presented to Parliament, which, as we have heard, would be more or less cost-free. One would think that a parliamentary report would be of interest only to us as parliamentarians, but I think that it would serve the many members of the public who take an interest in these affairs and could be informed about what we are doing.

As we have heard, 2005 was a momentous year for international development. We had the G8 summit, with the Government placing Africa on the agenda, and the Live 8 concerts. I was fortunate enough to see the concert at Murrayfield, which was a fantastic evening out.

Stephen Pound (Ealing, North) (Lab): Did the hon. Gentleman play?

Pete Wishart: Unfortunately not. I was awaiting my invitation, but it did not arrive.

I was also at the fantastic demonstration in Edinburgh, when that massive white band of hope encircled the city.

As for what we achieved in the course of 2005, I have to say that I do not know, although I speak on international development issues for my party. I am sure that if other hon. Members were honest, they would say the same. After G8, I listened carefully to what was said. Bob Geldof told us, "Job done—10 out of 10 for this, that and the other", and the Government suggested that it was a momentous and historic step forward in securing a great deal for Africa. Then the aid agencies and the NGOs quietly went about their business, dissecting what had happened, and came to the clear conclusion that in no way did the reality meet the rhetoric. The Bill would allow us to match the gap between reality and rhetoric, which can only be a good thing.

I particularly welcome the commitment to working towards giving 0.7 per cent. of gross national income for overseas aid. I am delighted that that is in the long title of the Bill. That figure is the totem in international development—the crucial litmus test of whether Governments are meeting their overseas development obligations. There is a lot of confusion about what it represents. People seem to think that it is charity—a gift from the developed world to the developing world. It is nothing of the sort. As Kumi Naidoo continually reminds us, it is about justice, reparation, and recognising and acknowledging the disaster that we made in the developing world through colonisation, subjugation and brutal extraction. It is about playing a part in ensuring that we redress our historic duty. I am delighted that it is at the heart of the Bill.

I think that the right hon. Member for Coatbridge, Chryston and Bellshill would acknowledge that the Bill would not deal with all those issues. However, it would allow us to see clearly the efforts that the Government are making in honouring their international obligations and commitments. We have to come to the depressing conclusion that they, and the international community in general, have been pretty poor at doing that. Anything that allows us to debate what the Government are doing is to be welcomed. I assure the right hon. Gentleman of the support of the SNP and Plaid Cymru group for his Bill.

12.19 pm

Hugh Bayley (City of York) (Lab): I remind the House that my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) has campaigned long and hard in the House for the poor of the world. I congratulate him on that and on bringing forward the Bill, which I support.

The hon. Member for Buckingham (John Bercow) told us that his time as the shadow Secretary of State for International Development was a life-changing and attitude-changing period. Anyone who has travelled to a developing country and left the down-town malls to move into the countryside and seen the lives of a quarter or maybe a half of the world's population cannot help but be moved. The hon. Gentleman was right to start by focusing on the lives and livelihoods of the people that my right hon. Friend is trying to help through the Bill.

I have travelled with the hon. Gentleman to displaced persons' camps—refugee camps—in Darfur. When we look into the eyes of frightened children and frightened parents we cannot return to the UK, forget about it and shrug it off. We have to do something about it, which is what my right hon. Friend seeks to do through his Bill. The measure needs to be supported. All hon. Members on both sides of the House need to talk to colleagues who may have doubts to impress upon them the importance of burying those doubts so as to help the people we intend to help.

I am sometimes humbled by the reaction that we get from the poorest of the poor when we arrive, as far as they are concerned, like spacemen from a different planet. In one of the refugee camps in Darfur I started a conversation with a family—husband, wife and child—who had just arrived at the camp the night before. Their shelter had not yet been built. They had bent a few sticks in arches and later they hoped to gather some cardboard, polythene sheet or something to cover the structure so that they and their child could shelter not from the rain but from the sun. Their possessions were what they had carried with them as they had fled from persecution, from their own Government's jets bombing their village, and from Arab militias who, after the bombing, were chasing them away from their land, their livestock and their child's future.

Those people had next to nothing, but they asked me to sit and drink a cup of karkadee, a sort of herbal tea that people in the area drink. What they gave to me was probably a greater proportion of their entire family wealth at the time than I shall give in development assistance throughout my life, despite being a regular donor to a number of development charities. We stop and think, and realise that we must do more.

When I went to Kenya with the Select Committee on International Development, I saw in the slums of Nairobi the work that a women's voluntary body, Kenwa, was doing in campaigning for the rights of women who are themselves and their families affected by

[Hugh Bayley]

AIDS. I went to the organisation's community centre and was met—those who have been to Africa know that this happens fairly often—by teams of children dancing to celebrate the visit. Their faces were even more shocking than the frightened eyes of those people who had just arrived at the refugee camp . That was because the eyes of the children were dead. The faces of those children were empty. Their parents had died from AIDS and, if it were not for the voluntary body, they, too, would be dead from neglect and starvation. They were exhausted and empty. They needed support, which has to come largely from the rich world. If it does not, we doom them to an existence that, as the hon. Member for Buckingham said, most people in this country cannot even imagine.

I was pleased to bring the leader of Kenwa to London to testify before the all-party Africa group, which I chair, when we were preparing a report on AIDS. I felt that it was important for people in this country to know what Kenwa was doing. The leader is a remarkable woman. She has been HIV positive for 10 years. In the middle of the Select Committee's visit to her project, someone told her that a woman was dying, so she cancelled everything and asked me, "Please go and see her and reassure her that someone will bury her." I accompanied her to meet the woman. When one sees what those people are doing, one knows that a little money, help and support will increase their impact enormously. We must ensure that that support is available.

Last year was designated as a year for Africa. The previous year, the Government set up the Commission for Africa, which responded to a development strategy for the continent that Africans had written, the New Partnership for Africa's Development. The Commission for Africa's report and the NEPAD strategy are widely highly regarded. The commission's influence led last year to commitments from the rich nations to double their aid to Africa and to increase by almost double aid to other countries. It led to decisions to write off 100 per cent. of the debt of the poorest indebted countries. Unfortunately, it failed to lead to the progress that all hon. Members wanted on trade.

To try to drive forward the agenda for Africa in our country, other donor countries and in Africa—without reciprocal policy change in Africa, our aid will not achieve the desired results—I chaired the preparatory committee for a conference funded by the British Council, the UK branches of the Commonwealth Parliamentary Association and the Inter-Parliamentary Union and the Department for International Development. It brought together 119 parliamentarians from G8, EU and African countries to discuss what we needed to do as parliamentarians to ensure that the agreements on aid and debt to secure a better future for Africa materialise and achieve the results that we want.

At the end of the conference, which was held in the British museum, we passed a declaration. Among other things, it stated:

"We undertake to hold our government to account and to exercise oversight . . . by requiring our Executives to make annual reports to parliament about the official development assistance and other development resources which they have received or distributed and how it has been spent."

We sought to impose that obligation on every Government in Africa, the G8 countries and in the European Union. That is precisely what the Bill would do. It would ensure that we, as a Parliament, impose on our Government the obligation to report annually on whether they are meeting the important agreements that were made last year as part of the year for Africa.

If we pass the Bill, we can hold our heads high when we talk to parliamentarians from other donor countries and say, "We have done what we all agreed that we needed to do. When will you ensure that there is a similar report to the Assemblée Nationale, the Bundestag, Congress, the Japanese Diet?" and so on. We need to change the way in which we examine the effectiveness of the aid that we provide, but if we are going to change the lives of the people in the poorest countries of the world, it will not be enough for Britain alone to do that. The whole donor community needs to do it.

Clause 2 of the Bill puts an obligation on our Government to provide a report that covers the full range of the Government's work, not just the work of the Department for International Development. Last year, as part of its policy contribution to the year for Africa, the all-party group on Africa published a report, "The UK Government and Africa in 2005: How Joined Up is Whitehall?" Our conclusion was that, in many areas, there was good policy co-ordination between Government Departments. In the case of debt write-off, for example, there was good co-ordination between the Department for International Development and the Treasury. However, that was not always the case. On trade reform, better co-ordination is needed between agriculture policy, trade policy and international development policy. We still have an over-reliance in the NHS and our private health services on skilled health workers from the poorest countries in the world. We also need better co-ordination in fighting corruption, as the hon. Member for Stone (Mr. Cash) mentioned.

Clause 6 deals with the 0.7 per cent. of gross national income target. I congratulate the Secretary of State for International Development and our Government on setting a timetable for the UK to meet that target. However, we need an annual report to check on our progress. We need to be aware of what is happening, because there could be a change of Government policy in the future. Worse still, there could be a change of Government. We have heard support from both sides of the House for the Government's international development policies, and implicit support for the 0.7 per cent. target. That is a good thing, but I hope that the pressure to meet that target will continue to be voiced from both sides of the House.

It is worth looking back in history to see how policies can change when a party moves from Opposition into Government, in order to realise just how important it is for Parliament to require the Executive to produce the annual report proposed in the Bill. Thirty years ago, in 1975, the then Labour Government published a White Paper on what was then called overseas development, "More Help for the Poorest". That was the first British Government document to propose that aid be refocused on the poorest countries and on the poorest groups of people in those countries. The White Paper was strongly supported by the then Conservative spokesman on overseas development, Christopher Tugendhat, who said in a debate in the House on 7 November 1975:

"I welcome the distinction drawn by the White Paper and its emphasis on directing United Kingdom bilateral aid as far as possible to the poorest countries".

On the volume of aid, he said:

"The Minister"—

that is, the Labour Minister—

"said that he did not wish to argue the case for more aid in the House. I do not think that he needs to do so, as much of what he would say would be generally accepted."—[*Official Report*, 7 November 1975; Vol. 899, cc. 790, 792.]

Mr. Tugendhat also made it clear later in the debate that he was speaking for his party as a whole. When challenged by a sceptical Labour MP about whether the then Leader of the Opposition supported the policy, he said that

"my right hon. Friend the Leader of the Opposition has this subject quite as much at heart as anyone else on our side of the House and that her sympathies are very much with the poor and the needy."—[*Official Report*, 7 November 1975; Vol. 899, c. 862.]

I remind the House that few things changed more quickly in 1979, after the change of Government, than the commitment to overseas aid. In 1979, the UK spent 0.51 per cent. of gross national income on development assistance. By the following year, that had dropped to 0.35 per cent. The purpose of aid had changed too. In February 1980, Neil Marten, the Minister for Overseas Development, announced that the Government would

"give greater weight in the allocation of our aid to political, industrial and commercial considerations".—[*Official Report*, 20 February 1980; Vol. 979, c. 464.]

What happened? The aid-and-trade provision was substantially expanded. Aid was used to support British companies, such as Leyland buses, Hawker Siddeley aircraft and Westland Helicopters. Of course, we remember the case of the Pergau dam, which prompted me to bring before the House, when my party was in opposition, a ten-minute Bill to require aid to be used, as is now the policy, for the purpose of poverty alleviation, rather than export promotion.

I appreciate that there is a vigorous debate going on in the Conservative party about its future policy direction. We have heard a lot of progressive policy from Conservative Members in today's debate, and I know from speaking to those Members over many years that these are deeply held convictions. They feel passionately about the issue, and I hope passionately that they win the policy debate in their party.

I hope, too, that we and our party retain the commitment, which we have at the highest levels of government, to development assistance. However, we cannot know for sure that the progressives, if I may call them that, on the Opposition Benches—the Conservative modernisers—will win the debate, and I cannot be absolutely sure that the pro-development caucus in my party will continue always to gain the support from the highest levels of government that we gain now. I want both to happen. If we had an annual report to the House on what was happening—in terms of volume and of quality—with our development assistance, we would be better able, as pro-development Members of Parliament on both sides of the House, to ensure that our respective parties backed what we were doing.

My right hon. Friend the Member for Coatbridge, Chryston and Bellshill changed for the better the lives of hundreds of thousands of disabled people in this country with his Disabled Persons (Services, Consultation and Representation) Act 1986. Two decades later, he is still held in high regard by development organisations and campaigners in this country. He made his name with that legislation. If this Bill gets on to the statute book, with the help of hon. Members on both sides of the House, it will change for the better the lives of hundreds of millions of the poorest and most needy people in the world. Let us all ensure that that happens.

12.38 pm

Greg Mulholland (Leeds, North-West) (LD): Due to the length of the contributions from some hon. Members, I was beginning to wonder whether their attention to detail and enthusiasm would lead not only to me not being called, but perhaps to them inadvertently talking the Bill out. I am glad that that has not happened.

I am pleased to be able to speak in support of the Bill and, indeed, to show my solidarity with the community that we have here in the House involving those of us on both sides who are passionately committed to development issues. More importantly, I am happy to stand in solidarity with the global community, which is the community that is particularly involved with the Bill. However, I am disappointed that doing so means that today I am unable to serve the community that I represent—my constituency. I am having to miss surgeries to be here. I hope that the Government consider that issue in terms of the scheduling of private Members' Bills.

As has been said, 2005 was a year that began with huge hope, energy and enthusiasm by what I call the coalition of hope—the global community mobilising to try to do something about the scandal of global poverty. Unfortunately, in the end it was a year of limited promises and huge disappointment. The Bill, which I support in its entirety, is about openness and honesty. We therefore have to start by being honest about what was achieved last year at the G8 summit and the WTO. Behind the back-slapping of the pop stars and politicians, the reality of what emerged from the global commitments made last year has been exaggerated; it was disappointing and substantially inadequate.

Of the $48 billion of aid that was promised, only $20 billion is new money, and of that some may come from future aid budgets. It is five years too late. Although some of the debt settlement is of course very welcome, it will in reality be about $1 billion a year, whereas the UN has said that $10 billion a year in debt relief is needed to make any difference, and that is without its being conditional.

I am glad to say, however, that the Bill marks a positive start to 2006, and all those of us who are involved in campaigning for international development must retain our sense of optimism, or the cause will be lost. I therefore welcome the Bill; it is a small but significant step in bringing more openness and honesty into both Government and global policy on international development.

The Bill is important for two reasons connected with the general public, as well as being important to Members, as has been stressed. There are really two sorts of people in this country: the first group is made up

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of those who are, frankly, largely ignorant about international development issues and those who not only are ignorant but question the effectiveness of the UK's aid programmes. How many times have we heard people ask, "How do I know that the money will get to those who need it?"? We need to engender confidence in those people that aid is indeed being directed where it should be spent and to those who need it. The Bill, I believe, would do that.

The second group of people are those of us who are genuinely committed to challenging the global apartheid of injustice and poverty. The Bill would allow us to see whether the rhetoric is matched by reality. It would give all of us in the House and outside the chance to see whether the promises are being kept and whether the millennium development goals have a chance of being achieved, not in 150 years, which is the current position in one case, but in 10 years. We know that it will not be the latter.

The Bill is about openness and accountability. There is will on both sides of the House and outside, and in the NGOs. The Bill is very simple in its aim: it will see that the promises of this Government and of world leaders are kept and that they lead to the progress that will lift millions out of poverty. I welcome it.

12.43 pm

Ms Katy Clark (North Ayrshire and Arran) (Lab): I am grateful for the opportunity to put on the record my support for this valuable initiative by my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke). I welcome the cross-party support for the Bill. It shows how far we have come that all political parties are setting targets for when we are to meet the target, set so many years ago, for the amount of aid that we should provide to developing countries, which, as we are all so well aware, are suffering from such extreme poverty and inequality.

When I first came to this place in May after the general election, I experienced a short two months when the issues in the Bill were very much at the top of the political agenda. That, of course, was because of the Labour Government's inspired decision to put debt, aid and, in particular, Africa at the top of the agenda for the G8 summit in Glenrothes. That period showed how important it is that politicians put the issue at the top of the agenda. We are all aware of powerful political lobbies in all our constituencies who put articulate cases on why the issue has to be tackled. It is, however, only when politicians and our political leaders recognise the importance of the issues that we are able to galvanise the kind of demonstration that we saw in Edinburgh last July when 250,000 people marched through the city in what was probably the biggest political demonstration ever seen in Scotland.

Like many in the House, I was one of the many on that march. It was a moving occasion, but one of the more significant issues arising for me was the number of young people there. They were engaging perhaps for the first time on a political issue. They went on that demonstration in the genuine belief that the Government would do something to change things and take the issues forward. I believe that we did achieve many things last year in Glenrothes, but of course we have a long, long way to go.

The Bill provides an important way to try structurally to make sure that the issues become far more central to debates in the House. For that reason, it is an important initiative.

The hon. Member for Buckingham (John Bercow) talked about the strong moral case for making sure that we tackle the issues. Of course, it is an outrage that 50,000 people die every day as a result of poverty. That is one third of the deaths in the world every day. There is a huge moral case for tackling the issues. More than that, though, there is a strong political case for taking the issues on, full frontal. It is in none of our interests to have such inequality and extreme poverty in the world. If we allow it to continue, and if in an age of high-level communication and television we do not make sure that the western world takes the issues on and finds the political solutions, the political problems that they create will come back to haunt us.

The types of inequality and the extremes of poverty even within countries in the developing world—never mind the differences between the UK and many of the poorer countries—create a political inequality and injustice that will lead to political problems for us all. My right hon. Friend the Member for Coatbridge, Chryston and Bellshill is making a proposal that would enable us to make sure that our moral outrage at the injustice that we see and the political and economic injustice are addressed.

John Bercow: The hon. Lady is making an eloquent speech. I agree with her; she is absolutely right. Does she agree with me in turn that the peoples of the developing world who are suffering so much will have reason over a period to be ever more resentful of us in the rich part of the world on the ground of neglect, in terms of the inadequacy of development assistance, but perhaps even more on the ground of exacerbation of their problems through trade policy? That is not an accident; it is deliberate.

Ms Clark: The hon. Gentleman brings me on to my next point, which is that I believe it is very much in our economic interest to address the issues we are debating. When countries exist with which we cannot trade in any normal or meaningful way, and when huge parts of the world live in such poverty, we all suffer economically. It is in all our interests to do all we can to encourage those countries' economies.

I hope that today's debate results not only in a decision to produce a structured report each year as a mechanism to enable the House genuinely to debate the issues, but in the emergence of political consensus. The question is not whether we dedicate funds and resources to aid; that should be a given on both sides of the House. However, it is reasonable to discuss how we spend that money and use those resources. I hope that the significant political moves that we have seen recently have increased the degree of political consensus on the need to deal with international development issues, and that the debate will now move away from quibbling on whether we spend money to deciding how much money to spend and ensuring that we provide money for projects that will help to prevent problems in future.

I am pleased to be able to participate in this debate. I pay tribute to my right hon. Friend the Member for Coatbridge, Chryston and Bellshill for giving us the

opportunity to do so. The Bill provides a way for all of us to ensure that international development issues move far higher up the political agenda.

12.51 pm

Mr. Tobias Ellwood (Bournemouth, East) (Con): You may not be aware, Mr. Deputy Speaker, that the debate is reaching a wider audience than we might have imagined. As we speak, a whale is making its way up the Thames—I understand that it has just passed the Palace of Westminster. Whales have excellent hearing, and I am sure that he has come to hear what we have to say about the United Nations millennium development goals, particularly the seventh, which is about ensuring environmental sustainability. That shows what a fragile world we live in and how topical today's debate is.

I congratulate the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) on his Bill and I am pleased to join the cross-party support for such an important measure. Focus on the millennium development goals is crucial. The UN Secretary-General has said that he is worried that we may not meet the 2015 targets. I hope that we will do all we can to encourage the United States to participate to a greater extent in efforts to reach the goals, as we do other countries.

The millennium development goals are crucial and hon. Members have spoken passionately about international development issues today. My grandparents' generation talked about the wars that affected them—the great war and the second world war. The concern of my parents' generation was the cold war, which overshadowed their lives. My generation has focused on the future of our fragile planet and questions of where we are, who we are and what we are doing to our planet. I am pleased that trade justice, debt relief and Bob Geldof's call to make poverty history are the cries that we hear today—they have become part of our everyday vocabulary—whereas I grew up with calls for an end to the nuclear arms race and John Lennon's call to give peace a chance. Events have moved on and it is important that MPs participate in the debate and ensure that the issues remain high on the agenda.

I am pleased that the Bill deals with the monitoring and scrutiny of how we spend 0.7 per cent. of our gross national income. I agree with my hon. Friend the Member for Buckingham (John Bercow)—I am sure that other hon. Members made the point—that although the focus outside Parliament is on international development issues, we in Parliament spend only half an hour every four weeks on international development questions. I hope that the Minister will speak with the Leader of the House to see whether that can be increased.

I intervened on the right hon. Member for Coatbridge, Chryston and Bellshill a couple of times during his speech. There are concerns about the fact that there are no penalties or comebacks if we do not meet the targets to which his Bill refers, such as giving 0.7 per cent. of GNI to development assistance. There is also concern about the report being limited to 10 countries. Clause 1 lists the regions on which the Bill is focused; they include Asia, Africa, central and south America, so we are talking about only one or two countries per region. If the Bill reaches Committee, I hope that the right hon. Gentleman will consider expanding it to cover more than 10 countries.

There is also concern about good governance and anti-corruption measures. It is all very well pouring money into African countries, but it can be like removing the debts of or giving more money to an unreformed gambler—it will not solve the problem. I therefore hope that the Bill will examine in detail how the money is spent to make sure that it is spent wisely.

A couple of hon. Members have touched on the connections between international development and the European Union. Three months ago, I visited Afghanistan. My visit was in a military context, but I also learned about the €1 billion being spent there on behalf of all European Union countries. I was concerned about the breakdown in communication—I use those words carefully—between the EU special representative in Afghanistan, which is responsible for analysing where the money should be spent, and the EU delegation, which holds the money. The two were not talking to each other properly, and money was being wasted. One aspect of the Bill is scrutinising whether our money, either spent directly by us or channelled through the EU, is spent wisely.

I very much support the Bill. An annual report on how we are spending money and on the progress towards achieving our millennium development goals is crucial. Concern has been expressed about the inherent delay in such large projects, which incorporate many countries across the world, between formulating the concept and putting it into practice. The Kyoto accord is the great example—it was written in 1997 and did not even come into effect until last year.

I hope that this Bill will help us to make progress, keep our eye on the ball, make sure that we are able to meet the millennium development goals, make the Department for International Development more accountable and make sure that Britain meets its moral duties to help countries that are less fortunate than us.

12.57 pm

Mr. Eric Forth (Bromley and Chislehurst) (Con): You will see from the notes in my hand, Mr. Deputy Speaker, that I propose to speak for only a few minutes on the Bill.

I want to start with something that I have sometimes said in the House in this context. It is one of my favourite quotes, and it is something that Sir Winston Churchill said in 1931:

"I am not very anxious to help private Member's Bills. I have seen a great many of them brought forward, and in most cases it was a very good thing that they did not pass. I think there ought to be a very effective procedure for making it difficult for all sorts of happy thoughts to be carried on to the Statute Book."

That is a sentiment with which I thoroughly agree, as you know, Mr. Deputy Speaker, as I attend the House assiduously on Fridays.

Interestingly, this Bill is a paradox. At one and the same time, it contains too much and too little. The "too much", which has been touched on a number of times in the debate, is that in many ways it is otiose and redundant, as it seeks to repeat much information that is already in the public domain, although I concede that it seeks to bring it together. It is also wrongly targeted in the sense that at several points, bizarrely, it seeks to make the Secretary of State assess his own work. I should have thought that that does not take the subject

[Mr. Eric Forth]

much further forward: it is like asking a pupil to assess his or her own examination papers. That part of the Bill is almost certainly misdirected.

I have been pleased, however, by a number of contributions during the debate that have pointed out weaknesses in the Bill or areas where it could be strengthened. I have such thoughts—I will only touch on one or two of them at this stage, Mr. Deputy Speaker, but, as you will know, we will have ample opportunity subsequently to amend the Bill in different ways.

I should like the Bill to be strengthened by it having to give more details on what recipient countries spend, for example, on military and defence or bureaucratic and diplomatic matters. I am rather uneasy, on behalf of my taxpayers, that money of ours should go to countries that have spending priorities that would not bear any scrutiny in our community or political context. In the cause of transparency I would like a lot more information to be produced about how recipient countries spend their money, before we give them even more. That would strengthen the case that the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) and his friends seek to make.

Similarly, we need to know a lot more about what non-governmental and charitable organisations are giving to various countries in order to set in context the amount that the taxpayer is expected to give through the various vehicles that we have in this country, either directly or through multilateral and European Union sources.

I recognise the aims of the Bill—as with most Bills on Fridays, the aims are very laudable—but surely we are here on behalf of our voters and taxpayers to satisfy ourselves that it is not just a good thought, heart-warming and makes us feel better about ourselves, but achieves most or all or something of what it seeks to achieve. This Bill is too general, it is insufficiently focused and in some respects it requires strengthening. I hope that we will be able to do that subsequently.

I am very keen for the Bill promoted by my hon. Friend the Member for North-West Cambridgeshire (Mr. Vara) to get an airing in the Chamber today. I hope that the Bill promoted by the right hon. Gentleman will, on receiving its Second Reading, as it undoubtedly will in a short time, go into Committee and come back on Report in order that those of us who seek to amend it have a jolly good opportunity to do so.

1.1 pm

Andrew George (St. Ives) (LD): I, too, congratulate the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) not only on his good fortune in securing a high place in the list of private Members' Bills, but on making such good and effective use of that opportunity. I congratulate those who have spoken: the hon. Member for Tiverton and Honiton (Angela Browning), the right hon. Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown), my hon. Friend the Member for Edinburgh, West (John Barrett), the right hon. Member for Oxford, East (Mr. Smith), the hon. Members for Buckingham (John Bercow), for Glasgow, North (Ann McKechin), for Stone (Mr. Cash), for Plymouth, Sutton (Linda Gilroy), for Perth and North Perthshire (Pete Wishart), and for City of York (Hugh Bayley), my hon. Friend the Member for Leeds, North-West (Greg Mulholland), the hon. Members for North Ayrshire and Arran (Ms Clark) and for Bournemouth, East (Mr. Ellwood) and the right hon. Member for Bromley and Chislehurst (Mr. Forth).

I am pleased to have the indication, particularly from the right hon. Member for Bromley and Chislehurst, that the Bill will succeed in getting into Committee. I agree with him that at that point it will require further amplification, clarification and strengthening in order that it achieves the objectives that the right hon. Member for Coatbridge, Chryston and Bellshill intends.

The right hon. Member for Bromley and Chislehurst is right that private Members' Bills should not merely be warm-hearted. We must discharge our responsibilities to look hard-headedly at these issues and ensure that private Members' Bills are fit for purpose. We need to ask not only whether the Bill has a beneficial purpose but what is the problem for which it is intended to be the solution. Is it sufficient to justify the effort and parliamentary time put into bringing it into law? I believe that it is justified and I shall give a couple of primary reasons for supporting it.

There is a need for clarification of the effectiveness of UK aid in poverty reduction, which to an extent the DFID report attempts to cover. The report does not however address properly the kind of issues that the right hon. Member for Coatbridge, Chryston and Bellshill intends to include in an annual report. When I asked the Secretary of State for clarification of the effectiveness of aid, I found that such information was not available. In a written question answered on 9 January, I asked:

"what assessment he has made of the number of people lifted out of extreme poverty as a result of pro-poor funding by his Department to developing countries",

and the answer came back:

"DFID has not produced such an assessment."—[*Official Report*, 9 January 2006; Vol. 441, c. 207W.]

That answer exposes the need for further work. One of the Bill's intentions, although it is hidden in clause 2, is to achieve clarification of the interdepartmental nature of Government aid to developing countries and the effectiveness of joined-up government. That intention needs to be amplified, as it is implied, but not made clear, in clause 2, and I welcome the opportunity to do so through the legislative process.

Mr. Cash: Does the hon. Gentleman agree that in the meantime serious consideration should be given to the Bill's centre of gravity? The fulcrum is the Secretary of State's assessment, but that is not necessarily the only way to proceed.

Andrew George: The hon. Gentleman makes an important point. I have a number of concerns about the Bill, including the need to clarify and strengthen the role of the report, which should represent the views of the Government as a whole, not just the Department. I hope that such concerns can be probed in Committee, particularly the Secretary of State's ability in clauses 9 and 10 quietly to negate the Bill in its entirety. Clause 10, for example, confers power on him to make an order or regulations, including the power

"to make provision subject to such exemptions and exceptions as the Secretary of State thinks fit."

That could be almost anything, and it could wipe out the Bill itself. I hope that I can bank some credit by acknowledging that the political climate is relatively benign, but we cannot be sure that that will always be the case. The Bill does not provide the country and Parliament with reassurance that, in a less benign climate, the measure itself could not be negated.

In conclusion, the popular concern about development issues and the need to make poverty history, which was expressed last year and which will no doubt be expressed again in future, are not a passing fad or fashion. We should embrace that popular concern and use it to leave a legacy to future Parliaments that will enable us properly to scrutinise the role of Government in poverty eradication around the world in the years and decades to come. The Bill can achieve that aim. We need to find mechanisms and tools to improve the ability of the developed world to turn around our shared failure to achieve meaningful progress in making poverty history and meeting the millennium development goals. That is why the Bill is a helpful tool and mechanism, so it has the support of my right hon. and hon. Friends and myself.

1.8 pm

Mark Simmonds (Boston and Skegness) (Con): I, too, congratulate the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke), both on his success in the ballot and on his excellent choice of subject. I congratulate him on his detailed, articulate and generous introduction to the Bill, as well as on the marvellous way in which he has corralled a diverse and disparate group of people both inside and outside the House to support its general principles. The Opposition, particularly the shadow Secretary of State, my hon. Friend the Member for Sutton Coldfield (Mr. Mitchell), and I, support those general principles. Sadly, my hon. Friend cannot be in the Chamber today as he is leaving for Rwanda to study conflict prevention, which is a fundamental foundation and building block in the alleviation of poverty through economic regeneration in much of the developing word.

As I said, the Opposition support the Bill's general principles, and I hope that in his reply to the debate the Minister will support those principles as well as many of the details and proposed amendments and improvements suggested by hon. Members on both sides of the House. Indeed, I shall make some suggestions myself.

Before I do that, may I put the mind of the hon. Member for City of York (Hugh Bayley) at rest? The Conservative party, like the Labour party, is a broad church. I assure the hon. Gentleman that, like the Government, we are committed to working towards the UN target of spending 0.7 per cent. of our national income on aid by 2013. We recognise and support the provision in the Bill for monitoring progress towards this commitment. We also support the ambitious targets of the millennium development goals and are deeply concerned that sub-Saharan Africa will not meet any of these targets, as was highlighted by the hon. Member for Glasgow, North (Ann McKechin), whose contribution was excellent if, sadly, a little lengthy.

We agree with the Government on the HIPC initiative, which has the potential to relieve the burden of debt on many countries. We support the international finance facility on immunisation, to which I shall return. We support the Global Fund to Fight AIDS, Tuberculosis and Malaria. The Conservative party shares the aspirations of the Government, as set out at the G8 summit, and we want the Gleaneagles commitments to be implemented expeditiously. Finally, we recognise that reform of the world trade rules is essential if the poorest nations are to be able to trade themselves out of poverty. We, like all hon. Members, are disappointed at the outcome of the WTO meeting in Hong Kong, particularly as one of the original key commitments of the millennium development goals was to create an open and non-discriminatory multilateral trading system. Sadly, we are still a long way from that target.

We welcome and support the principles of the Bill. Above all, we welcome the provision that would require the Department for International Development to report annually on the effectiveness of its aid programmes in reducing poverty. DFID is a well regarded organisation, which is internationally recognised as a leading aid agency. We can and should all be proud of it, but it could be doing more.

The public support aid because of outputs—lives saved, children educated and HIV deaths and infections prevented. But DFID is still too focused on money spent, rather than its effectiveness. DFID's systems for evaluating and assessing its projects are weak and urgently need to be improved. As was highlighted by my hon. Friend the Member for Tiverton and Honiton (Angela Browning), an internal DFID report found:

"While there are many examples of positive contribution to development progress, there is generally insufficient information on the links between DfID's inputs and interventions on the one hand, and the positive outcomes observed on the other".

The report also found that

"there is no single, overall strategic plan which guides the allocation and deployment of DfID resources".

It is therefore clear that DFID should strengthen and develop its systems to measure the effectiveness of aid in reducing poverty. Robust systems for evaluating the effectiveness of DFID's budget must be implemented, and we support the Bill as making a significant contribution to resolving those issues.

We acknowledge that there is some question whether the Bill duplicates the statistical reports produced annually by DFID. However, the Bill is necessary, as has been pointed out, to formalise that procedure and extend it. I agree with the right hon. Member for Coatbridge, Chryston and Bellshill that formalising it as the Bill sets out will upgrade the effectiveness and significance of the reporting structure and allow for re-allocating funds away from the least effective projects. I also agree with the right hon. Gentleman that a single annual report could stimulate comprehensive debate and facilitate year-on-year comparisons, hopefully on the Floor of the House.

We agree with specific provisions in the Bill, and I shall put those on the record. We agree with the overarching architecture and objectives of the Bill—to bring transparency and accountability to international development spending. DFID's systems for evaluating

[Mark Simmonds]

the effectiveness of its budget allocation are weak and need to be strengthened. True accountability can be achieved only through robust assessment of aid effectiveness, and we support the Bill's aims in this direction. Furthermore, we support the Bill's aim to focus spending on low-income countries.

We also support the measures outlined in clause 2, which would improve policy coherence across Departments, assessing the actions of all Departments towards the aim of alleviating poverty.

Clause 3(1)(e) and (f) provides for debt relief figures to be published, and we are strongly in favour of such a commitment as debt relief accounts for about 7 per cent. of expenditure on development in 2004–05. As has rightly been highlighted today, there has been some obfuscation and confusion in this area, and significant questions over delivery of commitments are being asked and need to be clarified.

This is an opportunity to talk in general about the Bill, but some aspects can be improved and I want to put those before the House. Our greatest concern is the lack of detail in clause 7 on how the effectiveness of aid will be monitored. We recognise that measuring aid is difficult and challenging, but it is essential that every effort is made so as to ensure best value for taxpayers' money and the greatest possible reduction in poverty.

The Secretary of State should be required to attempt to obtain the greatest possible reduction in poverty with the resources available, to him in this instance, or to her maybe in the future, each year. To that end we would like to see clear, rigorous and independent evaluation and measurement of the effectiveness of aid spending in reducing poverty, and an explicit comparison of aid effectiveness across different projects and different forms of aid spending. That should be accompanied by systematic measures to reassess spending allocations and priorities so as to ensure the greatest possible reduction in poverty with the limited funds that are available.

Specifically, in clause 7(2), assistance effectiveness monitoring is restricted to the 10 largest recipients of British bilateral aid, a point rightly highlighted by my hon. Friends the Members for Kettering (Mr. Hollobone) and for Bournemouth, East (Mr. Ellwood). The right hon. Member for Coatbridge, Chryston and Bellshill said that that was limited because of bureaucratic considerations. I hope very much that in Committee and on Report we can overcome those bureaucratic considerations that I am sure have been put before the right hon. Gentleman by the respective Ministers and officials in the Department.

Aid effectiveness should be as rigorous as possible, and if the 10 largest recipient countries were to change regularly, as would be quite possible, it would hinder the year-on-year comparisons that are an essential part of the reporting structure. Additionally, in the financial year 2004–05, £948 million of the total £2,145 million spent on bilateral aid, or just 44.2 per cent., went to the 10 largest recipient countries. So if the Bill remains unamended, with just 10 countries accounting for their bilateral aid, well over half of British bilateral aid would not be subject to the Bill. Accounting for the top 10 countries also does not take into consideration significant contributions from the British taxpayer, such as £48 million to Mozambique and £47 million to Kenya in the financial year 2004–05. Nor would it take into account money that could not be allocated to a specific country.

Furthermore, there is a lack of clarity in clause 7(2) regarding the areas of focus. There appear to be a number of oversights that should be discussed, such as the addition of education and diseases other than HIV/AIDS. I would argue that if the millennium development goals are to form the basis for this list, it should be done explicitly in the Bill. In addition, I would like to see the wording of the clause tightened to provide for a detailed report on how and to what extent the aid spent directly contributes to the goals set out.

We also think that clause 4 on millennium goal 8 should be clarified. Goal 8 does not lend itself to quantitive measurement. However, we recognise that there must be assessment of progress towards its completion. Further consideration must be given as to how goal 8 can be accurately monitored. There is clarity in the Bill regarding untied aid. Clause 4(3)(b) requires the reporting of the proportion of multilateral assistance that is untied. The Government have stated unequivocally that all British bilateral aid is untied, a policy with which we are in agreement. However, some confusion appears to remain, and it would help if the Minister, when he replies, would make a clear distinction between aid conditionality, which has been dropped, and aid criteria, which continue.

We would also like to see clause 8(2) strengthened, a point made by my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth). The Bill asks the Secretary of State only to

"take account of whether it is possible"—

that is, to consider independent monitoring.

As my right hon. Friend the Member for Bromley and Chislehurst has said, we also want to strengthen clause 8(2). The Bill currently asks the Secretary of State only to

"take account of whether it is possible"—

in other words, to consider—

"to . . . make provision for . . . independent monitoring".

We want to strengthen and improve the wording to ensure that the assessment of transparency is independent. We want to see more detail on who will conduct the monitoring, whether that person will be independent and what the relationship will be between the independent monitoring body and democratically accountable Ministers who come to this House to explain the expenditure of British taxpayers' money.

Mr. Cash: I have made a speech addressing some of the issues raised by clause 8, and I have also made those points to the Secretary of State, who has replied to them, so I am interested to hear the view of my hon. Friend on the Front Bench.

Mark Simmonds: As my hon. Friend knows, I was present when he raised those matters in Westminster Hall. I sympathise with his argument, to which I shall specifically refer later in my speech.

We will support the Bill, but the right hon. Member for Coatbridge, Chryston and Bellshill knows that it is unlikely to proceed on to the statute book without

Government support and co-operation. We want to see the Bill on the statute book, which is why it would be helpful if the Minister were to clarify in his winding-up speech how clause 8(2)(a), which provides for the Secretary of State to commit to aid spending three years in advance, fits with the Department's intention not to provide a proportion of financial support to, for example, Uganda, if certain criteria are not met.

We want to discuss various omissions, which the right hon. Member for Coatbridge, Chryston and Bellshill, DFID officials and the relevant Ministers need to consider, in Committee and on Report. My hon. Friend the Member for Bournemouth, East has raised one of those omissions: there is a case for including a provision to assess humanitarian aid, if only so that lessons can be learned to improve effectiveness in subsequent emergencies.

The Bill does not refer to the international finance facility for immunisation or future international finance facilities, and it fails to mention global aid to fight AIDS, TB and malaria, which will use up significant sums of money from British taxpayers and elsewhere. It also does not refer to harmonisation, which is an important point raised by the right hon. Member for Oxford, East (Mr. Smith). If the Minister cannot explain those omissions today, I would be grateful if he were subsequently to explain how those policy areas fit into the context of the Bill, whether Ministers and the Department believe that the House would benefit from analysis of the outcomes in those particular policy areas and whether the Government intend to assist the right hon. Member for Coatbridge, Chryston and Bellshill in widening the scope of his Bill to cover those important areas.

The Bill does not appear suitably to address the effectiveness of direct budgetary support, which goes to the heart of the comments made by my hon. Friend the Member for Stone (Mr. Cash). The Government's own figures state that Britain has given nearly £1.5 billion in direct budgetary support to 20 countries since 2000. In the financial year 2004–05, for example, Uganda received £61 million in bilateral aid, of which £35 million was direct budgetary support. If the Bill were implemented unamended, just 42.6 per cent. of total bilateral aid going to Uganda would be transparent, while the rest would be outside the Bill. Anecdotal evidence suggests that a significant percentage of direct budgetary support money is unaccounted for and does not end up where it was intended to go. The Bill is an opportunity for the Government to improve accountability and transparency on money allocated by DFID in direct budgetary support and thereby improve the lives of millions of people in developing and poorer nations.

The Bill clearly covers both bilateral and multilateral support, although the wording is confused in places. How does DFID propose to measure and analyse outputs from multilateral assistance, when it has limited control—and sometimes limited knowledge—over how and where the money is spent? Will the Minister explain how the Bill accords with specific countries' poverty reduction strategy papers? Does the Bill cover both international development assistance and official development assistance? Are countries not classified as developing by the Organisation for Economic Co-operation and Development, such as eastern European countries, covered by the Bill? How will EU multilateral aid be monitored and become transparent? That point was rightly highlighted by my hon. Friend the Member for Stone, who has been a passionate and consistent advocate for, and believer in, resolving these issues.

Our long-term goal must be to facilitate the developing world in graduating from aid dependency to pluralistic societies with strong economies, thereby creating wealth and more and better jobs. That can be achieved only through alleviating global poverty, creating freer and fairer trade, making wider and deeper debt reductions, enhancing civil society and democracy, and assisting developing countries to build their export capacity and to develop their infrastructure.

We welcome and support the Bill's principal objective, as it would implement robust accountability systems so that development assistance is more effective for developing nations and their citizens. I hope that we shall be able to work across political parties to improve it and to facilitate its expeditious passage to enactment.

1.25 pm

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): I join other hon. Members in congratulating my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) on securing this debate, and commend the passion and skill with which he made his case to the House. No Labour Member will be surprised by that, as he has long been a campaigner on these issues. He consistently championed the needs of those in sub-Saharan Africa, Asia and Latin America long before such causes became fashionable. I agree with the hon. Member for Boston and Skegness (Mark Simmonds) that my right hon. Friend has performed a remarkable feat in assembling such a coalition of support inside and outside the House, but nobody who knows him will be remotely surprised by that.

This has been an excellent debate. I pay tribute to the hon. Member for Tiverton and Honiton (Angela Browning) for her comments, particularly about the considerable opportunities for scrutiny that already take place in the House in relation to international development and the way in which the Bill will further help such scrutiny. The hon. Members for Perth and North Perthshire (Pete Wishart) and Leeds, North-West (Greg Mulholland) made similar points later in the debate.

My right hon. Friend the Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown) and the hon. Member for Edinburgh, West (John Barrett) rightly congratulated my right hon. Friend the Chancellor, and the Government more generally, on the commitment to the 0.7 per cent. target. My right hon. Friend the Member for Oxford, East (Mr. Smith), in confirming his support for the Bill, referred to the excellence of Oxfam, which is based in his constituency and which also supports the Bill.

The hon. Member for Buckingham (John Bercow) and my hon. Friends the Members for City of York (Hugh Bayley) and for North Ayrshire and Arran (Ms Clark) eloquently echoed the moral case for development assistance that my right hon. Friend made in his introduction to the Bill. My hon. Friend the

[Mr. Gareth Thomas]

Member for Glasgow, North (Ann McKechin) referred to the huge appetite among the British people for more progress in the fight against poverty.

The hon. Member for Stone (Mr. Cash) reminded the House that development must be a partnership and that developing countries have a responsibility further to strengthen good governance. My hon. Friend the Member for Plymouth, Sutton (Linda Gilroy) paid tribute to the huge contribution that co-operatives make in tacking poverty in the developing world.

The hon. Member for Bournemouth, East (Mr. Ellwood) rightly mentioned the importance of humanitarian assistance. We will reflect further on that. The right hon. Member for Bromley and Chislehurst (Mr. Forth) and the hon. Members for St. Ives (Andrew George) and for Boston and Skegness raised, in their very different ways, a challenging series of questions for the House to reflect on if the Bill progresses, as the Government hope that it will.

Aid well spent can make a huge difference. In Burundi this year, a newly-elected Government scrapped primary school fees, and our £2 million of assistance is helping UNICEF to refurbish 500 schools and train 4,000 teachers, bringing hope to many young people in that country who are being given the chance to learn to read and write and to have better lives as a result. In Pakistan, as we speak, our £58 million of humanitarian assistance is helping to shelter and to feed the people of Kashmir—victims of the terrible earthquake in December.

It has been rightly highlighted that while much has been done, much more still needs to be done. That is why the Government have recognised the need to commit more development assistance. We have trebled our aid budget since 1997. By the end of the current spending round, we will have reached 0.47 per cent. We are committed, as hon. Members know, to reaching the UN's 0.7 per cent. goal by 2013, and earlier if we can launch the excellent idea of my right hon. Friend the Chancellor, namely, the international finance facility.

We recognise the need to be accountable for that progress from 0.2 per cent. to 0.7 per cent., and more generally how aid is used and how other Government policies impact on poor countries. The Bill helpfully codifies the way that Government report on development and how they account for the resources that are spent, and it will place the need for such a report on a formal legislative basis. Helpfully, the Bill seeks to promote the transparency with which assistance is provided.

We take seriously our responsibility for ensuring that the money entrusted to us by Parliament for development is used for the purposes intended, and is managed through systems that ensure high levels of accountability to the UK public. We continue to invest in similar systems of accountability in our partner Governments and partner organisations to ensure that money is well spent and is used for what it was intended. In managing public funds we are, for example, required to comply fully with the range of requirements under Government accounting rules, and our use of those resources is subject to an annual financial audit by the National Audit Office. That audit covers our procedures for managing all types of expenditure, including support given to multinational organisations, to non-governmental organisations, to the private sector and that given directly to partner Governments through budget support or other financial instruments.

The Auditor General provides his formal opinion on our financial statements to Parliament, and his opinion has always been positive. In addition, the NAO carries out a rolling programme of studies on how well the Department manages its use of public funds. As the hon. Member for Tiverton and Honiton said, the Public Accounts Committee can hold public hearings, and does, that are based on the reports to which I have referred. There is also the International Development Committee, which challenges the way in which we use our funds.

Mr. Cash: The Minister may well know from the letter dated 23 July that I received from the Secretary of State for International Development—for whom I have a very high regard—that he said that, in respect of the poverty reduction budget support, he regarded this as being the most effective use of aid. He wrote:

> "Where this is the case, we rely on partner governments' own systems, rather than our procedures to control the funds."

I am sure that the Minister understands that that is a matter that requires some further appreciation and understanding.

Mr. Thomas: I was going on to say—this is to help the hon. Gentleman—that budget support must be provided in the right circumstances. We analyse these matters extremely carefully and take a considerable time to ensure that the circumstances are right before we go down the route of budget support. As the hon. Gentleman knows, it would be entirely inappropriate—this has not crossed the minds of Ministers—that we should use budget support in countries such as Zimbabwe. That would be in entirely inappropriate circumstances.

John Bercow: I am extremely grateful to the Minister for generously giving way. Does he agree that, given the purpose of the Bill, there should be an annual debate on the Floor of the House on the contents of the annual report?

Mr. Thomas: The hon. Gentleman will know that that is not an issue on which I can give him satisfaction today. Those who can do so will have heard his comment. If there is any doubt that they have listened to what the hon. Gentleman has said, I will ensure that they are aware of his question and aware also of the comments of other hon. Members who have made similar points during the debate.

Perhaps it would be helpful to the hon. Member for Stone and others if I set out briefly some of the processes that we go through before we take decisions on budget support to provide further reassurance that his suggestion that there should be an amendment to clause 8 is not required. We undertake a comprehensive fiduciary risk assessment that is based on an evaluation of the partner Governments' public financial

management systems. That includes a specific evaluation of the risk of corruption. Our approach to those assessments has been agreed with the NAO. The hon. Gentleman may know that several internationally recognised assessments are carried out in partner countries to help provide that evaluation of the quality of public financial management systems. For example, the World Bank and the International Monetary Fund provide assessments.

We have recently strengthened the evaluation of public financial management in the countries where we work by developing a comprehensive assessment framework in partnership with the World Bank, the IMF and several other countries. Such a framework includes a specific assessment of audit processes and arrangements for the scrutiny of public finances.

Several hon. Members, for example, the hon. Member for Bournemouth, East, referred to the need for much more information in the annual report. The intervention of the hon. Member for Rochford and Southend, East (James Duddridge) and his exchange with my right hon. Friend the Member for Coatbridge, Chryston and Bellshill should strike a cautionary note about the need for even further information. There is a balance to be struck between the understandable appetite for as much information as possible and the need to recognise its impact on the Department's resources. The presence of my right hon. Friend the Paymaster General earlier means that hon. Members will recognise the need to be prudent and minimise the impact in bureaucracy. However, we shall reflect further on hon. Members comments.

The Government welcome the Bill. There are some problems with drafting that we want to tackle in Committee. For example, there is some overlap between clause 2 and clause 4 and some duplication between clause 5 and clause 7. Clause 3 deals with the bulk of financial reporting, to which clauses 9 and 10 are relevant. The Committee therefore needs to deal with a series of technical but important issues. Not least, it will be important to ensure that the definitions of aid are aligned with internationally agreed definitions, including the time periods for reporting that are already in common use.

The Government agree with the thrust of clause 8, but believe that it is over-prescriptive. For example, the proposal to specify planned levels of assistance to be provided to each country for the current year and at least three future years is beyond what is permissible under the current spending review.

As many hon. Members have said, last year's commitments need to be delivered. The Bill will help to do that. Subject to the minor drafting changes that I mentioned, the Government support the Bill and I warmly commend it to the House.

Question put and agreed to.

Bill accordingly read a Second time, and committed to a Standing Committee, pursuant to Standing Order No. 63 (Committal of Bills).

Breast Cancer Bill

Order for Second Reading read.

1.37 pm

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): I beg to move, That the Bill be now read a Second time.

During my speech, I propose to set out the current position of the national health service breast screening programme as well as explaining my proposals. I shall also try to deal with other important issues, including funding and resources.

The Bill has cross-party support and acknowledges that the United Kingdom has one of the highest breast cancer death rates in the world. One in nine women in the UK will suffer breast cancer at some point in their lives. Every year, 41,000 women are diagnosed with breast cancer and, sadly, some 13,000 die of the disease.

We must not forget that there are other victims: husbands, partners, parents, children, other relatives and friends. I shall quote briefly from an e-mail that I received from somebody in Devon, who sums up the anguish caused to other family members. His wife died when she was 40. He says:

"it is more likely that there will be parents, a partner and children who will also suffer the impact of this disease. In our case our daughter was 4 when my wife died and both her parents still survive her . . . for my daughter to have been able to have spent a few more years with her mum would have been priceless."

Breast cancer also has a knock-on effect on everyday life. A diagnosis can, and does, affect relationships, employment, mortgages and life insurance. Prescription charges can be a long-term strain, and for those with children, child care can become a problem, especially for those with young children. Finding or being able to afford child care while having chemotherapy or radiotherapy treatment is neither easy nor cheap. Incidentally, it is a little-known fact that, every year, some 300 men suffer from breast cancer, of whom about 95 die.

The present policy is that women between the ages of 50 and 70 are invited to have a screening free of charge every three years. However, those over 70 have to apply for a referral themselves. My proposal is that the age spectrum be increased to cover women between the ages of 45 and 75—in effect, adding five years at either end. I want to put on the record the very valuable work that the staff involved in the screening programme undertake on a daily basis. We cannot praise highly enough their dedication and their commitment to their work. They are a tribute to the health service.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on introducing the Bill. Does he agree that the national health service should concentrate far more on the prevention and early detection of illnesses? NHS staff would far rather be involved in that kind of work than in administering extensive and expensive treatments later on.

Mr. Vara: My hon. Friend raises a valuable point, and I shall come to that subject later in my speech. We should indeed be in the business of prevention rather than cure. Prevention is always cheaper, and we are always dealing with limited funds.

[Mr. Vara]

No one doubts that early screening saves lives. Indeed, in her foreword to the 2005 annual review of the NHS breast screening programme, the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton), said:

"By detecting breast cancer early we can give women in this country the best chance of recovery."

The need for screenings was recently highlighted in a survey carried out by the charity Breakthrough Breast Cancer, which found that 80 per cent. of the women questioned had not checked their breasts in the previous month, and that 47 per cent.—almost half—admitted that they did not know how to do so.

Mr. Andrew Dismore (Hendon) (Lab): I understand that the hon. Gentleman recently met representatives of Breakthrough Breast Cancer. Will he tell us whether they support his Bill, and in particular, his view that the lower age at which women are called for mammograms should be reduced to 45?

Mr. Vara: I am mindful of the fact that, in our earlier debate, the hon. Gentleman said that he would exercise restraint. I understand that that is a quality that he is not used to exercising in debates on private Members' Bills, but bearing in mind the time constraint under which we are working, I hope that he will continue to exercise it today. I shall address the issue of lowering the age limit shortly. Had the hon. Gentleman been paying attention earlier, he would have noted that I said that I would clearly set out my proposals, and that I would address the issues of resources and the lower age limit. I shall come back to the point that he has raised.

Mr. Brooks Newmark (Braintree) (Con): I, too, congratulate my hon. Friend on bringing the Bill to the House. I hope that he will also address the important issue of the frequency with which screenings take place. Further to the constructive point made by my hon. Friend the Member for Kettering (Mr. Hollobone), I hope that women will be able to have screenings more frequently than once every three years—perhaps every two years, or even yearly—especially women over the age of 70, for whom this is an important concern.

Mr. Vara: I am grateful to my hon. Friend for raising that point and I agree that the more frequency we can have, the more detection we can have. Detection means prevention, and I will address the issue of the over-70s.

Mr. Dismore: The hon. Gentleman made a rather unjustified personal attack on me in response to an intervention. I simply say to him that my shortest speech on a Friday lasted three minutes and my longest three hours and 17 minutes. I hope to be able to speak for rather less time than that, but that depends on whether he deals with all the arguments. I speak to the issues, and some issues take longer to speak to than others.

Mr. Vara: I am grateful to the hon. Gentleman for putting that on the record. I am sure his record in previous debates speaks louder than any response that I can give.

Mr. Lee Scott (Ilford, North) (Con): I, too, congratulate my hon. Friend on introducing the Bill to the House. As he knows, I have first-hand experience of the issue, having lost my mother, at far too young an age, to breast cancer. The statistics show that, up to the age of 40, one in 200 people have a chance of contracting breast cancer, but the figure is one in 50 at the age of 50, which makes the Bill so much more important. Does he agree that it should be supported on both sides of the House?

Mr. Vara: I am grateful to my hon. Friend for raising that point. Yes, as a woman's age rises, so the risk of getting this dreadful disease increases. I shall also come to that in due course.

When screening is done at an early stage, it can reveal breast cancer before the onset of symptoms. It means fewer mastectomies, less cost of treatment, and less pain and suffering. In 2003–04, the programme detected more than 11,200 breast cancers, more than 3,000 of which were very small and would have been impossible to detect through self-examination. Incidentally, a petition presented in the Scottish Parliament calls for the age at which screening should commence to be lowered to 30. Let me assure the Minister of State that I am in no way advocating dropping the age to 30. I am confining my limit to 45.

As for the upper age range, from 70 to 75, women can volunteer and request a screening every three years, but the simple fact is that many do not. Some women believe that they are safe because they are no longer routinely invited for screening. The reality is that the risk of breast cancer increases with age.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): Does my hon. Friend agree that one of the principal problems is that in areas of high population mobility such as Milton Keynes, women simply move on too quickly and do not always go for screening? How would his Bill help, and what can we do to increase the frequency of screening?

Mr. Vara: I agree with my hon. Friend that mobility and a host of other factors contribute to the fact that women do not follow things up. The best solution is to ensure that women are given a reminder. There are other reasons why people post-70 do not volunteer themselves. I will come to those.

Angela Browning (Tiverton and Honiton) (Con): As a sponsor of my hon. Friend's Bill, I am pleased that we have time to debate it today. On the question of women aged over 70, I have read that the NHS reason for not offering them screening is that should breast cancer present at that stage, it is not considered an early death and that other diseases start to kick in. I really do not agree with that. Quite clearly, if somebody develops breast cancer post-70 and it is not detected, it will spread to other parts of the body and become a terminal illness. Surely we are not only talking about preventing early death, important though that is, but trying to consider preventing death by cancer per se.

Mr. Vara: I am grateful to my hon. Friend for those comments. I agree that one of the reasons that has been given for the situation is co-morbidities—that, I think, is the technical term referring to other diseases and conditions. But women are now living healthier, longer

lives, and that has to be taken into account with reference to what my hon. Friend said. We must also recognise that if we are to treat the elderly in our society as equal citizens, our policies must reflect the fact that they are living healthier, longer lives, which includes having routine screening for women aged between 70 and 75.

Society puts a certain amount of pressure on the elderly. They are made to feel that they are a burden on the state, so many women are reluctant to make a self-referral, feeling that they would only add to that burden. Elderly people can be forgetful, and if we in this Chamber are often forgetful and need to carry pieces of paper to remind us of things, who is to say that, with the onset of age, women will remember to make a self-referral every three years? Many elderly women who have a lump in their breast may simply say, "It is just another thing that you get when you get old," and simply dismiss it rather than taking it seriously.

Routine screenings for women between 70 and 75 should not be a problem. From an administrative point of view, those women are already in the system. Screening is technically easier, as the breast tissue is not as dense as that in younger women. Mammograms are therefore easier to read, and false negatives and false positives are rarer. Put simply, women are living longer; they have healthier lives; and the cancer is easier to detect.

With reference to the lower age group, 45 to 50, the obvious statement is that women do not have to wait until they are 50 before the dreadful disease of breast cancer can strike. Much is made of the fact that, comparatively speaking—the key word there is "comparatively"—80 per cent. of all diagnoses are for women over 50. That is not to say that the other 20 per cent. is not a significant number in its own right.

Jo Swinson (East Dunbartonshire) (LD): The hon. Gentleman rightly points out the higher incidence of breast cancer in older women. On detection, although screening is important, does he agree that there are many cases of younger women contracting the disease—including the recent high-profile cases of Kylie and Anastacia—so it is important for all women, regardless of age, to be aware of any changes in their breasts, because that, too, will facilitate early detection?

Mr. Vara: I am grateful to the hon. Lady for highlighting that very relevant point. I mentioned earlier the recent survey by the charity Breakthrough Breast Cancer, which found that 47 per cent. of women do not know how to perform a self-examination, and 80 per cent. certainly had not done so in the previous month.

I return to the 20 per cent. of women with breast cancer who are dismissed, on a comparative basis, because they are under 50, meaning that the under-50s are not given due consideration. Of the 41,000 women who are diagnosed every year, the 20 per cent. of those aged under 50 number 8,200. In 2003–04, about 1,400 of those women died.

I welcome the present policy of allowing annual screenings for women aged between 40 and 49 for those who have a family history of breast cancer. But we need to go further. I am encouraged by the trials in Sweden that screened women between 40 and 50 in 2003. Certainly, that has encouraged some of the charities.

Mr. Dismore: I get the impression that the hon. Gentleman is about to move on to another point, but, having just mentioned charities, he will recall that I asked in my earlier intervention whether Breakthrough Breast Cancer supported his Bill's proposal to reduce the age range of women being called for mammograms. Perhaps he will confirm whether that charity supports the pitch that he is making to the House.

Mr. Vara: I repeat the answer that I gave the hon. Gentleman earlier. I appreciate the concerns, but I shall address them. Breakthrough Breast Cancer has reservations, but that is not to say that it has not sent me a letter encouraging the debate in which I am engaging. The hon. Gentleman will doubtless be aware of charities other than Breakthrough Breast Cancer. I have had a letter from Breast Cancer Care saying that, in the light of the Swedish experience, it welcomes the proposal to screen women aged 45 to 50. I remind the hon. Gentleman that the issues related to breast cancer are not to be dictated by one charity alone.

Mr. Stewart Jackson (Peterborough) (Con): I congratulate my hon. Friend and neighbour, and praise his consistency and hard work in bringing the Bill to the House. For the benefit of the hon. Member for Hendon (Mr. Dismore), irrespective of the efficacy or otherwise of the current clinical trials and research for women aged between 45 and 50, does my hon. Friend agree that giving his Bill a Second Reading would raise the issue and have a positive impact on engaging women in the hard-to-reach category for breast screening, such as those in ethnic minorities or lower socio-economic groups?

Mr. Vara: I am grateful to my hon. Friend and constituency neighbour. He made a valid point, and the debate has certainly been raised. While there are reservations, which I shall seek—indeed am seeking—to address, the fact is that there will never be 100 per cent. certainty in the field of medicine. At times, we have to take a view when certain factors are present. We must also recognise when excuses are being made for not having the will to take matters forward. I shall certainly address that.

Angela Browning: Does my hon. Friend think that the reservation about extending the age range in either direction is perhaps influenced by the shortage of radiographers around the country?

Mr. Vara: Certainly that is one of the issues that has been raised. As well as a lack of funds, there is a lack of technical equipment and of specialist staff. The Government have a record: when issues need to be addressed and they have the will to do it, they are prepared to make long-term plans. In the 2001 manifesto, for example, Labour thought that there ought to be more hospitals. It said that by 2010—a five year plan—there would be 100 more hospitals. It is somewhat inconsistent that the Government are able to be far sighted in some areas and think of a programme,

[Mr. Vara]

yet for this issue, which affects one in nine women in the country, the excuse is often made that there is a lack of resources, and the arguments stop at that point. I am grateful to my hon. Friend for raising the point and allowing me to make matters a little clearer.

What is the value of a life? The terminology is crude, but the reality is that we talk of money. No precise value has been put on a life, but I understand that the Department for Transport made an effort and in 2004 valued the lost economic output of an individual who dies in a road traffic accident at slightly less than £1.4 million. I repeat, £1.4 million is the value that the DFT puts on the life of someone who dies in a road traffic accident. It is fair to say that the value of a life lost to breast cancer is similar. That £1.4 million covers lost output, medical costs and human costs—an amount to reflect grief, pain and suffering.

My proposals would cost a mere £40 million. The breakdown is simple: I advocate four more screenings, two at the lower age range and two at the upper age range; each screening round costs £10 million, so the total cost of the extra screenings would be £40 million. It is clear that not many deaths would have to be prevented to justify the expenditure of £40 million.

Some people argue that there should be annual screenings for women aged 45 to 49 to take account of breast tissue being more dense and the fact that tumours progress more rapidly in younger women. In an ideal world, that would of course be preferable; but until the ideal is attained, the two screenings that I propose must be preferable to the none that women in that age range currently receive.

I am mindful of the age trial—a survey that has been in progress since 1991 and is considering annual screening for women aged 40 to 50. Like the Minister, I look forward to seeing the results, which I understand are due very soon.

My hon. Friend the Member for Tiverton and Honiton (Angela Browning) alluded to the argument that there is a lack of the resources, equipment and specialists necessary to do as I propose in my Bill. The answer is not to use the lack of resources as a reason not to act; it is to provide the resources. Those resources do not have to be provided tomorrow. There is no reason why a plan cannot be put in place for the future—for five, seven or 10 years hence—which would allow time to train specialists, obtain equipment, find accommodation and deal with all the other requirements. It is a matter of the Government having the political will to recognise that there is an issue to be addressed and to commit themselves to dealing with it.

In the context of breast cancer screening, that is precisely what happened in 2000. In a statement on 5 December 2000, the then Secretary of State for Health, the right hon. Member for Darlington (Mr. Milburn), made financial provision for a breast cancer screening programme that was implemented four years later in 2004, in effect, extending screening to women aged 65 to 70. I also remind the House of the words used by the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton), in her foreword to the breast screening programme's 2005 annual review. She wrote:

"It is important . . . that we continue to invest in research and new technologies."

We must also recognise that the technology is changing. The traditional mammogram X-ray is slowing making way for the digital mammogram. That point is well made in the annual review of 2005, which states that new technology is easier to use, more reliable and quicker for all concerned. The view has also been put forward that it is better to concentrate on increasing take-up in the 50-to-70 age range. I am not against that—far from it—but there are also other vulnerable groups, and we should not exclude them.

It is difficult to argue against the extension of routine screening for women between the ages of 70 and 75. Breast tissue is less dense, the cancer is easier to detect, women are living longer and more healthy lives, and the risk of breast cancer increases with age. For the 45-to-50 age range, I accept that it is more difficult to detect cancer. That does not mean that it cannot or should not be done, however. Early detection saves lives and substantially reduces the cost of lengthy treatment. As the lost economic output has been valued at £1.4 million per life, such a programme would clearly be cost-effective, and the cost of increased screening can be justified. Moreover, the latest technology allows for greater capacity.

We are talking about saving lives—nothing more and nothing less. We must be ambitious. Yes, in this country, we do have one of the finest screening programmes in the world. Considering Britain's economic strength in the world, it would be surprising, and a shame, if we did not. The challenge, however, is to refrain from comforting ourselves that we have a successful programme, and instead to strive to make that programme even better.

2.7 pm

Mark Simmonds (Boston and Skegness) (Con): I congratulate my hon. Friend the Member for North-West Cambridgeshire (Mr. Vara) on introducing his Bill, which, to his credit, he did with great articulation and passion. The Bill addresses a subject of great importance to many thousands of women.

I am extremely aware of the prevalence of breast cancer. East Lincolnshire, the area of the country that I represent, has one of the highest incidences in the country—152.9 cases per 100,000 people, compared with a national average of 137.7 cases per 100,000. That is 200 new cases of the disease being diagnosed every year in the East Lincolnshire primary care trust area alone. I have met many of those involved in local support groups in my constituency who do excellent work supporting women during and after this traumatic illness. I want to place on the record my thanks for their excellent work both in my constituency and elsewhere in the country.

My colleagues and I are broadly sympathetic towards the aspirations of the Bill—to build on the success of the NHS breast screening programme introduced by a Conservative Government in 1988. Since that time, the programme has been instrumental in catching breast cancers early and saving lives. In 2003–04, approximately 1.5 million women were screened and more than 11,000 breast cancers were detected through screening—approximately a quarter of all breast cancers diagnosed each year.

That success has contributed to a substantial fall in the number of UK women dying from breast cancer since the scheme was introduced. Between 1993 and 2002, deaths from the disease among women fell by 12 per cent. Sadly, however, the annual figure still stands at around 13,000. What is more, almost two thirds of women diagnosed with breast cancer are now likely to survive for at least 20 years, according to Cancer Research UK. Ten years ago, that figure was only 44 per cent. Clearly, extending the scope of the programme and improving take-up could improve health outcomes further.

I must, however, express some reservations about my hon. Friend's proposals. The scheme currently operates for women aged between 50 and 69; it was recently extended from 64 on the basis of the issuing of an invitation to attend a screening once every three years. Above the age of 70, women are entitled to request a screening but invitations are not issued as a matter of routine. Conservative Members welcomed the increase from 64 to 69 in the upper range of the programme. In addition, we called for all national guidance on cancer, including appraisals of drugs such as Herceptin, to be fully implemented.

The National Institute for Health and Clinical Excellence has recently issued guidance in respect of women with a family history of breast cancer, many of whom are at a significantly increased risk of developing the disease. NICE recommends that women in that category aged between 40 and 49 should be entitled to annual screening in view of their increased risk. Again, we support the extension of screening for women with a family history of this terrible disease.

There are, however, good medical reasons for being wary of extending routine screening at the lower age range for all women. Clinically, the case is yet to be proven. As my hon. Friend has said, pre-menopausal breast tissue in younger women tends to be denser, making it more difficult to obtain an accurate and reliable mammogram. The value of routine breast screening for that category of women, without the high risk associated with family history of cancer, needs further research and analysis. Long-term studies are considering what benefit, if any, can be derived from inviting women for screening from the age of 40. My hon. Friend's proposals would benefit enormously from an encouraging report on that matter, which clearly warrants further examination in Committee.

Meanwhile, our priority must be to see that NHS breast screening is rolled out across those ages already specified and to ensure that NICE guidance is fully implemented. According to Breakthrough Breast Cancer, in some parts of the country the scheme is failing to meet the minimum take-up standard of 70 per cent. In October 2004, the all-party parliamentary group on breast cancer produced an extremely valuable report highlighting inequalities in the uptake of NHS breast screening among women. The report found that one in six women did not attend their screening appointment because it was inconvenient for them to do so—a point highlighted by my hon. Friends the Members for Peterborough (Mr. Jackson) and for North-East Milton Keynes (Mr. Lancaster). More therefore needs to be done to promote awareness of breast cancer and to encourage an understanding of the importance of early detection. More could also be done to locate NHS breast screening facilities closer to women's places of work. That would increase the convenience of daytime appointments, which it is often difficult for women to get away from work to attend.

There is also a challenge to improve take-up of screening in communities with little tradition of accepting invitations. The all-party group's report highlighted the fact that areas with a highly mobile population, such as Milton Keynes, or with a significant ethnic minority population are likely to be affected by low take-up. Women over the age of 70 are entitled to attend a screening once every three years. It might be advantageous to extend the age range further. However, improving the effectiveness of existing arrangements must be the health service's priority, so we should be extremely careful when imposing additional duties.

Conservative Members hope that the Bill will be considered in Committee and look forward to seeing how the new requirements could be made easier or phased in. Meanwhile, we remain convinced of the importance and impact of cancer screening services. I commend the staff working to save lives by detecting cancer early and look forward to the day when cancers in addition to cervical and bowel cancer, which are both subject to screening schemes, can be detected in that way.

Breast cancer is a killer. Nearly 13,000 women die from the disease each year. We should investigate all proposals to raise awareness, increase education, improve early detection and ultimately save lives. Therefore, notwithstanding the reservations that I have expressed about my hon. Friend's Bill, we believe that it warrants further scrutiny in Committee, and I therefore commend it to the House.

2.14 pm

The Minister of State, Department of Health (Ms Rosie Winterton): I congratulate the hon. Member for North-West Cambridgeshire (Mr. Vara) on securing a Second Reading for his Bill. He set out very clearly the devastation that breast cancer causes to women, families, friends and society more widely. I agree that it is important that the House should discuss the issues and use such debates to raise awareness of the value of breast cancer screening programmes. Women should be aware of the need for self-examination, but should also participate in those programmes.

As hon. Members are aware, reducing deaths from cancer is one of the top three priorities of the Department of Health. As the hon. Gentleman and the hon. Member for Boston and Skegness (Mark Simmonds) both said, breast cancer is the most common form of cancer in England, and more than 36,000 new cases were diagnosed in 2003. However, major progress has been made in tackling the disease and, since 1997, breast cancer mortality in the under-75s has fallen by 13 per cent., which means that 43,000 lives have been saved. Nearly 80 per cent. of women survive the disease for at least five years. Breast cancer screening has made an important contribution to that progress. May I add my thanks to everyone in the NHS whose dedication and hard work have led to those improvements?

The national computerised call and recall scheme for breast screening was introduced in 1988, and was the first such programme in the European Union. Women

[Ms Rosie Winterton]

aged 50 to 70 are invited for free breast screening every three years. Breast screening by mammography is an X-ray examination of the breast, and can show breast cancers at a very early stage. Early detection is important, and that system in particular can show breast cancers when they are too small to see or feel. If changes are found at that early stage there is a good chance of a successful recovery.

The NHS breast cancer screening programme is a great success, and it is regarded as one of the best breast screening programmes in the world. I am pleased to inform the House that in 2003–04, 1.3 million women were screened for breast cancer in England. Over 11,000 cancers were detected, 42 per cent. of which were small cancers that could not have been detected by hand. Of course, we wish to make further improvements to our breast screening programme, which I shall outline later. However, first I shall deal with the measures in the hon. Gentleman's Bill, particularly his wish to extend breast screening to women aged 45 to 50, and 70 to 75. He and I had an interesting and informative meeting about those issues in December, when we discussed many of the points that he has made today. I hope that he found that discussion helpful. Since that time I have had further meetings with Breakthrough Breast Cancer. As we discussed at the meeting, the Bill is an important way of raising awareness of the issues.

I hope the hon. Gentleman will accept that a number of the reasons that I set out at that meeting, which were echoed by the hon. Member for Boston and Skegness from the Conservative Front Bench today, still stand. The Government's stance is supported by organisations such as Breakthrough Breast Cancer. I reiterate that that does not mean that there will not be improvements in future, but it is important that any changes are based on the available evidence supporting them, so that we can ensure that the existing programme for women between the ages of 50 and 70 is the most effective and of the highest quality before we extend it. I hope the hon. Gentleman will accept the need for an evidence base strong enough to support any extension.

Mr. Vara: The Minister mentions Breakthrough Breast Cancer, but I hope she will acknowledge that a number of charities do an enormous amount of work. I have a letter from Breast Cancer Care, which states:

> "Following the publication of results by Cancer Research UK of a Swedish trial that screened women aged 40–50 in 2003, Breast Cancer Care believes screening women between the age of 45 and 50 can be successful in detecting breast cancer."

The charity goes on to list various caveats, including a reference to resources. Those are legitimate concerns, but it is important to remember that charities that are doing very worthwhile work are slowly moving towards the 45 to 50 age group, although, as I say, they do have reservations.

Ms Winterton: I accept that there may be slightly different views. I am certainly not insinuating that Breakthrough Breast Cancer is against screening in the longer term for that age range, if it was supported by evidence. The trials being undertaken should be allowed to finish and report before further decisions are taken.

I understand that the Swedish study to which the hon. Gentleman refers was a review of previous trials. There are indications—he refers to the caveats—that the results were not necessarily statistically significant for women in that age group. I am prepared to write to the hon. Gentleman with more details of that study. I shall return to the studies that we are undertaking and hope that will reassure him that we are not turning our backs on the idea, but we need to follow up the progress that has already been made to ensure that existing programmes are of the highest quality. We will look at the evidence and move on to further consideration of extension of screening.

Mr. Vara: For the record, the caveats to which I referred were not to do with the survey in Sweden. They were to do with resourcing, manpower and so on.

Ms Winterton: Let me explain some of the programmes that are in place, because, as the hon. Gentleman said, at the moment all women aged between 50 and 70 are entitled to free breast screening on the NHS every three years. Women aged 50 to 70 are invited as part of the national programme and women aged over 70 are encouraged to consider self-referring for screening every three years.

I will draw hon. Members' attention to the evidence bases that we are looking at and set out how we are taking forward some of the research. The International Agency for Research on Cancer, which is part of the World Health Organisation, evaluated the evidence on breast cancer screening in March 2002. It concluded that trials have provided sufficient evidence for the efficacy of mammography screening of women between 50 and 69 years of age. It also concluded that the reduction in mortality among those women who choose to participate in breast cancer screening programmes was estimated to be about 35 per cent. The agency's working group consisted of 24 experts from 11 different countries.

For women aged between 40 and 49 years, the agency concluded that there is only limited evidence for a reduction in mortality, but that in no way means that we are complacent about the issue. The advisory committee on breast cancer screening, which is appointed by Ministers, keeps the screening of women aged over 70 and under 50 actively under consideration based on the evidence as it emerges. As I have already said, women aged over 70 are offered three-yearly screening on request, and those who have already participated in the breast screening programme are informed of that right after the age of 70.

The hon. Gentleman and the hon. Member for Boston and Skegness referred to the need to increase awareness, and I can reassure the House that we have taken a number of measures, including working with Age Concern on a leaflet informing those over 70 that they are still entitled to breast screening. That leaflet is widely available in GP surgeries, health centres, breast screening units and Age Concern outlets, and about 2,000 are requested every month.

It is important when considering the extension of any of these programmes to ensure that we have properly researched how people will react to being invited. The advisory committee on breast screening has therefore

commissioned a research report from the cancer screening evaluation unit of the Institute of Cancer Research to try to answer that very question. That report is due to be discussed by the committee in the summer.

With regard to women aged between 40 and 49, those with a moderate or high family history of developing breast cancer should be offered annual mammography outside the NHS breast cancer screening programme, but to an equivalent quality and standard. That, as the hon. Gentleman said, is in accordance with NICE guidance that was published in May 2004. The guidance is currently being implemented, and the Healthcare Commission will assess the progress made by trusts in implementing it. In particular, the Healthcare Commission will consider how to identify the women in that age group who are most at risk from breast cancer. As I have said, all the evidence points to the fact that that is an effective way of ensuring that those women come forward.

It being half-past Two o'clock, the debate stood adjourned.

Debate to be resumed on Friday 3 March.

Remaining Private Members' Bills

HUMBER BRIDGE BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 17 March.

ROAD SAFETY AND PARKING BILL

Mr. Deputy Speaker (Sir Alan Haselhurst): Not moved.

BOROUGH FREEDOM (FAMILY SUCCESSION) BILL *[LORDS]*

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 17 March.

CRIMINAL LAW (AMENDMENT) (PROTECTION OF PROPERTY) BILL

Order read for resuming adjourned debate on Question [2 December], That the Bill be now read a Second time.

Hon. Members: Object.

Mr. Deputy Speaker: No date given.

CRIME PREVENTION AND THE BUILT ENVIRONMENT BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 3 March.

LICENSING ACT 2003 (AMENDMENT) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 17 March.

REGISTRATION SERVICE BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 3 March.

HARBOURS BILL *[LORDS]*

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 10 March.

John McDonnell (Hayes and Harlington) (Lab): On a point of order, Mr. Deputy Speaker. Today, more than 200 members of the Public and Commercial Services Union are taking industrial action at the NHS Pensions Agency as a result of the threat to their jobs, to their conditions of work and to the service that they offer posed by the Government policy of privatisation. We expected a Government statement—an oral statement, a written statement or a public statement by a Minister—on the action, which is the first in the history of the staff who work at the agency. Has a Minister approached Mr. Speaker to make a statement next week? If not, is it appropriate to suggest to the Government through you, Mr. Deputy Speaker, that the issue is important and that a statement should be made?

Mr. Deputy Speaker: All I can say to the hon. Gentleman is that I am not aware of any such request to make a statement. If such a statement were to be made in the course of next week, it would not be surprising if the request were made at the beginning of the week. Nevertheless, the hon. Gentleman's remarks are on the record and will no doubt serve as a reminder.

A120 (Braintree to Marks Tey)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Tom Watson.]*

2.33 pm

Mr. Brooks Newmark (Braintree) (Con): I am delighted to have secured this debate, which I hope will address the concerns of my constituents. The future of the A120 was raised in this House on several occasions by my predecessor, but there is still a pressing need to revisit the subject. Before I set out some of the issues, however, I pay tribute to my constituent, Roger Pulfrey, who chaired the Cressing A120 action group until his untimely death a fortnight ago. I regret that he cannot hear the outcome of this debate and will not witness the resolution of a campaign to which he was so dedicated.

I have been grateful for the willingness of many local groups to make constructive contributions to the proposals affecting local transport, including the Cressing action group, the Blackwater Valley action group, the Hatfield Peverel traffic working party, the Braintree and Witham rail users association and the Kelvedon rail users association. In addition, I have met and spoken to hundreds of residents in Cressing, Tye Green, Coggeshall, Silver End, Kelevedon, Feering and Bradwell—I thank them all. I hope that by bringing this debate to the House I can introduce some of that constructive spirit and generate a consensus over the future of the project.

The substance of the debate concerns a section of the A120 between Braintree and Marks Tey. In recent years, the A120 has been upgraded, section by section, to bring it up to the standards required of a road that links the M11 with the port of Harwich and forms part of the trans-European road network. Since 2004, the section of the A120 between Stansted and Braintree has been improved beyond recognition, and traffic has been diverted around Braintree on a bypass since 1989. However, problems resume along the section of A120 that runs from the end of the bypass at Braintree to the junction with the A12 at Marks Tey. Congestion and safety issues are associated with a road that is already operating beyond its designated capacity. Few, if any, of my constituents would dispute the need to make significant improvements to the section of the A120 between Braintree and Marks Tey. The current situation causes havoc for motorists in Braintree, and the advantages of the improved sections of the road are lost once they reach that bottleneck.

I believe that only two objectives should be considered when evaluating the road scheme: how best to reduce traffic congestion in the area, and how best to safeguard the environment. That is particularly so in light of the technical appraisal report, which has identified a very low cost variance between any of the options considered so far.

Turning first to traffic, the problems are immediately apparent. Congestion begins at a roundabout that was constructed as part of the Braintree bypass and has since been dubbed "cholesterol corner" because of the subsequent concentration of several fast food outlets there. The irony of that name is not lost on those of us who identify the end of the bypass with the resumption of clogging. In fact, the bypass continues past Galleys corner, but the roundabout is the major sticking point.

The sheer number of cars using the A120 is only part of the problem. Indeed, the traffic model used to predict road usage is derived from the original Essex county council stage 1 report conducted in 2002 and does not take into account the new Stansted to Braintree section of the A120 opened in 2004. It is of greater concern that traffic coming from the area to the north of Braintree, using the A131, and from the east, using the A120, would have to negotiate three roundabouts in order to access the proposed road at a fourth junction, which is to be constructed on open countryside near Tye Green. That seems to be transferring an existing problem instead of resolving it. It will not allow for a proper separation of local and through traffic, and it will make part of the Braintree bypass redundant.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on securing the debate. I know how hard he works on behalf of his constituents. Does he share my concern that traffic flows are notoriously difficult to forecast and that nearly every agency involved in those forecasts usually gets them wrong?

Mr. Newmark: That is indeed the case. However, it is important not only to predict traffic flow, but to consult local communities before such decisions are made.

Braintree district council's official response to the consultation was emphatic in its opposition to the construction of a new grade-separated junction at Tye Green. I am pleased to note that a letter to residents from the Highways Agency admits that at least proposals for a fully grade-separated junction at Galleys corner are now under consideration. However, other issues affecting traffic flow remain unresolved, particularly the decision not to present the option of an intermediate junction at Coggeshall between Braintree and Marks Tey. That has left many residents believing that the balance of the scheme is tipped in favour of the strategic interests of through traffic over the relief of local traffic congestion.

Residents are equally concerned about the impact of the scheme on the environment. The Highways Agency's proposal requires a land take of approximately 122 hectares, of which 108 hectares are grade 2 agricultural land. That is more than any other scheme under consideration. It will seriously undermine the economic efficiency of the area affected as well as leaving a large section of previously untouched rural land trapped between the old A120 and the new route. Ominously, for those affected, the environmental assessment report states that

"at this stage it has not been considered appropriate to conduct detailed assessments of individual farm holdings."

I ask the Minister at what stage such an assessment will take place.

The real fear that residents have is that the construction of the road would weaken planning restrictions in the area, resulting in the comprehensive urbanisation of the protected Blackwater valley. Large-scale engineering works will, in all likelihood, impinge on previously untouched areas of the valley. The Blackwater valley action group has rightly said:

"The effect of a major trunkroad spanning this valley would be devastating and irreversible."

It seems clear that the landscape and its wildlife are at risk from this new intrusion. Only recently a survey by the Essex wildlife trust has identified a specific threat to both rare bumblebees and otters, as well as a variety of other endangered bird life along the proposed route. Braintree district council's formal response to the consultation identified several environmental threats posed by the new scheme. Furthermore, the proposed new junction at Tye Green will break up a corridor of land that has been preserved as the boundary that is intended to prevent the merger of the two communities of Braintree and Tye Green.

For those who are not agitated by the impact that the proposal will have on bees and otters, there is another serious threat to contend with, and that is flooding. Villages in the area—especially Bradwell, where I live, and Coggleshall—were seriously flooded in 2001. The size of bridge spans that are needed to avoid the risk of flooding will increase to monstrous proportions, the true extent of which has not yet been adequately presented to the public or properly investigated. Many of my constituents seek reassurance that the lack of any overriding objections from DEFRA will not mean that the scheme, in whichever form it takes when it escapes from the drawing board, will have carte blanche with regard to the rural environment.

DEFRA's involvement in the process should not be regarded as an all-or-nothing affair, as many local residents believe it to be. I would like to have the Minister's assurance that the strategic interests at play will continue to be balanced with the environmental concerns of other Government agencies.

I turn to matters of consultation and presentation before I conclude. There is undoubtedly a need for this section of the A120 to be improved, and I am prepared to concede that the Highways Agency does not have any nefarious intentions towards my constituents. However, the fact remains that the way that the consultation process was handled in this instance has caused some difficulties which might have been avoidable, and I hope that it will be possible to learn some lessons for the future. Many residents have been under the impression, throughout the period of public consultation, that the agency was putting the cart before the horse and had already decided on a course of action. Better initial presentation might have prevented much of the distress that local people have subsequently experienced.

I recognise that the Highways Agency has tried hard to address the confusion by explaining that the proposed southern route was just that—a proposal and nothing more. However, the fine distinction between a proposal by the agency and the Secretary of State's "preferred route announcement" is lost on me as it is on the general public. Queries from residents were answered in correspondence, but only in a piecemeal fashion and after considerable delay in some instances. One resident waited from 9 May to 20 September 2005 to receive an answer to her queries about the consultation process, by which time the deadline had expired. The prevailing perception was that the consultation process was, in the words of one residents' action group,

"no different to having only one candidate to vote for or against in an election".

Members of Parliament might wish for such elections but they hardly create the right impression.

The perception was encouraged by problems with the consultation leaflet. The map key referred to "The Proposal" and "Options Considered", implying that the leaflet was a report of an investigation that was already done and dusted. The visual aids were no less forthright. As the Minister can see as I hold up the map, a bold black line represented the proposed scheme while the other viable options appeared as merely hazy suggestions. Those brave enough to wade into the 192-page technical appraisal report, let alone the 508-page environmental assessment report, would have found a welcome surprise in the following admission:

"The deciding factor in the choice of junction at the A12 could be the collective views of local people. Furthermore, it is proposed that in the interests of clarity of presentation and to receive objective and focused feedback from local people, a single route should be put forward at Public Consultation".

In other words, it was recognised that the public might decide the outcome and that it would therefore be expedient to lead them in a safe direction in case they should want to make up their own minds. It was not so much a case of, "Follow the yellow brick road" as, "Follow the bold black line." That is a shame because the technical appraisal report acknowledged that no existing proposals should limit the development of new options. However, the one document to which residents had ready access—the consultation leaflet—was not as clear on that point as it might have been.

Even the distribution of the document left much to be desired. Last June, the Cressing action group presented the Highways Agency with the results of a questionnaire, which sought to establish whether residents had been given adequate notice of the consultation process. Eighty-one per cent. of respondents said that they had never received a direct mailing about the consultation from the Highways Agency.

Those perceived shortcomings were compounded by the failure to hold exhibitions in either Cressing or Tye Green, although those communities were most closely affected by the proposed scheme. Those may appear to be small oversights but they have helped to create the impression among local residents that any consideration had already been completed before the consultation had even begun, and that they were not genuinely intended to make a meaningful contribution.

Even when lengthy and well informed submissions were made, such as the one that the Cressing action group produced—I have brought it with me and I hope that the Minister will take the time to review it thoroughly—timely responses have not been forthcoming from the Highways Agency.

We still await the formal consultation reports, which are not due to be ready until the summer. In the interim, residents have been left hanging. Will the Minister look into the way in which the consultation was conducted? I am sure that the delay in publishing the consultation outcome is indicative of the Highways Agency's desire to find the best possible solution to the area's transport needs. Attempts have been made to reassure individual residents that the concerns that they expressed in the consultation will be considered and acted upon.

I understand that several new options are under investigation as a result of responses to the consultation. I hope that the debate will provide more widespread comfort and that the Minister will add the weight of his

[Mr. Newmark]

reassurances in his reply. The people of Braintree, the county and the region need an improvement to the A120 between Braintree and Marks Tey. However, local people are entitled to be reassured that their views will be taken into account, that due consideration will be given to the environmental impact of all the proposed options and that there will be nothing clandestine about the important decision.

2.49 pm

The Minister of State, Department for Transport (Dr. Stephen Ladyman): I congratulate the hon. Member for Braintree (Mr. Newmark) not only on securing this debate, but on the measured and constructive way in which he has put forward his argument. Hon. Members are not always so constructive when they are making a plea in an Adjournment debate about the transport infrastructure in their constituency, but it is so much more helpful when they are, and so much easier to find a working solution. I, too, shall try to be constructive not only in this debate, but in any future meetings that the hon. Gentleman might wish to have with me to discuss this issue.

I should like to reciprocate the hon. Gentleman's constructive attitude immediately by giving him the key reassurance that he wanted, which is that the route on which we consulted is not necessarily the final route; it is not the only route. The purposes of the consultation were to identify possible alternatives to the route, to look for new ideas and to find the best way of delivering the scheme. I do not believe that there is any great dispute between us about the need for the scheme. The discussions that we need to have are about the route and about when the scheme will be delivered, but not about the need for it. It is important that we find the best route for the road in economic terms, and the one that causes the least environmental impact.

I repeat my assurance that I will ensure that alternatives are looked at, and I hope that, at the end of the consultation, we can come forward with suggestions with which the hon. Gentleman and his constituents can be comfortable. To be fair, the public consultation document to which he referred, of which I have a copy here, leaves something to be desired. It does not make it clear enough that alternative routes should be looked at as part of the consultation, or that new ideas could be put forward. That is a lesson that I will ensure the Highways Agency learns from this exercise and takes on board for future public consultations.

I should like to give the House some background information. The proposal to improve the A120 between Braintree and Marks Tey was one of a range of recommendations made by the London to Ipswich multi-modal study. The study was set up to examine the future transport needs of the A12 corridor from the M25 to Ipswich, and the A120 corridor from Stansted to Harwich. For the A120 between Braintree and Marks Tey, the Highways Agency commissioned Essex county council to identify potential lines of improvement and carry out a stage 1 assessment of them. That stage followed the Department for Transport's web-based transport analysis guidance—known as WebTAG—which ensures that the Highways Agency undertakes a sufficient assessment to identify the environmental advantages, disadvantages and constraints associated with broadly defined route corridors.

In July 2003, my right hon. Friend the Secretary of State for Transport asked the Highways Agency to carry out further detailed work on the scheme and to bring forward proposals for entry into the targeted programme of improvements. We also asked the Highways Agency to ensure that detailed design work was carried out to high environmental standards in order to minimise any adverse environmental impacts. In particular, the Secretary of State asked the agency to work closely with the statutory environmental bodies in addressing the potential environmental impacts of the scheme. The hon. Gentleman asked for an assurance that we would be working with those bodies, and I am happy to be able to give him that. Subject to the successful completion of all the necessary statutory procedures and to the availability of funds, the scheme could be delivered in the next 10 years.

The Highways Agency appointed Hyder Consulting to prepare a scheme for public consultation and entry into the targeted programme of improvements. The various lines that Essex county council had produced were refined to those shown in the public consultation document as the proposed southern route and the other options considered. These were then subjected to a stage 2 assessment. A technical appraisal report and an environmental assessment report were also produced. The assessment showed that the proposed southern route would be considerably more economically robust than the alternatives, and would have the least adverse effect environmentally, particularly with regard to the River Blackwater special landscape area. Public consultation on a proposed route for the improvement was carried out between February and June 2005. The alternative routes shown in the public consultation leaflet are neither as economically robust nor as environmentally sound as the proposed southern route. So, they could not be shown on an equal footing, which is why the consultation was carried out in the way it was.

One objective of the public consultation exercise was to invite suggestions for alternative routes, be they new lines or modifications of the options shown. Before a preferred route is announced, those alternative proposals will have been assessed using the same criteria and methods as the Highways Agency's original proposal. I am happy to give the hon. Gentleman that promise today. I will ensure that that assessment is carried out.

Mr. Newmark: There are only two assurances that I would like, on behalf of two particular communities. One is the A120 action group, which represents the Cressing area. I ask the Minister to consider the studies and reports that it has put together. With respect to the environment, I once again draw his attention to, in particular, any studies and works by the Blackwater Valley action group, due to the proposed impact on its area. Will he consider giving those two assurances?

Dr. Ladyman: I am happy to give the hon. Gentleman those two assurances. Indeed, the Highways Agency has proposed the southern route as the option for discussion precisely because—in its view and that of the analysis

that we have already done—it involves the least environmental impact on the River Blackwater special landscape area, to which he referred. I am happy to give him an absolute assurance that the representations made in the consultation will be thoroughly looked at and objectively considered before we finally come up with a route. As I have already acknowledged, the public consultation document did not satisfactorily set out the fact that the alternatives were there to be considered or that new ideas could be put forward. I will ensure that that lesson is relearned.

The hon. Gentleman also made some wider criticisms of the public consultation. I can tell him that about 26,000 copies of the public consultation document were distributed locally. The Highways Agency held exhibitions in four venues in early and mid-February, as well as a fifth at Feering, at the invitation of the parish council, towards the end of February. It also attended meetings arranged by other groups and councils, including Cressing, during the consultation period.

There was some confusion over the distribution of the consultation document. The Highways Agency received assurances from the organisation that was due to deliver it, but, despite those assurances, copies were not delivered as widely, thoroughly or early as the agency required. To deal with that, it made more copies of the document available at the consultation meetings and held such meetings not only at the venues that I have described, but at the request of a number of parish councils and other groups: Bradwell parish council, on two separate occasions in April and May; also in May, Sisted parish council Blackwater Valley action group, Braintree district council, Feering parish council and Cressing parish council; and in June, with the Braintree business forum. All had consultation meetings specially organised for them, to take account of their views. The visitors' books at the five main exhibitions recorded some 2,259 signatures, and 1,590 written responses were received from individuals, elected bodies and other groups such as the Blackwater and Cressing action groups.

As the hon. Gentleman will be aware, the Government announced in December 2004, through their recent spending review, that routes on the strategic road network would now fall into two categories: those of national importance, such as the M1 and the M25, and those of predominantly regional importance. The A120 has been classified as being of regional importance. That means that while decisions on all schemes and the commitment for funding remain with the Secretary of State, advice from the regions on the priority of schemes on trunk roads of regional significance will be sought alongside other regional transport proposals. We are waiting for the regional assembly's advice on how it wants to prioritise this scheme against others in the area.

Essentially, two pieces of work need to be taken into account—the results of the public consultation that we have been discussing and the regional prioritisation—before we will know exactly when the scheme will go ahead. Clearly, if the prioritisation is sufficiently high, the scheme will go ahead earlier than if it is given a lower priority. Notionally, at least, the scheme could be open in 2013. I know that that would bring significant economic advantages to the local community. Before we can get to that point and put the scheme into the targeted programme of improvements, we have to come up with a preferred route. We have seriously to consider the environmental impact of the route and to make sure that the scheme is economically robust. I repeat my assurance that we will do that.

I am keen to see considerable engagement with the local community, with the hon. Gentleman and with other elected Members who have an interest in the route. I am happy to meet the hon. Gentleman any time he feels the need in the next year or so, as we move forward on the scheme. I very much hope that we can come up with a route that will meet the needs of all his constituents and, at least, reassure them that appropriate weight has been given to their concerns. Last, but not least, I will be talking to the Highways Agency about the lessons to be learned from the consultation to ensure that it is done better in the future.

Question put and agreed to.

Adjourned accordingly at one minute past Three o'clock.

House of Commons

Monday 23 January 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

War Memorials

1. **Mr. Andrew Slaughter** (Ealing, Acton and Shepherd's Bush) (Lab): In how many cases his Department has been involved with regimental associations or other interested parties in the future of war memorials located in buildings due for redevelopment in the last five years. [44068]

The Parliamentary Under-Secretary of State for Defence (Mr. Don Touhig): Where Ministry of Defence buildings are to be developed, we work closely with regimental associations and other interested parties to ensure that any memorials that they contain are handled in a sensitive and appropriate way. However, that is done on a case-by-case basis and we do not hold central records.

Mr. Slaughter: I am most grateful for the Minister's reply, but my experience in the London boroughs of Hammersmith and Fulham and Ealing, about which I am concerned, is that three significant memorials have been relocated or threatened with relocation in the past three years. Although I am pleased that those issues have been successfully resolved thanks to the intervention of the local authorities and others, that is not always the case. Does my hon. Friend therefore think that his Department should play a greater role in intervening if it is made aware that memorials are not being treated with the respect that they deserve?

Mr. Touhig: I certainly agree with my hon. Friend's point. The Department is very sensitive in its handling of the issues concerning war memorials and the way in which they are maintained. Clearly when there are issues such as those that my hon. Friend referred to there will be discussions with the local authorities. We have no ownership of the memorials, but we will do everything possible to ensure that any change or movement is handled sensitively and properly out of respect for those whom such memorials recognise.

Mr. Philip Hollobone (Kettering) (Con): How much funding does the Ministry of Defence provide for the preservation of war memorials in this country and abroad?

Mr. Touhig: It has been a long-standing policy of successive Governments that costs associated with the maintenance of war memorials are not usually met by public funds, but by private donations or public subscriptions, which are often raised by the activities of organisations such as regimental associations. However, the Government through the MOD contribute £30 million a year to the Commonwealth War Graves Commission.

Andrew Mackinlay (Thurrock) (Lab): Will the Minister reflect on the fact that there is a case for some statutory obligation at least to notify if and when a war memorial is to be removed or, more importantly, destroyed? After all, other historic artefacts often have statutory protection. I hope that he will look for an early legislative opportunity to enable at least some period of public notification that such removal or extinction were contemplated.

Mr. Touhig: I do not know of any particular case, but if my hon. Friend has any cases that he can bring to my attention, I will certainly consider them. I will also look at the issue in general to see whether there is anything appropriate that we as a Government should do.

Future Aircraft Carrier

2. **Mr. Lee Scott** (Ilford, North) (Con): If he will make a statement on the future aircraft carrier programme. [44069]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): As my right hon. Friend the Secretary of State announced on 14 December, we have taken major steps forward in our plans for the future aircraft carriers. We have completed the detailed assessment work and have committed to the £300 million demonstration phase. An innovative shipbuilding strategy has been agreed that is central to our defence industrial strategy, with separate super blocks built at four yards and final assembly at Rosyth. That will create and sustain some 10,000 jobs in the United Kingdom. We are on course to provide the UK armed forces with the largest and most powerful warships ever constructed in the UK, and an expeditionary capability unparalleled outside the United States.

Mr. Scott: Press reports have indicated that the French are refusing to pay the £100 million bill to the British Government for aircraft carrier design. When the Minister sees his French counterpart, will he stay firm and say that they should pay that money? In addition, will technology be passed from the UK Government to the French Government?

Mr. Ingram: I am grateful to the hon. Gentleman for recognising the importance of consulting and discussing matters with one of our key allies in this area. If there is mutual benefit to the build of their aircraft carrier, we will clearly want to take that forward. The hon. Gentleman will have to wait for the outcome of those discussions, which will be amicable but like all commercial negotiations will have to be tough.

Mr. Kevan Jones (North Durham) (Lab): Although fabrication work on the blocks is very important to UK yards, including those in the north-east, the value of work in electronics and other high-tech bits for the future aircraft carriers are important. What steps is the Minister taking with the consortium to ensure that small and medium businesses in regions such as the north-east have access to that vital work?

Mr. Ingram: The supply chain and the relationship between small and medium-sized enterprises, many of which are very innovative and leading edge, are key to the success of the British shipbuilding industry. The way in which our defence and maritime industrial strategies move forward will be to ensure that there is greater appreciation and awareness of what is out there, so that we get not only best value for money but the high quality that the British industry can deliver.

Robert Key (Salisbury) (Con): Have the French Government finally decided whether they wish to build a third aircraft carrier; and, if so, have they communicated that decision to Her Majesty's Government?

Mr. Ingram: The hon. Gentleman would have to ask the French Government about their final decision in that respect. Clearly, they are considering the need; that is why they are discussing the matter with us. I have no doubt that as they move toward their strategic decisions on their requirements, they will take into account what we finally agree.

Mr. Lindsay Hoyle (Chorley) (Lab): My right hon. Friend is aware of the importance of getting the size of the carriers right. Has he taken into account the problem that there might be no stowable version of the joint strike fighter? What does he envisage will operate from the platform, and what guarantees has he had regarding technology transfer?

Mr. Ingram: We are confident that the solution will be found and we are approaching the matter accordingly. My hon. Friend knows that we are engaged in constant discussion and consultation with the United States Administration to ensure delivery on technology transfer.

Mr. Gerald Howarth (Aldershot) (Con): Since last month's highly critical Defence Committee report on the carriers, problems with the joint strike fighter, which is to be deployed on the carriers and to which the UK taxpayer has contributed $2 billion, have intensified. The Under-Secretary of State with responsibility for defence procurement, Lord Drayson, has referred to the difficulty in negotiations with the United States, and just today we hear that the Prime Minister's pleas have apparently fallen on deaf ears in the United States. It would help the House if the Minister of State spelled out in more detail how progress is being made. Lord Drayson said that there was a plan B in the event that the JSF did not proceed: can the Minister of State tell us what plan B is? Would it include marinising Typhoon, or an off-the-shelf buy of another American aircraft?

Mr. Ingram: The important thing is to succeed in plan A. The MOD would be failing if it did not look at a range of eventualities, but it would not be appropriate to play all of that out when our objective is to get the best for our new aircraft carrier. The Opposition are helping us to exert pressure and to make sure that the United States understands the importance of the project, which is vital not only to the United Kingdom, but to the NATO alliance.

Veteran's Badge

3. **Mr. Jamie Reed** (Copeland) (Lab): How many veteran's badges have been issued since the badge was introduced. [44070]

The Parliamentary Under-Secretary of State for Defence (Mr. Don Touhig): Her Majesty's armed forces veteran's badge scheme was launched in May 2004 and, to date, some 182,000 ex-service personnel have applied for and received the badge.

Mr. Reed: I am sure that the Minister is aware of the badge's importance as a symbol of the gratitude of the state for the sacrifice of the individual in the service of the nation. However, there is uncertainty among veterans in my constituency and their families about eligibility. Will he confirm precisely who is eligible for the badge?

Mr. Touhig: The veteran's badge is available to all those who served in the British armed forces in the first and second world wars, between the wars and up until 1954. That includes the Home Guard, those who served in Polish forces under UK command and the widows and widowers who are in receipt of a war pension. Merchant navy seamen who took part in military operations are also included and they will shortly be able to apply for their own version of the badge.

Mr. Henry Bellingham (North-West Norfolk) (Con): Veterans want to be able to wear the badge, but they also want to wear campaign medals to which they are entitled. What is the update position on the medal for the Malayan emergency that has been awarded by the Malaysian Government?

Mr. Touhig: The Department's efforts to mark the end of various campaigns have been quite successful and we have made great efforts to get medals out. The interest last year in the 60th commemoration of the end of the last war increased the demand and application for historic medals. That has resulted in 9,370 world war two cases still awaiting assessment. I have proposals for improving the service and I hope to make an announcement shortly.

Mr. Russell Brown (Dumfries and Galloway) (Lab): Many of those who served in my local regiment, the King's Own Scottish Borderers, qualify for the veteran's badge. What plans or proposals does my hon. Friend have to further extend the qualifying date?

Mr. Touhig: My hon. Friend may be aware that on 11 November my right hon. Friend the Secretary of State extended eligibility for the badge to cover those

who served between the wars and those who served up till 1954. We will continue to extend eligibility over the coming years. It is our aim eventually to include all who served in the armed forces. It is a question of how quickly we can process the applications. The more speedily that can happen, the sooner we can make an announcement about extending eligibility further.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Minister is aware—he mentioned it in a previous answer—of the role that Polish forces, one of whom was my own grandfather, played in the second world war. Will he please give me an assurance that the Polish forces will be recognised properly? There are still some Polish veterans living in this country who feel that they are neglected, sadly.

Mr. Touhig: I am sorry if there is a feeling of neglect. There is certainly no lack of respect and appreciation for the huge contribution made by Polish forces to our efforts in the last war. Indeed, my right hon. Friend the Secretary of State was the first Minister to attend a service at the Polish memorial. We will continue to recognise the huge contribution. If there is anything we could or should do to improve that recognition, I shall be interested if the hon. Gentleman has any proposals to put before me.

Sarah McCarthy-Fry (Portsmouth, North) (Lab): In my constituency there is a group of veterans who, until recently, felt that they had been forgotten—those are veterans of the Arctic convoy. Two years ago I marched on Downing street with those brave men to plead their cause. I congratulate the Secretary of State on achieving what no other Government had achieved since the end of the second world war—getting recognition for those very brave men in the horrendous conditions in which they found themselves. Can my hon. Friend give me a progress report on the Arctic Star?

Mr. Touhig: On behalf of my right hon. Friend the Secretary of State, I take on board my hon. Friend's congratulations and thanks to him for the efforts that he has put in—a tremendous effort, indeed. We have had discussion, which he led, with the various organisations and we now have broad agreement on a design concept. That is going into the final design stage, and we hope to progress a contract letting shortly and issue the emblems after that. I was delighted to see early-day motion 1429 congratulating my right hon. Friend on his work on the matter—an amazing feat of political prowess, as it united in brotherhood my hon. Friend the Member for Islington, North (Jeremy Corbyn) and the hon. Member for Aldershot (Mr. Howarth) in support. In terms of consensus, it is clear that my right hon. Friend reaches parts that the Leader of the Opposition wishes he could reach.

Nuclear Deterrence

4. **Michael Fabricant** (Lichfield) (Con): What his assessment is of the role of nuclear deterrence in the future security of the United Kingdom; and if he will make a statement. [44071]

7. **Gregory Barker** (Bexhill and Battle) (Con): What his assessment is of the role of nuclear deterrence in the future security of the United Kingdom. [44074]

The Secretary of State for Defence (John Reid): As our last manifesto made clear, our minimum nuclear deterrent capability, currently represented by Trident, is likely to remain a necessary element of our security while there continues to be any risk from the proliferation of nuclear weapons, and while other countries retain substantial nuclear arsenals.

Michael Fabricant: I am grateful for that unequivocal answer. Will the Secretary of State confirm that whatever any future deterrent might be—theatre, strategic or tactical—as long as countries such as Iran and North Korea strive for nuclear weapons, the United Kingdom must maintain some form of nuclear deterrent for the defence of the realm?

John Reid: Our present deterrent is viable for about 15 to 20 years, so, as we made plain in our manifesto as recently as six months ago, we shall retain the nuclear deterrent for the foreseeable future. We shall do so on the assumption that, as long as anyone else who is a potential enemy has a nuclear weapon, we shall retain ours. That of course will have to be tested in analysis, with a forward look of between 20 and 50 years, if we are looking at a successor to our present system of nuclear deterrence; it is that very assumption that we will test against future threats and insecurities. If that assumption proves correct, the conclusion that the hon. Gentleman drew from it will prove to be correct.

Gregory Barker: Many of us will be pleased to hear that categorical assurance from the Secretary of State, but does he agree that the threat comes not only from the states that possess nuclear weapons, but from all those that may seek to possess them? Will he therefore be a little clearer as to what "the foreseeable future" means, and tell us when he expects to place firm plans before Parliament for the replacement of Trident?

John Reid: "The foreseeable future" means the lifetime of our present system, the end of which is approximately 15 to 20 years away. The hon. Gentleman and his colleagues need not get too excited that anyone is going to take any sudden decisions, because we will retain our present nuclear deterrent during that period, as we made clear in our manifesto. The debate will be about whether we should extend the minimum nuclear deterrent in this country beyond that period, so we are talking about analysing the threats and risks between 20 and 50 years hence. Once we have done that, if the same assumptions apply, if there is a possibility that a potential enemy of this country could have access to nuclear weapons, and if we retain the same assumptions that we have now, we would obviously retain a minimum nuclear deterrent.

Mr. Gordon Prentice (Pendle) (Lab): The Prime Minister told us nine months ago that a decision would be taken in this Parliament on the replacement of Trident, and that he wanted to listen to the views of hon. Members. Is it my Friend's intention to publish a Green Paper setting out the options on this matter—we need

not stick with just a submarine-based deterrent; there could be any number of other permutations—and will there be a vote in this Parliament on whether we retain our nuclear deterrent?

John Reid: Just to correct my hon. Friend, the Prime Minister said that it was likely that—[HON. MEMBERS: "Ah!"] As accuracy is demanded of me in these matters, I am entitled to demand accuracy from my hon. Friends. The Prime Minister said that it was likely and preferable that the decision be taken in this Parliament. Indeed, lest Conservative Members again get excited without due reason, may I say that it would be not only preferable but my intention to see that decision taken in this Parliament? Now that everyone has calmed down, may I also say that my hon. Friend is right on his second point? That is that, quite apart from the principle about whether we retain a minimum nuclear deterrent, if we did so, there would be a range of options open to us. On his third point about our being fully prepared, I fully accept that there would need to be a discussion on both the principle and the means, if we decide to do so, of maintaining a minimum nuclear deterrent. There is plenty of time to discuss the exact method of doing that, and the exact voting patterns, which are a matter for the business managers, because there are no imminent decisions to be taken. Indeed, I have not even begun to consider the matter either in principle or in detail, nor have I received any papers on the principle or the detail from any officials. I am unlikely to do so for some time.

Keith Vaz (Leicester, East) (Lab): The Secretary of State for Defence will recall that on 3 and 4 December 1998 at St. Malo, the Prime Minister and President Chirac agreed to move towards a progressive framing of a common European defence policy. In the light of President Chirac's statement last week that he would be prepared to use nuclear weapons as a first strike against rogue states, what further discussions is the Secretary of State having with his European counterparts to discuss a common approach to these issues?

John Reid: If, by that, my hon. Friend means a common or joint approach to nuclear deterrence outside the framework of NATO, the answer at present is none.

Mr. Ian Taylor (Esher and Walton) (Con): In considering a replacement for our nuclear deterrent, will the Secretary of State take into account the reaction to President Chirac's speech last week, which was widely regarded as misguided or even counter-productive? Does not he accept that the biggest threat to this country is in more conventional areas and the overstretch of British forces? There must be a rebalancing of our thinking if we are really to protect the lives of our citizens, both in terms of overseas activities and in terms of homeland security.

John Reid: On the hon. Gentleman's first point, I know that he will understand that I no more speak for President Chirac than he does for Britain on such matters. If he has problems with the statements of Monsieur le Président, it would be better to write to him. On his second point, which juxtaposes conventional and nuclear forces, I do not believe that that is a useful way of examining matters. It is perfectly true that there are new threats arising from terrorism, but that does not mean that the old threats have disappeared. It is equally true that the type of forces that we would need to develop to counter terrorism, such as special forces, extra surveillance and extra mobility, are not necessarily nuclear weapons. That nuclear weapons are not a response to the threat of terrorism does not mean, however, that we should, for instance, get rid of special forces because they are not a response to the threat of nuclear weapons. The truth is that we need a range of responses to a range of threats.

Dr. Liam Fox (Woodspring) (Con): Our position on the nuclear deterrent is unequivocal: we are committed not only to retaining the current nuclear deterrent but to replacing it when necessary. Will the Secretary of State therefore tell us whether he or any of his officials have had discussions with their US counterparts on the options for replacing Trident?

John Reid: First, I realise that the hon. Gentleman was not his party's defence spokesman at the time that its manifesto was written, but for a party that says that it is unequivocally committed to the nuclear deterrent not to have mentioned it in one sentence in its manifesto—*[Interruption.]* I understand that nothing that was written in the Conservative manifesto has any relationship with today's policies, but it would have been useful if such strident commitment to the nuclear deterrent had been in the manifesto.

Secondly, although I have not received any papers on the principle or detail of nuclear deterrents, I have asked my officials to explore all the options in order to bring together the facts, figures, themes, assessments and assumptions about threats and responses in the nuclear field. Therefore, discussions have and will be ongoing between my officials and a range of people in order to assess and present the arguments to me. At that stage, we will have a wider discussion inside and no doubt outside Parliament.

Dr. Fox: We look forward with relish to discussion on the continuity of the nuclear deterrent. On Saturday, the Belgian Foreign Minister said:

> "If we want an integrated European defence system, it is logical that it would integrate existing nuclear arsenals ... A strong European branch will increase the equilibrium within NATO. The integration of existing nuclear arsenals in this system will also boost Europe's political clout ... We cannot be in favour of a European defence system and act as if the French and British nuclear arsenals do not exist."

Will the Secretary of State take this opportunity to make it clear that there is not a snowball in hell's chance of Britain's independent nuclear deterrent becoming part of any European defence structure, now or in the future?

John Reid: I regret to inform the hon. Gentleman that for some 40 years it has, and it is called NATO.

Iraq (Reservists)

5. **Richard Ottaway** (Croydon, South) (Con): How many reservists are deployed in Iraq. [44072]

The Secretary of State for Defence (John Reid): Around 700 reservists are deployed in Iraq. That figure comprises more than 650 Army reserves, 28 Royal Air Force reserves, and 20 Royal Marine reserves.

Richard Ottaway: The Secretary of State will be aware that a similar number of reservists have been deployed in Iraq for several years, which is making the decision to cut the regulars by four regiments look somewhat absurd and short-sighted. Is he aware, however, that many reservists also have a home-based role in the civil contingency reaction forces? Given the substantial numbers of reservists deployed in Iraq, does he agree that as many are double-hatted—in a civil and military role—that is having a serious effect on the civil contingency role back in the UK?

John Reid: I do not accept the second point. As for the first, which concerned the increased role for reservists and, in particular, for the Territorial Army, and their integration into regular combat and operational configurations, that is exactly what was envisaged in the 1997–98 strategic defence review. It has resulted in great challenges for the TA and other reservists, but it has also resulted in great benefits. Anyone who speaks to regular forces now will know that the esteem in which our reserve forces are held and the plaudits that they receive from the regular forces are higher than ever, precisely because of their deep involvement in operational matters.

Mr. David Winnick (Walsall, North) (Lab): Does my right hon. Friend know whether the more vociferous opponents of what we did in Iraq have congratulated all those in that country on the huge turnout—more than 70 per cent.—for the recent elections? Would it not now be appropriate to consider at what stage it would be right for British troops to leave, as our armed presence in Iraq was obviously never intended to be indefinite?

John Reid: My hon. Friend has hit the nail on the head. Notwithstanding the cries of the pessimists, not only have the Iraqi people shown by their turnout—despite all the threats of terrorism, death and destruction—just how much they value the chance of democracy, they have turned out in ever-increasing numbers. The turnout for the January elections was about 60 per cent., the turnout for the referendum was just under 65 per cent., and the turnout for the most recent elections was 70 per cent. Our troops and our people can be proud of the opportunity that we have extended to the Iraqi people.

Simultaneously we have been building up the Iraqi security forces. There are now 223,000; when I first came to the Dispatch Box, there were around 80,000. That represents a considerable advance. We are making steady progress towards the conditions that will allow us to hand over to the Iraqis the protection of their own democracy, and then to withdraw to barracks and, eventually, from Iraq.

Lynne Featherstone (Hornsey and Wood Green) (LD): Has the Secretary of State engaged in any discussions on the gradual replacement of British troops from Muslim countries?

John Reid: I have not done so directly, although I have had discussions recently—for instance, this morning—with the chief of staff of the Omani armed forces, previously in Bahrain with a range of Gulf states, twice in Saudi Arabia and with other Arab and Muslim nations about the possibility of their playing a greater role as the Iraqi people take their security and sovereignty into their own hands. The beginnings of that unity will be in Iraq itself. I welcome indications from the largest party in Iraq, mainly Shia-based, that it intends to explore the possibilities of a Government of national unity. That would represent a major step forward in Iraq.

Chris Bryant (Rhondda) (Lab): Does the Secretary of State agree that we owe a particular debt of gratitude to the reservists who played such an important role in Operation Telic, contributing not just military skills but, in some cases, skills gained in civilian life which have proved useful in Iraq? Does it worry him, though, that the percentage of reservists from the public as opposed to the private sector is currently so high? Will he urge private-sector companies around the country actively to encourage their staff to consider becoming reservists? They might bring back from the armed forces skills that would prove valuable in their civilian lives.

John Reid: I have no hesitation—I am sure that, on this occasion, I speak on behalf of those in all parts of the House—in congratulating our reserve forces on their contribution, not just in Iraq, but specifically in Iraq at the moment.

I will undertake to examine the figures in the light of my hon. Friend's question, but my impression is that employers across a range of public and private sectors have been very supportive in allowing the reserve forces to play the enhanced role that they are currently playing. I thank all who are doing so, because I realise that it often involves some diminution of their own business prospects. It is a contribution that they make to the country as well as to their employers, and I am very grateful for it.

Derek Conway (Old Bexley and Sidcup) (Con): The Secretary of State's praise for the TA and the reservists is well deserved and echoed across the House, but what impact are the scale and frequency of deployment having on recruitment into the TA and, in particular, on retention of non-commissioned officers, where there seems to be a growing problem?

John Reid: First, the House will want to understand that, under the Reserve Forces Act 1996, there is a limit on the number of times that someone can be called up in a given period. That limit cannot be breached. We have some recruitment problems in the TA, which is about 7,100 under strength out of 38,000—about 18 per cent. In fact, whatever establishment figure we have traditionally had for the TA, we always seem to have been about 18 per cent. short. I do not know whether that is governed by some immutable law. High employment and a range of other factors may be contributing to that shortfall, but I assure the hon. Gentleman that I and my two ministerial colleagues take recruitment and retention in the armed forces, whether reservists, TA or Army, very seriously. I will not pretend to the House that everything is as it should be or we would like it to be, but we are making strenuous efforts to get there.

David Taylor (North-West Leicestershire) (Lab/Co-op): The bravery, determination and tenacity of the reservists in Iraq is second to none and of course comparable with that of the regular forces, but from time to time coverage in the regional press suggests that morale is not all it could be among reservists who are deployed in Iraq. That is a major factor in terms of recruitment and retention. Can the Secretary of State say a little about that concern?

John Reid: Morale is actually very good among our armed forces. On Friday, for example, I was at Headley Court to see some of our very brave servicemen who had been seriously injured in Iraq and elsewhere. I said then to the press, although my comments were not widely reported, that I never cease to be astounded and indeed bowled over by the courage, determination and endurance of our soldiers even after very serious injuries. I also said that I wished that some of the critics of our interventions abroad could show the same commitment to this country and the optimism to see things through as our servicemen and women.

Mr. Mark Harper (Forest of Dean) (Con): TA strength has fallen by a fifth in the past five years and one in 10 of those available for deployment are already mobilised. Are not the Government simply exploiting our volunteer reserves to make up for the holes in our Regular Army?

John Reid: First, may I welcome the hon. Gentleman to the Front Bench, which illustrates that, in all institutions, when vacancies arise and recruitment and retention is difficult, there are always people who will step into the breach. It is no different with our reserve forces. As to whether the TA and other reserve forces have been used primarily or exclusively because of shortages in the regular forces, I say to him honestly that that is not the case. I commend to him the strategic defence review that was written in 1997–98—

Mr. Gerald Howarth (Aldershot) (Con): You wrote it.

John Reid: Yes, I did. When I wrote that, I defended, as several Opposition Members will know, a much higher level of TA and reserve forces than some of the regulars wanted, but I made it plain at the time that the quid pro quo was that reserve forces had to get away from the characterisation of being weekend warriors and get involved regularly in operations, which I argued would be good for them as well as for the regulars. That is the primary reason that our reserve forces are playing a more important role than ever. That does not mean to say that there is not a problem with recruitment and retention both among regulars and the TA; there is, and we will try to do everything that we can to overcome it.

Afghanistan

6. **Mr. Andrew Pelling** (Croydon, Central) (Con): To ask the Secretary of State for Defence, if he will make a statement on the security situation in Afghanistan. [44073]

The Secretary of State for Defence (John Reid): The international community, including the UK, is in Afghanistan to support the Government of Afghanistan as they extend their authority across the entire country, to facilitate reconstruction and development, improve security and counter the narcotics trade. We have made progress in all those things, but a great deal remains to be done. That is why we remain committed to the expansion of the international security assistance force across Afghanistan.

Mr. Pelling: If more of our troops are deployed, what assessment has been made of the risks that they will face as a result of the separate command structures for ISAF and Operation Enduring Freedom? What work has been done to mitigate the identified risks?

John Reid: A great deal of work has been done, and I assure the hon. Gentleman that more will be done. We have agreed to begin phase 3 in principle, but I have said that we will not begin it until I am convinced that we have the correct British configuration and adequate complementary economic development aid money. That money is especially important as a means to offer an alternative livelihood for farmers whose income from drugs has been withdrawn. The third requirement that must be met before phase 3 can begin is securing the correct multinational configuration in NATO. We have spent a great deal of time assessing the threat, and I am satisfied about the first and second criteria. We are in discussions with our allies about the third criterion, and I shall bring my final decision on that to the House as soon as I have made it. I do not think that that will be too long from today.

Mr. Siôn Simon (Birmingham, Erdington) (Lab): In my constituency, the parents of soldiers are enormously proud of what their children have achieved in Afghanistan over the course of the Bonn agreement. However, they will have heard what my right hon. Friend the Secretary of State has said today about the likely expansion this year of ISAF's role in Afghanistan, and about the larger role that British forces will play in less stable parts of the country. That is bound to cause those parents worry and concern, so will my right hon. Friend take this opportunity to say a few words on the subject?

John Reid: I understand the concerns of people in our armed forces, and their relatives, parents and loved ones. However, we would all do well to recall why we are in Afghanistan. We are there because, under cover of the terrible Taliban regime, it was used to launch a terrorist attack—without our intervention it would have become a series of attacks—that resulted in the massacre of thousands of people in the US. The country would have been used as a base against the west in general, and I have no doubt that it would have been used for attacks against this country in due course. We are in Afghanistan with the UN—the united world authority—to prevent terrorists from using that country used as a base against us. I do not pretend that the south of Afghanistan is in any way more benign than those areas where we already have a presence, but the dangers and risks associated with handing that country back to the Taliban and the terrorists are greater than any others that we face. We have no intention of handing Afghanistan back to the Taliban or the terrorists—or to both.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): In today's edition of the *Financial Times*, the NATO Secretary-General draws a clear distinction between ISAF's stabilisation role and the counter-insurgency efforts led by the US. He says that the

"allies have agreed command arrangements to ensure that the two missions do not get in each other's way."

Beyond that basic requirement, what arrangements are in place to ensure that, as one general put it, NATO does not

"work on reconstruction one day and the bulldozers of"

Operation Enduring Freedom

"flatten everything the next"?

The Secretary of State said last month that there was not a complete distinction between counter-terrorist and counter-narcotics activities. How will those different demands be reconciled?

John Reid: They will be reconciled through two separate missions: "seek and destroy" against terrorists; and building and reconstructing Afghanistan's democracy, governance, economic development and security forces. However, only someone who is dreadfully naive would think that we will be allowed to carry out the second of those tasks—the NATO task, in which we will be involved when we go to the south—unhindered by any attacks. The House will expect us to say that if our troops are attacked while reconstructing Afghanistan, or helping and protecting the aid workers, or helping President Karzai's Government to extend, we will robustly defend ourselves. That is why I said that we cannot draw a complete distinction between the missions, but there will still be two. We will attempt to co-ordinate them, at a stage after phase 3, by establishing a double-hatted sequence in one General, so that there will be maximum co-ordination of two separate missions. We are not changing our mission to one of anti-terrorism. We are still there for the reconstruction of Afghanistan, but we will defend ourselves if attacked.

Mrs. Ann Cryer (Keighley) (Lab): Can my right hon. Friend comment on the security of women in Afghanistan? Are they now able to go out alone without fear of punishment? This is a particularly important issue for the thousands of widows there, who want to become economically active again.

John Reid: My hon. Friend makes a very important point. Obviously, the primary reason that we went into Afghanistan was to ensure protection against its being used as a terrorist base against us. But in addition, in the light of the opium produced there—90 per cent. of the narcotics on our streets come from Afghanistan—and of the terrible treatment of Afghanistan's citizenry, particularly women, under the Taliban, the removal of that regime from the shoulders of the Afghan people was an undoubted boon. I was there recently, helping British soldiers to open a school. The opening was attended by hundreds, because the school allows young girls to be educated. Under the Taliban, it was not only undesirable to educate girls; assisting their education was an illegal offence punishable by imprisonment. So regarding women and the education of female children, there is a complete difference between the situation in Afghanistan today and only 10 years ago. That difference is spreading across Afghanistan, and we should be justly proud of that.

Sir Peter Tapsell (Louth and Horncastle) (Con): Does the right hon. Gentleman recall that at the height of the British Raj, when we had 100,000 troops in the Indian subcontinent, the greatest of our viceroys advised the British Government of the day on no account to allow this country to become involved in what he described as the "bloodthirsty convolutions of Afghan politics"? Does not the history of three Anglo-Afghan wars, and the more recent experience of the Russians in that country during the 1980s, show the urgent need for the right hon. Gentleman to continue to act on that advice?

John Reid: With great respect to the hon. Gentleman, whose learning and lucidity in respect of these issues is always to be admired, there are two differences between the expeditions that he mentions and today's intervention. First, all those were imperialist in design; this one is not. Secondly, none of them was at the invitation of a democratically elected Government of Afghanistan. The lessons of history are very important and I do not diminish them at all; nor do I suggest for one minute that we are embarked on a project in Afghanistan that will be without its difficulties, or that will be finished, for the Afghanis, within five or 10 years. I do not mock or diminish what the hon. Gentleman says, but today's situation is significantly different—sufficiently so to lead us to believe that there is an imperative to stay there. Finally, all alternatives are much more dangerous and risky for this country. We cannot allow the handing back of Afghanistan to the Taliban fundamentalists and the al-Qaeda terrorists whom they protected to happen. To do so would be to abdicate our responsibility to the people of this country.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I listened carefully to what my right hon. Friend had to say, but he will be aware that there is a growing insurgency in the south and south-east of Afghanistan and that the warlords are becoming entrenched as they subvert the political process and control the narcotics trade. Does he think he will have the resources necessary to implement a crop substitution, which will be required, and to build structures in the province of the integrity required to extend the democratic writ?

John Reid: My hon. Friend makes some perfectly reasonable points. I would not pretend that Afghanistan is more benign in the south than in the north, but I do not think his description was absolutely correct; he may not have caught up with events, but the Governor of Helmand has been replaced by a new governor, Engineer Daud, who is, I think, pursuing more vigorously policies less easily open to accusations—I choose my words carefully here—of corruption or connection with some of the nefarious trades that go on. Nevertheless, the area is a difficult one to go into, and I can only assure my hon. Friend that one reason why I have spent so much time on, and have as yet, despite all the pressure, made no announcement on, the details for go-ahead, in spite of its being agreed in principle, is that I wanted to be satisfied on some of the very points that

he has raised. In particular, there must be sufficient economic development and financial assistance for the area.

Mr. James Arbuthnot (North-East Hampshire) (Con): Does the Secretary of State accept the importance of the principle of the application of overwhelming force? Is he not a little concerned that the small size of the deployment being considered in relation to the south of Afghanistan does not satisfy the principle of overwhelming force?

John Reid: No. I accept the principle but think that the right hon. Gentleman's figures are awry. When I finally announce what will go in, if we go ahead, he will find that in comparison with the number, or suspected number, of Taliban, we are considering far more than we have there at present or than would be required by the doctrine of overwhelming force. At the moment, in areas of Oruzgan for instance, the number of Americans in the north of Helmand province are 20 and 20. In Helmand province itself, the Americans are numbered not more than 100 or so. The idea that there is already a huge presence or that there is a huge presence of, for instance, Taliban is not necessarily correct.

That does not mean to say that those who are there are not dangerous. A relatively small number of terrorists, particularly those unconstrained by any convention of morality or legality and prepared to murder civilians and to make no distinction between civilians and combatants, can be very strong. I do not believe, however, that we are putting in, or considering putting in, a force of insufficient configuration of size.

Dr. Julian Lewis (New Forest, East) (Con): When British forces come into contact with terrorist suspects in Afghanistan, as the Secretary of State has conceded they surely will, to whom will those suspects be handed over, by whom will they primarily be interrogated, and in which countries will those interrogations take place?

John Reid: Without wishing to seem over philosophical, that depends. It depends on what people are arrested for: is it acts of terrorism or something primarily to do with narcotics or insurgency? It depends at what time arrest happens. It depends on the state of the judicial system that will be built. It depends on whether there are prison facilities. It depends on which of the allies is working alongside us—for example, the Australians, the Danes or the Dutch. I very much welcome the fact that the Dutch Cabinet have unanimously agreed that the Dutch ought to go in, although that is subject to their Parliament discussing the matter. If the hon. Gentleman were asking a specific question about specific cases, I should be able to respond.

Dr. Lewis: Terrorists.

John Reid: I understand that he is saying terrorists, but I am not sure whether that includes insurgents or whether insurgents would include those involved in the narcotics trade. I shall write to him, if we decide to go ahead. I have to point out that I have not yet pressed the final button. When I do, I will come to the House and many of these matters, which we have already discussed in detail, can then be discussed in detail.

Infantry Deployment

8. **Mr. David Evennett** (Bexleyheath and Crayford) (Con): To ask the Secretary of State for Defence, what assessment he has made of the adequacy and availability of British infantry to fulfil additional urgent deployments. [44075]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): Our plans ensure that we have forces of appropriately high readiness, including the infantry, in place to meet urgent contingent operations.

Mr. Evennett: Has the Minister seen the article in *The Daily Telegraph* today entitled, "Manning Crisis for Paras", which states that the Parachute regiment is suffering severe manpower shortage and is about 10 per cent. down on full manning levels? Can it really be true that the problem is so bad that a battalion being sent to Afghanistan will need

"100 regular infantry soldiers to bring it up to strength"?

What is the Minister doing to get the regiment up to full strength—

Mr. Speaker: Order. There should be only one supplementary, and I counted two.

Mr. Ingram: I do not know which two you counted, Mr. Speaker, but I shall try to answer one of them. I did see the article and I saw other articles today, including one in *The Herald* that said that the Black Watch were going, but they are not. If I were to respond to every hare set running by a journalist, we would be here all day answering questions to no avail, because they have to be built on reality. My right hon. Friend the Secretary of State has indicated the issues that we have with recruitment and retention. We are aware of those issues. It is probably true to say that most battalions are under strength when deployed and have to be strengthened by drawing in support from other battalions. That has been the case for a long time and sophisticated military knowledge is brought to bear to ensure that those people who are put in have all the necessary training and the appropriate equipment so that they can deliver on the task that we have set them.

Angus Robertson (Moray) (SNP): There should be a 24-month gap between operations, and it is the Scots Guards who are reportedly going back to Basra after only eight months—of course, we wish them well and our thoughts are with their families. How small does the tour interval need to be before the Ministry of Defence concedes that there is overstretch?

Mr. Ingram: I apologise, because I said the Black Watch when I should have said the Scots Guards, but they are not going either. The hon. Gentleman is right about tour intervals. We set the interval at 24 months between each six-month operational tour, which equates to one tour in each 30-month period. The average tour interval for the infantry at 1 January was 21.1 months. Clearly, there are pressures on some of our troops and some of the key enablers, but the hon. Gentleman's position on this interests me. I do not think that he would deploy troops anywhere, be it in

Afghanistan, Iraq or anywhere else, without his party saying that they were operating under the butcher's apron, which is what they have called the Union flag.

Mr. Julian Brazier (Canterbury) (Con): May I welcome the fact that the most recent deployment of territorial infantry has been in formed companies or platoons, including a company of Paras that is just going out? I urge the Minister of State to look again at the mostly Regular Army-driven paper, which proposes converting TA infantry companies into little more than recruiting organisations and squaring the circle by expanding the number of full-time instructors who are non-deployable. That is not what the Territorial Army at the working level wants.

Mr. Ingram: As the hon. Gentleman knows, we are looking at restructuring and the best usability and deployability of the TA and the reserves, which—as discussed earlier—is part of the original construct, post-SDR. We take into account the views of serving members of the TA, but we have to balance those views with what we believe to be right and appropriate. All views will be taken into account to ensure that we are moving forward with the right construct, the right purpose and the right numbers, if that can be achieved through progressive recruiting.

Single Living Accommodation

9. **Alison Seabeck** (Plymouth, Devonport) (Lab): To ask the Secretary of State for Defence, what plans his Department has to improve single living accommodation for members of the armed forces.

[44076]

The Parliamentary Under-Secretary of State for Defence (Mr. Don Touhig): We value our service personnel and we believe that they deserve the best accommodation. The Defence Estates project SLAM—single living accommodation modernisation—aims to deliver around 22,000 bed spaces by 2013 at a cost of £1 billion. The project has already delivered about 4,000 new bed spaces.

In addition, other projects, including private finance initiatives, will deliver a further 3,340 bed spaces in this financial year. This will give a total of 10,000 bed spaces delivered by those projects since financial year 2003–04. A further 47,000 are planned to be delivered by 2013.

Alison Seabeck: I thank the Minister for his response. He is clearly aware of the problem of the conditions in which many single people serving in the armed forces live. Improvements have been made to officers' quarters already at Plymouth, Devonport, but when can we expect the bulk of the improvements to living conditions for other service personnel to begin? At the moment, they are living in conditions that are not fit for purpose for the 21st century.

Mr. Touhig: We fully appreciate how important this work is, and I can tell my hon. Friend that project Armada is seeking to improve single living accommodation at Devonport and runs parallel with project SLAM. On completion, project Armada will provide high-quality single living accommodation and associated support services for 1,500 service personnel. We intend to continue this work and accelerate it right across the country.

Points of Order

3.31 pm

Mr. David Jones (Clwyd, West) (Con): On a point of order, Mr Speaker. I wish to raise the issue of Ministers' relations with individual Members. The generation company, nPower Renewables, has made an application to the Department of Trade and Industry for consent to develop a very large wind farm off the coast of my constituency and the neighbouring constituency of Conwy.

On 1 December, I wrote to the Secretary of State for Trade and Industry asking if I could see him to relate to him the concerns of a large number of my constituents. On 21 December, I received a letter from the Minister for Energy informing me that

"it would be inappropriate for me to meet you to discuss the application because it could prejudice the Secretary of State's consideration of the application in due course."

I was therefore surprised to read on 20 January an article written by the hon. Member for Conwy (Mrs. Williams) in *The Pioneer (North Wales)* in which she said:

"On Tuesday, I had a meeting with the Trade and Industry Secretary to discuss issues surrounding the planning application for the Gwynt y Môr offshore wind farm."

The position is therefore that although neither the Secretary of State nor his Energy Minister are willing to meet me and hear my constituents' concerns, the Secretary of State has apparently been quite happy to conduct a meeting with the hon. Member for Conwy and to hear her constituents' concerns. Is it right that the Secretary of State and his Energy Minister should behave with such an apparent lack of even-handedness?

Chris Ruane (Vale of Clwyd) (Lab) *rose—*

Mr. Speaker: Order. Let me answer and perhaps the hon. Gentleman will not need to come in on a point of order. *[Interruption.]* Order. There is no need to give notice of a point of order. *[Interruption.]* Order. Let me answer.

I say to the hon. Member for Clwyd, West (Mr. Jones) that I will not get drawn into the specific case, but I, like every Member in the House, have a constituency. One of the things that helps me immensely is the fact that I am able to tell my constituents that I will seek a meeting with a Minister. That is a very good facility, and it is something that constituents like their Member of Parliament to do. So, without getting drawn into the specific case, all I would say is that when Ministers receive a request from an hon. Member, I hope that they take it very seriously and have a meeting with the Back Bencher concerned. That is very important, particularly for constituents.

John Bercow (Buckingham) (Con): On a point of order, Mr. Speaker. I seek your guidance. I was advised by a constituent, Tess Finch-Lees, this morning that an associate of hers, Mr. Ahmed Elzobir, was in Khartoum yesterday on behalf of the Darfur centre for human rights, and in the company of a number of other people who were part of a delegation of African and international civic society leaders attending the African Union summit.

My point is that Mr. Elzobir and approximately 30 other human rights and pro-democracy activists were arrested by the Sudanese security forces for peacefully taking part in a consultation with the Sudan Social Development Organisation and the Sudan Organisation Against Torture. Given that four of the people arrested were British nationals and that the Sudanese security forces are notorious for their practice of torture—both physical and psychological—I wonder whether anything can be done to persuade the Foreign Secretary to come to the House to make a statement about the attitude and intentions of the British Government in this matter.

Mr. Speaker: The hon. Gentleman has put the matter on the record and he will know that it is not a matter for me.

Mrs. Betty Williams (Conwy) (Lab): On a point of order, Mr. Speaker. I understand that my name was mentioned just before I arrived in the Chamber. May I seek your guidance? Is it not common courtesy to inform an hon. Member if their name is going to be mentioned in the Chamber?

Mr. Speaker: The hon. Member for Clwyd, West (Mr. Jones) made no criticism of the hon. Lady. Her name was mentioned because she is his constituency neighbour and had a meeting with a Minister. However, I assure the hon. Lady that there was no attack on her.

Mr. David Jones: On a point of order, Mr. Speaker.

Mr. Speaker: Order. I think that the hon. Gentleman should quit while he is ahead.

Orders of the Day

Government of Wales Bill

[1st Allotted Day]

[Relevant documents: The First Report from the Welsh Affairs Committee, Session 2005–06, Government White Paper: Better Governance for Wales, HC 551, and the Government's response thereto, Third Special Report of the Committee, Session 2005–06, HC 839.]

Considered in Committee.

[Sir Alan Haselhurst *in the Chair*]

Clause 92

Assembly measures

3.36 pm

Lembit Öpik (Montgomeryshire) (LD): I beg to move amendment No. 59, in page 50, line 5, leave out 'Assembly' and insert 'Senedd'.

The Chairman of Ways and Means (Sir Alan Haselhurst): With this it will be convenient to discuss the following amendments: No. 60, in page 50, line 5, leave out 'National Assembly for Wales' and insert 'Senedd'.

No. 61, in page 50, line 7, leave out 'Assembly' and insert 'Senedd'.

No. 62, in page 50, line 8, leave out first 'Assembly' and insert 'Senedd'.

No. 96, in page 50, line 8, leave out second 'Assembly' and insert 'Senedd'.

No. 63, in page 50, line 10, leave out 'Assembly' and insert 'Senedd'.

No. 64, in page 50, line 11, leave out 'Assembly' and insert 'Senedd'.

No. 65, in page 50, line 12, leave out 'Assembly' and insert 'Senedd'.

No. 66, in clause 1, page 1, line 5, leave out from 'be' to end of line 6 and insert

'A Parliament for Wales to be known as the "Senedd".'.

No. 85, in clause 1, page 1, line 12, leave out 'Assembly' and insert 'Senedd'.

No. 86, in clause 1, page 1, line 12, leave out '"Assembly' and insert '"Senedd'.

No. 87, in clause 1, page 1, line 15, leave out 'Assembly' and insert 'Senedd'.

No. 88, in clause 1, page 1, line 16, leave out 'Assembly' and insert 'Senedd'.

No. 89, in clause 1, page 1, line 17, leave out 'Assembly' and insert 'Senedd'.

No. 90, in clause 1, page 1, line 18, leave out 'Assembly' and insert 'Senedd'.

No. 91, in clause 1, page 1, line 20, leave out 'Assembly' and insert 'Senedd'.

No. 92, in clause 1, page 1, line 21, leave out 'Assembly' and insert 'Senedd'.

No. 93, in clause 1, page 1, line 22, leave out 'Assembly' and insert 'Senedd'.

Lembit Öpik: May I welcome you, Sir Alan, to what will unquestionably be the most exciting debate that we have had about Welsh constitutional matters so far this year?

The amendments relate to nomenclature, and our first debate focuses on a point of principle that in many ways marks the dividing line between the different visions of devolution that each party has. The name of the Administration is fundamental to what it represents and the way in which it is perceived. We need to ask ourselves what we want the Administration to represent. For the Welsh Lib Dems, the answer is simple. We want a strong and autonomous Welsh body with primary powers. In other words, we want a Welsh Parliament: a Welsh Senedd.

Wales is not just another region and its Administration should not be just another Assembly. We are not talking about the west midlands or the north-east—Wales is a proud nation, so its Administration should have the powers and a title that reflect its status.

My worry is that we are in danger of blowing an historic opportunity. Of the four parties in Wales, only one is opposed to the devolution project. There is certainly only one that believes that giving more powers to the Assembly would be

"like giving a latchkey, a bank account, and shotgun to a 10 year old"

and that

"these people should not be trusted with more powers under any circumstances."

Presumably, that shows the new progressive face of the Conservative party. I look forward to finding out how things might change during today's debate, but that view seems to have more in common with Whitehall in the 18th century than Wales in the 21st century.

The other two Opposition parties that are represented today believe that Wales is something more than a troublesome colony. The Government know full well that they should have followed the path drawn up by the Richard commission. Had they done so, they would have had our full support, but instead they have been timid when they should have been bold.

We have tabled amendments that point the way to a powerful and capable Welsh Senedd. Using the title "Senedd" would be a sensible signal of the Government's intent. If they are serious about fulfilling the devolution project and getting to the so-called stage 3, at which the Welsh political body would have primary law-making powers, they should be happy to use the name Senedd. Obviously, we look forward to hearing what Ministers have to say. I hope that we will get support from Plaid Cymru, and I will listen with great interest to what the Conservatives have to say. I should point out now that we would like to push this matter to a vote because of its iconic importance.

Albert Owen (Ynys Môn) (Lab): I am a little confused. First, the hon. Gentleman says that it is demeaning to call the body an Assembly, because that would mean that we were not a nation—yet France has a National Assembly, of which it is very proud.

[Albert Owen]

Secondly, he wants the body to be called the "Senedd"—but now that we have a bilingual policy in Wales, we can call it either the National Assembly for Wales or Cynulliad Cenedlaethol dros Cymru, so what does he propose as the English version of Senedd?

Lembit Öpik: On the first point, the hon. Gentleman knows perfectly well that this is a matter of translation. I think that the French, on grasping the relationship between the word "Assembly" and the word "Senedd" in the context of what we are seeking to achieve in Wales, would understand the Liberal Democrats' aspiration to use "Senedd". Hon. Members, of course, may hold a different view. On the second point, it seems to me that calling the Assembly the Welsh Senedd would be a fairly easy way to describe it. The word "senedd" would work in either language, so I see no confusion there.

David T.C. Davies (Monmouth) (Con): Will the hon. Gentleman give way on that point?

Lembit Öpik: No. I am about to finish and Members can make speeches of their own.

Scotland has a Scottish Parliament, and the Welsh Liberal Democrats who helped to guide the original devolution legislation through in 1997 were always apprised of the difference. We felt that Wales was getting a second-class arrangement in comparison with Scotland. I ask right hon. and hon. Members to consider that just as Scotland has a Scottish Parliament, it would be reasonable for Wales to have a Welsh Senedd.

We believe that this is an iconic matter. We will listen to whatever contributions are made, but we sincerely hope that Opposition parties, and the more progressive people on the Government Benches, will see fit to support the amendment.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): I was disappointed not to be able to contribute to the debate on 9 January. I know well, from reading early-day motion 1421, that Welsh Members take an active interest in the deliberations of the Scottish Parliament, and this is reciprocated by Scottish Members in respect of the National Assembly of Wales—[HON. MEMBERS: "For Wales!"] I mean the National Assembly for Wales. In any event, the Scottish Parliament provides an important point of reference in the explanatory notes on the Bill.

I listened carefully to what the hon. Member for Montgomeryshire (Lembit Öpik) said, and it is pretty much the same as what he said in the debate in 1997, when the Liberal Democrats made the same proposal. Now, as then, we are not convinced of its merits. Indeed, our view is even more pronounced now than when it was eloquently put on that occasion by my hon. Friend the Member for Ribble Valley (Mr. Evans).

The term "Welsh Assembly" has been in common parlance for some six and half years among the people of Wales. Some—although not those on the Conservative Benches—may take its name in vain; others may speak more highly of it. It would bring little benefit, other than to signwriters and stationers, who are already well catered for in Wales, to change the name at this stage.

Mr. Roger Williams (Brecon and Radnorshire) (LD): As the hon. Gentleman's party now ostensibly supports furtherance of the devolution settlement, would he be in favour of the Assembly being called the Welsh Parliament or the Parliament of Wales?

3.45 pm

David Mundell: We are not in favour of that proposal unless it is the clear wish of the people of Wales, as evidenced in a referendum.

We should not forget that it is not the name or, dare I say, the powers of a body that deliver it recognition, authority and respect. It is how it behaves and what it delivers for the people. Many bodies and organisations have sought to operate with a different name but have had mixed success, because ultimately it is the public and what they want that matters, and in this case they clearly recognise the Welsh Assembly.

If we reflect on the work of the Richard commission, we see that it is clear that on a number of aspects voters in Wales are confused, as I think we shall hear throughout the consideration of this Bill, about the exact role of the Assembly, just as people are in relation to the Scottish Parliament. In light of that confusion and of the need to address it, I see no benefit in moving forward with this measure at this time when the effort should be directed towards extending understanding of the Welsh Assembly. Accordingly, we oppose the amendments.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The amendment is worthy of support. Adverting to what has just been said about some perceived confusion, I should say that the new building in Cardiff is to be known as the "Senedd". Therefore, far from creating more confusion, the proposal might even clear up confusion. I do not in principle see why it should not be called a Senedd. In future, who knows, there might be regional assemblies in England, and a distinction must be drawn between the legislative body for the whole of Wales and a regional assembly in England. Therefore, the amendments are sensible.

I do not want to dwell too long on the amendments, but if the hon. Member for Montgomeryshire (Lembit Öpik) is to divide the Committee on this issue, we will support him. I am glad that we have had the opportunity to debate these amendments and we will support him in a vote.

David T.C. Davies: I am surprised that Plaid Cymru Members are choosing to support the amendment, because I would have thought that, for different reasons, we would all have an interest in opposing it. I oppose the amendment because, as the hon. Member for Ynys Môn (Albert Owen) has pointed out, the word "Senedd" translates, as probably everyone here knows, as "parliament". To suggest that the Welsh Assembly should be called the Welsh equivalent of "parliament" would add a lot of confusion. I would not have thought that that would be in the interests of Plaid Cymru, as it would suggest that a parliament exists, but at the

moment we have only the Welsh Assembly. It would almost be a breach of the Trade Descriptions Act to describe the Welsh Assembly as a parliament. I and many of my colleagues would like it to remain a Welsh Assembly. Therefore, we do not support the idea of calling it a parliament, as that would add to the inevitability of it becoming one.

Mr. Wayne David (Caerphilly) (Lab): Will the hon. Gentleman clarify for my benefit and for that of others whether the new debating chamber is to be called a Senedd? Would not calling the debating chamber as well as the rest of the institution a Senedd cause confusion?

David T.C. Davies: It will certainly cause a lot of confusion. I believe that the hon. Gentleman is correct that the debating chamber is to be called a Senedd, but I am afraid that he will have to ask others why, because they certainly did not consult the hon. Member for Monmouth when coming up with its name. He will surely recognise, as his colleagues appear to, that at the moment we have the National Assembly, and that, we are told, is what it will remain even after this legislation goes through. To call it something else, even in Welsh, will add to the confusion and I therefore suggest that we oppose the amendment.

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): The hon. Member for Montgomeryshire (Lembit Öpik) said in introducing this group of amendments that it was iconic. Basically, he and others believe that they should have a parliament for Wales, but the Government of Wales Act 1998 and this Bill do not create a parliament.

The hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell)—the name of his constituency is even longer than mine—made the point that there was an extensive debate on the term "Senedd" in the Committee on the Government of Wales Act 1998 and it was decided then that the title "Assembly" was appropriate. Although I understand the position taken by the hon. Members for Montgomeryshire and for Meirionnydd Nant Conwy (Mr. Llwyd), the Government and the Assembly are happy with the title "National Assembly for Wales". Several hon. Members referred to the risk of causing further confusion and the possibility that people would start to refer to the body as "parliament", which could cause it to be confused with this place.

All hon. Members agree on the proposals in the Bill for the separation of the legislature and the Executive. One of the reasons why we need that separation is to give clarity to the devolution settlement in Wales—the public need to understand who is responsible for decisions. In putting that separation into effect, we are sticking with the terms that have gained common currency in the past four years: "the Assembly" and "the Wales Assembly Government". It has been argued that a new name for the Assembly would bring home to people the difference between the Government and the legislative body, but I do not believe that that argument is justified. The fact is that people have got used to calling the Assembly "the Assembly" and changing its name to "the Senedd" would only cause confusion.

Given that the hon. Member for Montgomeryshire has said that he will press the amendment to a Division, I urge the Committee to reject it.

Lembit Öpik: In our extensive debate today we have more or less rehearsed the debates that those of us who were in Parliament in 1997 had then. For that reason, it is appropriate to be concise in responding to the key points made.

We need to start looking at the big picture. We are not dealing with legislation for the next few years: it is likely that the decisions that we make today will be in force for decades and that the institution itself will exist for centuries. It is therefore appropriate that, six or seven years into the Assembly's life, we get the terminology right. There is a difference of view, but I am surprised that the hon. Members for Caerphilly (Mr. David) and for Monmouth (David T.C. Davies) think that people would be confused if "Senedd" meant a building as well as an institution. I presume that they are speaking from experience—that on at least one occasion the hon. Member for Monmouth got lost because both the building in which we are debating and the political institution of which we are a part are often referred to as "the British Parliament," but I have never got lost like that and I have never heard of other politicians doing so. More than anything, as the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) said, changing the name would create consistency between the bricks and mortar and the politics of Wales. Hon. Members need not fear: in 10 years' time, "Assembly" will have been comfortably replaced by "Senedd".

David T.C. Davies: I assure the hon. Gentleman that I was not lost, but does he agree that people will get lost if we have an Assembly in Wales called a Senedd, which implies a parliament; a parliament in Scotland that is a parliament, and regional assemblies throughout England that will not be parliaments at all? Surely that is a recipe for getting lost.

Lembit Öpik: People looking for the Senedd are less likely to get lost if they have to go to a building called the Senedd. In the hon. Gentleman's logic, he must be claiming that people are more likely to get lost if they have to go a building called the Senedd to find something called the Assembly.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): The hon. Gentleman is correct. He is almost entirely duplicating the debate that took place in the first sitting in Committee on the previous Government of Wales Bill. As the Assembly grows and gradually acquires more power, is there any reason why it should not apply, under field 13 in schedule 5—part of the convoluted process put in place by the Government—to have control over the name of the Assembly and to amend its name in the future? Does the hon. Gentleman see any reason why that should not fall under field 13 in schedule 5? Perhaps the Minister could say whether that would be possible.

Lembit Öpik: The hon. Lady makes an interesting point. I have not thought through that approach, but if in theory it is possible, perhaps that is one way in which those who resist the amendment today intend to proceed.

[Lembit Öpik]

Why are we being so timid? The point of the Bill is to give Wales what it deserves. Those of us who are committed to devolution at a strategic level and in principle—I include Plaid Cymru in that—think that we should now generate parity with Scotland. Part of that is changing the name of the Welsh Assembly to something more in keeping with what Scotland has. We think "Welsh Senedd" is the right phrase. I understand why the change of name would be resisted by those in the Chamber who are not minded to provide strategic parity with Scotland, but we are not making legislation for the next six years—we are making legislation that will outlive our political careers. We must therefore be a little more strategic than worrying that there will be a brief period of confusion, probably lasting months, and at the most lasting a few years, as people get used to the new name.

Nick Ainger: To help the hon. Gentleman and to respond to the question put by the hon. Member for Chesham and Amersham (Mrs. Gillan), she is correct that under schedule 5, field 13, it would be possible under the Order-in-Council procedures and the Assembly measures procedures to change the name of the National Assembly.

Lembit Öpik: That intervention is helpful. However, I shall press the amendment to a Division all the same, for the simple reason that this is an opportunity to establish the intended destination of the various parties with regard to the current legislation and parity with Scotland.

Albert Owen: I was not confused when I started listening to the hon. Gentleman, but I am now. Is he honestly suggesting that just by changing the name, he is changing the aspirations of different parties? The argument that I put forward earlier about simple translation is an important one. When people refer in Welsh to this Parliament, they call it San Steffan, the historic name of St. Stephen's, the chapel where the Chamber first met. That is the simple level of language and translation with which I am dealing. I understand and respect the aspirations of the hon. Gentleman and his party, but if he intends to divide on that basis, surely he is doing so just for the sake of it.

Lembit Öpik: We have demonstrated in this first debate that hon. Members are being concise. There has not been an undue amount of discursive commentary.

4 pm

In conclusion, I shall explain why it is important to divide on the matter. Although it may not be so important to the hon. Member for Ynys Môn (Albert Owen), there are many who take seriously the title of the Welsh Assembly. They think it is the wrong name and they aspire to "Welsh Senedd". We should not demean the importance of the terminology that we use for the institution that we are modifying through the Bill. Of course we are not changing the world by changing the name of the Welsh Assembly, but in one significant and demonstrable way we will illustrate that we change our intent as to how strategic we wish that institution to be.

As the hon. Member for Chesham and Amersham rightly pointed out, some of us made these points at an early stage in our previous debate nine years ago, when the Welsh Assembly was set up. It is natural for us to be consistent and to pursue the matter again. Our point has now been made and I hope that, having reflected on the matter, some hon. Members will now be persuaded to support the amendment.

Question put, That the amendment be made:—

The Committee divided: Ayes 38, Noes 398.

Division No. 134] **[4.00pm**

AYES

Alexander, Danny
Baker, Norman
Beith, rh Mr. Alan
Brooke, Annette
Burstow, Mr. Paul
Cable, Dr. Vincent
Farron, Tim
Featherstone, Lynne
Foster, Mr. Don
Gidley, Sandra
Harris, Dr. Evan
Harvey, Nick
Heath, Mr. David
Hemming, John
Howarth, David
Hunter, Mark
Kramer, Susan
Law, Peter
Laws, Mr. David
Llwyd, Mr. Elfyn
Moore, Mr. Michael
Öpik, Lembit
Price, Adam
Pugh, Dr. John
Robertson, Angus
Sanders, Mr. Adrian
Stunell, Andrew
Swinson, Jo
Taylor, Dr. Richard
Teather, Sarah
Webb, Steve
Weir, Mr. Mike
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wishart, Pete

Tellers for the Ayes:
Bob Russell and
Lorely Burt

NOES

Afriyie, Adam
Ainger, Nick
Ainsworth, rh Mr. Bob
Ainsworth, Mr. Peter
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Amess, Mr. David
Ancram, rh Mr. Michael
Anderson, Janet
Arbuthnot, rh Mr. James
Armstrong, rh Hilary
Atkins, Charlotte
Atkinson, Mr. Peter
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Baldry, Tony
Balls, Ed
Barker, Gregory
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bell, Sir Stuart
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Berry, Roger
Betts, Mr. Clive
Binley, Mr. Brian
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blunt, Mr. Crispin
Bone, Mr. Peter
Borrow, Mr. David S.
Boswell, Mr. Tim
Bottomley, Peter
Bradshaw, Mr. Ben
Brady, Mr. Graham
Brazier, Mr. Julian
Brennan, Kevin
Brokenshire, James
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browning, Angela
Bryant, Chris
Buck, Ms Karen
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butler, Ms Dawn
Butterfill, Sir John
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Carswell, Mr. Douglas
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clappison, Mr. James
Clark, Greg
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Kenneth
Clarke, rh Mr. Tom

Clelland, Mr. David
Clifton-Brown, Mr. Geoffrey
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Conway, Derek
Cooper, Rosie
Cooper, Yvette
Crabb, Mr. Stephen
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curry, rh Mr. David
David, Mr. Wayne
Davidson, Mr. Ian
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Dean, Mrs. Janet
Dismore, Mr. Andrew
Djanogly, Mr. Jonathan
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ellwood, Mr. Tobias
Engel, Natascha
Ennis, Jeff
Evennett, Mr. David
Fabricant, Michael
Field, rh Mr. Frank
Field, Mr. Mark
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Forth, rh Mr. Eric
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Fox, Dr. Liam
Francis, Dr. Hywel
Francois, Mr. Mark
Gardiner, Barry
Garnier, Mr. Edward
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibb, Mr. Nick
Gibson, Dr. Ian
Gillan, Mrs. Cheryl
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Patrick
Hamilton, Mr. Fabian
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Havard, Mr. Dai
Heald, Mr. Oliver
Healey, John
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Heppell, Mr. John
Herbert, Nick
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hoban, Mr. Mark
Hodge, rh Margaret
Hoey, Kate
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, rh Mr. George
Howarth, Mr. Gerald
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Mr. Boris
Johnson, Ms Diana R.
Jones, Mr. David
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lait, Mrs. Jacqui
Lammy, Mr. David
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Letwin, rh Mr. Oliver
Levitt, Tom
Lewis, Dr. Julian
Lidington, Mr. David
Lilley, rh Mr. Peter
Linton, Martin
Loughton, Tim
Love, Mr. Andrew
Lucas, Ian
Luff, Peter
MacDougall, Mr. John
Mackinlay, Andrew
Mahmood, Mr. Khalid
Main, Anne
Mann, John
Maples, Mr. John
Marris, Rob
Marsden, Mr. Gordon
May, rh Mrs. Theresa
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIntosh, Miss Anne
McIsaac, Shona
McLoughlin, rh Mr. Patrick
McNulty, Mr. Tony
Mercer, Patrick
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Moss, Mr. Malcolm
Mountford, Kali
Mundell, David
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Murrison, Dr. Andrew
Newmark, Mr. Brooks
Norris, Dan
O'Brien, Mr. Mike
O'Brien, Mr. Stephen
Olner, Mr. Bill
Osborne, Mr. George
Ottaway, Richard
Owen, Albert
Paice, Mr. James
Palmer, Dr. Nick
Paterson, Mr. Owen
Pearson, Ian
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prisk, Mr. Mark
Pritchard, Mark
Prosser, Gwyn
Rammell, Bill
Randall, Mr. John
Raynsford, rh Mr. Nick
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rooney, Mr. Terry
Rosindell, Andrew
Ruane, Chris
Ruddock, Joan
Ruffley, Mr. David
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Scott, Mr. Lee
Seabeck, Alison
Selous, Andrew
Shapps, Grant
Shaw, Jonathan
Sheerman, Mr. Barry
Shepherd, Mr. Richard
Sheridan, Jim
Short, rh Clare
Simmonds, Mark
Simon, Mr. Siôn
Simpson, Mr. Keith
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soames, Mr. Nicholas
Soulsby, Sir Peter
Speller, rh Mr. John
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Starkey, Dr. Phyllis
Steen, Mr. Anthony
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Streeter, Mr. Gary
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tami, Mark
Tapsell, Sir Peter
Taylor, David
Taylor, Mr. Ian
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Tredinnick, David
Trickett, Jon
Truswell, Mr. Paul
Turner, Mr. Andrew
Turner, Dr. Desmond
Turner, Mr. Neil
Ussher, Kitty
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Vaz, Keith
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben

Waltho, Lynda	Winterton, Ann
Ward, Claire	Winterton, Ms Rosie
Wareing, Mr. Robert N.	Wood, Mike
Waterson, Mr. Nigel	Woolas, Mr. Phil
Watson, Mr. Tom	Wright, Mr. Anthony
Whitehead, Dr. Alan	Wright, David
Whittingdale, Mr. John	Wright, Mr. Iain
Wicks, Malcolm	Wright, Jeremy
Wiggin, Bill	Wyatt, Derek
Willetts, Mr. David	Yeo, Mr. Tim
Williams, rh Mr. Alan	Young, rh Sir George
Williams, Mrs. Betty	**Tellers for the Noes:**
Wilson, Mr. Rob	**Mr. Dave Watts and**
Winnick, Mr. David	**Mr. Parmjit Dhanda**

Question accordingly negatived.

The Chairman: Before we proceed, may I say to the Committee that the occupant of the Chair should be referred to as Chairman or by name? The term "Deputy Chairman" is not applicable in these circumstances. As we have three days to go, I thought it as well to make that clear.

4.15 pm

Mr. Dominic Grieve (Beaconsfield) (Con): I beg to move amendment No. 161, in clause 92, page 50, line 9, at end insert

'following resolutions of each House of Parliament, both prior to and after the enactment of each such measure'.

The Chairman: With this it will be convenient to discuss the following amendments: No. 162, in clause 92, page 50, line 10, leave out subsection (3).

No. 177, in clause 101, page 55, line 25, after 'by', insert

'resolution of each House of Parliament prior to their submission for approval by'.

No. 178, in clause 101, page 55, line 27, after 'by', insert

'resolution of each House of Parliament prior to its submission for approval by'.

No. 179, in clause 101, page 55, line 37, after 'by', insert

'resolution of each House of Parliament prior to its submission for approval by'.

Mr. Grieve: We come now to an important part of the consideration of part 3 in respect of Assembly Measures. As we pointed out briefly on Second Reading, the problem concerning the Assembly Measures procedure is that it is a way of getting around the necessity of holding a referendum to give primary legislative power to the Welsh Assembly. As we explained and is our view, while there may be arguments for or against giving primary legislative power to the Welsh Assembly, that is a matter for the people of Wales to determine if they so wish and a referendum is the essential precondition for doing that.

The problem of the route that appears to commend itself to the Government and that is contained in part 3 is that it envisages achieving roughly the same outcome by a mechanism that does not require a referendum and does not give primary legislative power to the Welsh Assembly. It allows the Welsh Assembly to enact Orders in Council, which are equivalent in scope to primary legislation.

We exist in this House to scrutinise legislation. We may not do it as well as we should. Guillotines, lack of time and a host of other problems, some of them archaic procedure, do not lend themselves to our always doing it properly. Nevertheless, the process of a Bill—the process on which we are embarked this afternoon—is important. We are here not just to pass principles of legislation but, normally, to look at its detail. As most of us know, the process by which we examine the detail of legislation, if people are prepared to bother to come into the Chamber, sit, listen and participate, can improve legislation. The people who go up to the Committee corridors and listen to a Standing Committee are often pleasantly surprised to note the spirit in which the debate is conducted and sometimes the willingness of the Government to accept proposals.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Not very often.

Mr. Grieve: My right hon. Friend is right, unfortunately. If the Government listened more often, some of the nonsense that we have occasionally enacted into law would not have happened.

Out of the 318 amendments that I tabled to the Proceeds of Crime Bill, I succeeded in getting about four accepted.

Kevin Brennan (Cardiff, West) (Lab): Four too many.

Mr. Grieve: The criticisms that have been heaped on that legislation suggest that it was at least four too few, if not 314 too few.

On the whole, it is a pretty good process but the problem is that the Government intend to take the detailed scrutiny of the legislation away from this House and to give it to the Welsh Assembly. Not only that, but the process that they are proposing to the Committee to get around the problem of not enacting primary legislation entails a diminution of scrutiny and a raising of the power of the Secretary of State—the Executive—to interfere with the legislative process. Throughout the procedure in part 3, it is the Secretary of State who will be exercising a form of tutelage over the way in which the Welsh Assembly carries out its functions. He has the power to block and to interfere and, in many cases, he will be able to exert influence because he can threaten to stop the procedure.

A further difficulty was explained to the House on Second Reading by the Under-Secretary, although I think that he got the procedure wrong.

Nick Ainger *indicated assent.*

Mr. Grieve: The Minister nods, but we have since had a correction. The difficulty that I am describing is that the House will be asked to vote on an Order in Council that cannot be amended but which sets out the parameters of what the Welsh Assembly legislates on. After that, the House has no further role in the process.

The Secretary of State made it clear that the Government will do all that they can to provide information about a proposed Assembly Measure before the House votes on it, which will happen at the end of the normal short debate on an Order in Council.

The problem arises once the House has voted on the proposal and the Secretary of State has approved it: after its own scrutiny process, the Assembly might produce a Measure substantially different in detail from the draft proposal on which this House votes.

That problem must be inherent in the procedure that the Secretary of State proposes. Although this House will retain responsibility for primary legislation in this country, there is a danger that it will abdicate some of that responsibility.

The Secretary of State for Wales (Mr. Peter Hain) *indicated dissent.*

Mr. Grieve: The Secretary of State shakes his head, but an MP is sent to the House to legislate. If the people of Wales make it clear in a referendum that they want the Welsh Assembly to have responsibility for primary legislation, and if the Government hand over that responsibility, the result will be similar to what happened with Scotland—this House will relinquish some of its power, and therefore shed an element of sovereignty.

The Secretary of State will accept that, when the Government's proposed procedure is a hybrid, the responsibility for good governance remains here. However, the Government's proposals envisage that this House will part with its responsibility in response to a draft document that cannot be reconsidered. That is what worries me: once the principle of the Order in Council has been accepted, the Secretary of State and the Assembly will resolve the details of legislation and Parliament will have no further opportunity to consider the matter.

Mr. Hain: The hon. Gentleman and his party have to decide whether they are on the side of the Assembly, and whether they favour the proposed modest extension of its powers through Orders in Council and the Assembly Measures that will follow. The Opposition are in a bind: when it comes to the crunch, they do not want to give the Assembly more powers because they would prefer to retain all the power in Westminster. I stress that nothing will be decided other than as a result of this House's express authority, which will confer on the Assembly the ability to promote Measures in the area designated by the Order in Council. The House and Parliament will remain in charge.

Mr. Grieve: I am grateful for that intervention, because I do not think that the Secretary of State understands the procedure of this House at all. This is the Committee stage of a Bill that is an important constitutional measure. It is being held on the Floor of the House so that hon. Members, and especially Opposition Members, can probe and question the Government about their proposals.

The headline in *The Western Mail* today was "Hain accuses Tories of a bid to 'castrate' Assembly". The Secretary of State said that the amendments that we have tabled

"are a total insult to the people of Wales. Not only do they prove that the Tories still don't understand devolution and don't trust the Assembly. They show that the Tories are trying to turn the clock back and reverse the outcome of the 1997 referendum."

Most extraordinarily of all, he alleged that Tory amendments to the Bill would involve not only a referendum first but the clearing of a long list of hurdles.

The Secretary of State has been in this House longer than I have and he can read the amendments that we have tabled. May I gently point out to him that some of them adopt the alternative position? That seems not to have dawned on him in considering the Bill. *[Interruption.]* He says, "They are all down there." This is a classic illustration of all that is wrong with this Government. What does he think that we are supposed to be doing here today? We are supposed to be scrutinising and probing and putting proposals to the Government that might indeed commend themselves to him. Yet all he does is to lump our amendments together, put out a propaganda statement that is worthy of South Africa's apartheid regime in terms of trying to blacken one's opponents, and tell the Committee that this is a wrecking procedure. It is nothing of the kind. *[Interruption.]* If the Secretary of State would listen, he would discover those areas of the Bill that we think could be improved, and those about which we are concerned.

One way in which we might address the problem that I identified is to provide a mechanism through which the House of Commons—and, indeed, the House of Lords—can both vote to empower the Assembly to work out the detail of such legislation and enact it, and vote on that legislation once it has been prepared, so as to give its seal of approval. That mechanism does not involve 16 more hoops—it involves one.

Chris Ruane (Vale of Clwyd) (Lab): That is not devolution.

Mr. Grieve: We will come back to that point in a moment. How is such a mechanism any less, or more, devolutionary than the Government's proposal in part 3, which is not devolution, either? They are proposing to substitute government by primary legislation in respect of important laws with government by Order in Council. The Secretary of State seems not to understand that that is an assertion of Executive authority, not legislative authority. I fear that he has put together this proposal because he knows that he cannot satisfy either half of his party on the question of whether to proceed with the transfer of primary legislative functions and nor does he have a clue whether he would win a referendum. *[Interruption.]*

The Secretary of State, having asked me a number of questions, is disappearing from the Chamber. He asked me rhetorically whether we are in favour of this legislation or against it, so let me make our position clear. We have reservations about giving the Assembly more power, but we are absolutely clear that, if there is to be a transfer to it of primary legislative power, such a transfer should be put to the people of Wales in a referendum. If that is what they want, we will of course accept their view, because referendums are there for that precise purpose. What we are very worried about is part 3 of the Bill. As it stands, there will be no referendum in respect of part 3. There will be no formal consultation of the people of Wales whatsoever. The Government propose to take away this House's power to scrutinise and enact legislation, and to create a hybrid instrument involving the Executive and the Assembly governing by

[Mr. Grieve]

Order in Council. They say that that is a better procedure, but by any objective analysis, it diminishes democratic accountability at every level. Indeed, we in this House have often criticised the system of governance by Order in Council for Northern Ireland. While I accept that the analogy with Northern Ireland is not perfect because Northern Ireland does not have its own Assembly to carry out any function at all, it remains the case that the Government's understanding of how the constitution in this country works is woeful.

4.30 pm

Mr. Forth: My hon. Friend rightly said that referendums have become one of the accepted mechanisms whereby people are asked whether they want more powers or fewer powers to be given to this or that body. Does he, in the same context, accept, on the same basis, that referendums can, and occasionally should, be used to ask people whether they want the body to exist at all? In other words, a referendum can be used to give, but on occasion also be used to take away.

Mr. Grieve: To my mind, properly conducted referendums are on issues on which Government ought to give people choices. They ought not, in fact, to labour to influence the result, but to set out the options and ask whether people want them. That is how referendums were always supposed to work. The trouble is that Napoleon III rapidly turned them into a form of executive and parliamentary dictatorship, using them for that purpose. This Government have been adept at picking up the tip.

If there were a clearly manifested desire among the people of Wales for a referendum on whether to get rid of the Assembly, the House would have to listen very carefully. For present purposes, and for the purposes of the Bill, we are content to operate on the principle that, so far as we can see, the Assembly as set up, with its imperfections, appears to have a sufficient measure of support to justify its continued existence. What we will seek to do, therefore, is to see whether there are ways in which we can improve the working of the Assembly, either by granting the option, as the Secretary of State and the Minister want to do, of letting the Assembly have primary legislative powers, or by separating the executive from the legislature, which we entirely agree with.

Mr. David: Will the hon. Gentleman give way?

Mr. Grieve: I will in a moment.

What we are not prepared to do is allow the Government to manipulate the constitution simply because it suits them to do so to satisfy the tendencies in the Labour party that are pulling two ways. I regret to say that that is what part 3 is all about. The Minister's party is split. There are many in Wales who have no desire that primary legislation powers should be granted. In any case, the Minister knows, that there is no possibility of the Welsh people voting in a referendum for primary legislative powers.

That raises an interesting question: if the Welsh people do not want the powers in that form, why should they have them thrust down their throats in the form proposed in part 3? Were the Government going ahead with part 4, we would cheerfully support them; indeed, we shall do so when we come to part 4. We will try to improve any parts that need it, but we do not object to the principle of part 4, including the referendum.

Mr. Llwyd: May I clarify one point? The hon. Gentleman talked about a multi-option referendum, including the question of abolition of the Assembly.

Mr. Grieve *indicated dissent.*

Mr. Llwyd: That would not be a matter of Conservative policy.

Mr. Grieve: No, it would not.

Mr. Llwyd: I am grateful.

Mr. Grieve: I thought I had made it absolutely clear that we were not in favour of multi-option referendums. The Bill does not offer one and we are not trying to amend it to suggest that it should. I hope that that reassures the hon. Gentleman.

Lembit Öpik: I am delighted to hear of that transformation on the road to Damascus on the Conservative Front Bench, at least, on the idea of a multi-option referendum in which one option would be the abolition of the Assembly. Does the hon. Gentleman feel that the Conservatives returned to Parliament from Wales share his view? If not, for my clarification, what has driven that strategic change of heart?

Mr. Grieve: I fear that we may be straying somewhat from the purpose of the lead amendment. The view taken by my party is that, at present, we should concentrate on seeing whether the way in which the Assembly operates can be improved, and that is what we will seek to do in the course of the passage of the Bill. In doing that, we are prepared to consider whether the Assembly should have more powers, although we believe that if it is to have powers, they should be the powers in part 4 and should come into force only if a referendum has taken place beforehand—a democratic process with which, I would hope, most hon. Members would find it difficult to disagree.

We favour the splitting of the executive and legislative roles, because they have not worked. I think that there is general agreement on that point. We have anxieties about some of the other details of the Bill, including the gerrymandering of the electoral system, to which we shall return later, but for present purposes, I enjoin the Committee to concentrate on the issues in part 3.

Mr. David *rose—*

Mr. Grieve: I shall give way to the hon. Gentleman, but I hope his intervention concerns part 3. If not, this debate might go on for longer than people would wish.

Mr. David: I thank the hon. Gentleman for finally giving way. If he is in favour of a referendum on whether Orders in Council should be introduced, can he tell the Committee what might be on the ballot paper?

Mr. Grieve: That is a matter that we will come on to debate. The group of amendments before the Committee concerns the mechanism by which further scrutiny of the part 3 process might be achieved. Later, we shall look at other ways in which part 3 might be improved. As I said to the Secretary of State, my experience of a lot of Standing Committee work suggests that it is not unusual to advance different options to the Government and the Committee on how we might proceed. Otherwise, we would fetter our options. It might be that one option commends itself to the Committee more than others, in which case we will go away and think about it. I thought that that was what a Committee stage was about. I despair at the way in which proceedings in Committee are treated as policy utterances, rather than as what they should be, which is a debate on the detail.

Lembit Öpik: The hon. Gentleman indirectly refers to the next group of amendments on referendums, as well as to the current group on resolutions of both Houses. Am I right in assuming that he is implying that there is a principle behind both groups of amendments but that they manifest it in slightly different ways?

Mr. Grieve: In each case, we want to achieve two things. First, we want it to be clear that the changes are what the people of Wales want. That is why my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) will move the next group of amendments on the need for a referendum on the part 3 proposals. Those proposals are of as great constitutional significance as the part 4 proposals. In fact, in terms of the practical consequences of removing scrutiny by this House from the life of the people of Wales in certain areas of primary legislation, part 3 is as important as part 4, so it is in our view wrong to deny people a referendum in those circumstances.

The question is what is the formula that we would offer the people of Wales? That is what the amendments in this group are about. In brief, they envisage that this House, instead of just voting to allow the Assembly to enact legislation in accordance with the framework in a draft Order in Council, would have an opportunity to see the finished product when it came back from the Assembly. The House would then have the opportunity to say yes or no to it.

At one point earlier, I heard a sedentary intervention that implied that the amendments would provide some appalling obstacle or would be anti-democratic in terms of the Assembly's rights. However, it is worth noting that the Secretary of State already possesses major residual powers under the part 3 procedure to obstruct the passage of legislation. If I am asked whether it is better for the Secretary of State to have the powers to obstruct or for this House to take a decision because it considers that the legislation is unsatisfactory, I think that, in terms of democratic accountability, it is better for this House to make the decision. The further debate of one and a half hours that would take place would be extremely important in highlighting whether Members of the House have any reservations about what the Assembly has done and about the detail on whether there was any great difference between the original instruction or permission that was given to the Assembly and the end product that came back.

It is worth remembering, for example—the hon. Member for Montgomeryshire (Lembit Öpik) will be aware of this—that there are all sorts of mechanisms and procedures by which the Secretary of State can make the Assembly reconsider the detail of its proposals under part 3, so the idea that the Assembly has unfettered discretion under part 3 simply does not reflect the case. What is lost in part 3, as it is drafted, is our ability as Members of Parliament to serve the people of this country properly by carrying out our normal scrutiny role. I am prepared to go along with that, but only if we have the opportunity of looking at the end product as well as the proposal.

John Bercow (Buckingham) (Con): By way of underlining the case that my hon. Friend makes, does he recall Second Reading on 9 January and the part of that debate in which the Secretary of State told me that he was preserving his power to intervene in certain cases precisely to protect Parliament? May I put it to my hon. Friend that the mistake that the right hon. Gentleman has made is to regard himself, on the one hand, and Parliament, on the other, as synonymous? Surely if the interests of Parliament are to be protected and we have a choice as to whether the Secretary of State or the House is to do that, most of us would opt for the latter.

Mr. Grieve: I entirely agree with my hon. Friend. There are some worrying aspects of part 3. I have a niggling feeling that it is only the beginning of a process that, one day, we will find foisted on people in England as well. Effectively, this Parliament will shed its responsibility for primary legislation except as a rubber stamp or stop mechanism. It will be said that it is so much better that such legislation is considered at a lower level with a wonderful dialogue taking place between the Executive and Assemblies that can be browbeaten. Scrutiny of such legislation can be dispensed with when, in fact, it has been our meat and drink for many centuries. It is in the detail and in our willingness to address the detail that lies our best ability to serve our constituents and the electorate of this country.

It is one thing to part, by way of devolution, as we did for Scotland, with a tranche of powers and say, "This is what you want and we wash our hands of our responsibility for it", but it is quite another to create a hybrid in which we will end up being criticised for poor governance—and rightly so, because we will have parted with part of our responsibility and thereby failed to discharge other parts of it in any way that is proper.

I hope that amendment No. 161, which provides for that double scrutiny, commends itself to the Committee. The other amendments in the group—amendments Nos. 171, 178 and 179—are consequential and simply amend other clauses, including clause 101, so that they read in a manner that is compatible. That is the intention, but the draftsmen may inform us that they could be improved. If the Government find the principle of what we are saying worth while, I am sure that the draftsmen will be able to put it into proper order.

Amendment No. 162 is a probing amendment that raises a concern about clause 92(3), which says:

"The validity of an Assembly Measure is not affected by any invalidity in the proceedings of the Assembly leading to its enactment."

[Mr. Grieve]

I would like an explanation from the Minister as to what that would mean in practice. If the Assembly enacts Assembly Measures in a manner and by procedures that are fundamentally flawed and subsequently overturned by the courts—that is the likely route that would be taken—why should those Measures be deemed to have been valid at the time? I am worried about that.

I understand the need for such a provision when a sovereign body is legislating because it is not answerable to anyone. However, why is such a safeguard being provided to the Assembly, as a subordinate body, because I would not necessarily have expected it to have one? It might mean, for example, that an Assembly Measure could wrongly affect people's private interests and that, subsequent to it being overturned because of the invalidity of the process, there would be no redress for those individuals whatsoever. Is that the proper course of action for the House to adopt? Perhaps the Minister will be able to give me another explanation for why subsection (3) has been included in the Bill. The provision troubles me, so I hope that he will be able to enlighten us on how it is intended that it will work.

4.45 pm

Mr. Philip Hollobone (Kettering) (Con): Subsection (3) troubles me, too. It is extraordinary that the proceedings of the Assembly could be deemed invalid, yet that the legislation that was passed, which could affect thousands, if not millions, of people, could be deemed valid in the courts. Surely that would undermine the duty of care relating to legislative scrutiny in Wales.

Mr. Grieve: I agree with my hon. Friend. It would also undermine the duty of care that we owe to the people of Wales of ensuring that the legislation that they will get through the hybrid system is acceptable. The buck stops with us. Why should we give a blanket exemption to the Assembly if it fails to operate in line with the statutory powers that have been conferred on it, without which it has no power whatsoever?

There are aspects of the Bill that cause concern because of the extent to which the Assembly will be able to depart from its standing orders. We want to have the necessary reassurance that the Assembly will discharge its functions under the hybrid system in the way in which Parliament intends, but the Bill will allow it to change its standing orders so that it does not scrutinise legislation fully. That is an extraordinary thing to do in part 3. It might be a proper thing to do in part 4 if we are handing over a tranche of responsibilities entirely, but doing that in part 3 is very odd. I hope that the Minister will take the first opportunity to respond to that point.

I apologise for taking up so much of the Committee's time, but the matter is important and numerous interventions have been made. If part 3 of the Bill were to be acceptable in any way, a situation in which the House did not have control over the final text of legislation to be implemented, even if the detail had been worked out by the Welsh Assembly, would be quite wrong. The amendments are designed to address that situation.

Mr. Llwyd: I apologise for effectively demoting you to Deputy Chairman earlier, Sir Alan.

I listened intently to what the hon. Member for Beaconsfield (Mr. Grieve) said. He is a good debater and an extremely clever man. I share his concerns about the numerous aspects of the Bill that almost give a mandate to the Secretary of State to run Wales from his armchair. However, there are several reasons why I do not think that the hon. Gentleman's solution is right. I believe that there will be sufficient scrutiny, even at stage three, and that more than a sufficient role for Members of Parliament will be built in to the process as the Bill stands.

I have two great concerns. First, having allowed—perhaps that is the wrong word; perhaps I should say "permitted", or even "seen"—the National Assembly to go into considerable detail as part of a process that may last many months, we have that detail brought to us in this House, and in an hour and a half, we are expected to go through all the detail and all the amendments that are necessary. That is not feasible.

The hon. Member for Beaconsfield rightly said at the beginning of his speech that we often get legislation wrong in this place. That is partly because we are overworked; we have too much to do. With European legislation and everything that goes on in Committee and so on, it is difficult to catch up with everything that goes through this House. This suggestion would add to that work load.

Mr. Grieve: I should make it clear that I did not envisage an amendable order. If an order came back after the Assembly had had the initial right to do the work and draft the details, the response would be either yes or no, as with any Order in Council. I would not envisage this House second-guessing the Assembly's detailed scrutiny by substituting something of its own. That was not my intention.

Mr. Llwyd: I am grateful to the hon. Gentleman for making that point clear, and I fully understand what he says.

My great concern is partly based on the fact that even in the current position, progress is extremely slow. Progress will be slow under the arrangements in the Bill, too, but it would be slower still if the hon. Gentleman's solution, which may well appear reasonable at first sight, were adopted.

Let me tell the House about one actual instrument that was recently processed through this place and the National Assembly; the Removal and Disposal of Vehicles (Amendment) (Wales) Regulations 2005. Here is a brief chronology. The process started on 10 April 2002, when this House implemented legislation to reduce notice periods that must be given by local authorities and the police regarding the removal of abandoned vehicles. Some Members may recall having dealt with the substance of that debate.

From April 2002 to February 2003, the Welsh Assembly Government lobbied the Department for Environment, Food and Rural Affairs to support the devolution of the relevant powers on reduction of notice periods and so on. In February 2003 there was a submission to the Minister in Cardiff for permission to seek DEFRA's permission for a transfer of functions order and to consult Welsh stakeholders, which was then done.

In August, the Minister at DEFRA wrote to his opposite number in Cardiff agreeing to a transfer of functions order when convenient to the House of Commons timetable. That was because a suitable vehicle needed to be programmed into the Westminster process; it is not available on demand. In September it became clear that the abandoned vehicle powers would have to wait for a larger transfer of functions order. In March 2004 the Minister at the Wales Office wrote to the Minister in Cardiff that the powers would have to wait for the transfer of functions order relating to animal health later that year. That was to avoid Parliament being criticised for putting through a separate transfer of functions order.

In July the National Assembly approved a draft transfer of functions order. In November it was passed by both Houses of Parliament. On 31 December it came into force, and a motion to delegate functions under the transfer of functions order was scheduled for discussion on 18 January 2005. That did not take place, for various operational reasons. Another motion to delegate under the transfer of functions order was rescheduled for 2 February. There were 11 explanatory notes and summary tables, which were e-mailed to Assembly Members at 2.12 on Thursday 27 January, at short notice.

The story went on until November last year; and this was an uncontentious piece of legislation. Imagine what would have happened if it had been contentious.

John Bercow: The hon. Gentleman has certainly offered us an impressive chronology of the events, but I put it to the hon. Gentleman, whom I hold in very high esteem, that he has deployed the tried and tested technique of invoking a worst-case scenario in support of his thesis. Every single week of the parliamentary year there are delegated legislation Committees after delegated legislation Committees considering a plethora of Orders in Council and statutory instruments, contentious and uncontentious, so the hurdle is not quite as great ordinarily as it could be and obviously was in an isolated but unrepresentative case.

Mr. Llwyd: I have a great deal of regard for the hon. Gentleman, but the point that I was making is that there are other such cases. I was given this one by a colleague in the Assembly and it is probably on the bad side—otherwise I would not use it in my speech—but there are others and I am told that such matters take on average 18 or 20 months. A further procedure as proposed will of course add up to a considerably longer time.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I understand the temptation to use the worst-case scenario. The hon. Gentleman began by saying that the measure was first anticipated in 2002. As his example shows that the process appears to be taking years rather than months, does he know whether there is any bar to the Welsh Assembly's gathering together the provisions that it wishes to be considered in this House and the Government each year bringing forward a Bill on such matters that they would put through in the normal fashion? To-ing and fro-ing and dilatoriness is a creature of both the Assembly and this House, and therefore one straightforward Bill in every Session for which there would be plenty of time would solve the problem. Can he think of any bar to that procedure? Perhaps it ought to be considered.

Mr. Llwyd: The hon. Lady is right, but the bar is the content of the Bill. I know that it accommodates what are rather inelegantly called jumbo orders, but that would not cover the point. A Bill such as she proposes might be difficult, because it might deal with as many as 20 or 30 subjects. However, we should be looking at that, and she makes the point in the right spirit to try to improve matters. Perhaps the Minister could in due course respond to that; perhaps not tomorrow but Monday.

Mr. David Jones (Clwyd, West) (Con): I agree with the hon. Gentleman that delay is likely to be inherent in the procedure that is set up by part 3, but is that not a very good argument for dispensing with part 3 altogether? The only reason why we have part 3 is that the Government have latched on to such a byzantine process in order to avoid asking the people of Wales in a referendum whether they want primary legislative powers. If we dispensed with part 3 altogether and went straight to part 4, giving the people of Wales a referendum, we could spare this House a great deal of time.

Mr. Llwyd: I know that that view is held by the hon. Gentleman and some of his colleagues in the National Assembly. We are not afraid of a referendum; we are happy for one to come when it has to come under part 4, but I certainly would not favour the hon. Gentleman's proposal. There is a logic to us going through part 3 before part 4. We make no secret of wanting full powers immediately, but that would mean an increased capacity for those who are able to draft legislation, and Assembly Members would need to be up to speed in dealing with the part 3 procedure. Common sense dictates that that is logical. Although I would like things to happen overnight, realistically it will take time for the National Assembly to get up to speed in order to legislate at the rate and with the thoroughness that it would no doubt wish to do so.

I have listened to the debate and much of what has been said is logical. Unlike the Minister, I do not think that the amendments were intended to be wrecking amendments. They are logical. I simply do not agree with them.

5 pm

Ian Lucas (Wrexham) (Lab): I have listened carefully to the debate and I wonder whether the Minister can give me some assurances on procedure and on the role of draft legislation in particular. We have not yet discussed draft legislation in this debate, but it is important that we recognise that progress has been made in the last and present Parliaments in the development of draft legislation and of Joint Committees of the Assembly and the UK Parliament.

The role of draft legislation in the procedure that is outlined in the Bill is not as clear as I would like. Will the Minister explain whether Members of this House will, at an early stage, consider the orders that are to be produced, so that they are aware of what Measures the

[Ian Lucas]

Assembly is to propose? It seems to me that one of the essential safeguards needed in the process is that Members of this House have an opportunity at an early stage to make known their views on proposed Assembly Measures. Bearing in mind that the Order in Council procedure does not allow amendments to be made at a late stage, it is extremely important that there be widespread consideration of proposed Assembly Measures by Members of this House.

Albert Owen: My hon. Friend has highlighted that point on numerous occasions in the past. Is he suggesting the creation of a Joint Committee consisting of Assembly Members and Members of Parliament so that such debates can take place in one forum or separately in the Assembly and perhaps another forum of this House?

Ian Lucas: I think that a Joint Committee approach has worked extremely well in the past, because it promotes a positive atmosphere of Assembly Members and Members of Parliament working together. I hope that that will develop as the process in the Bill develops.

The position of the official Opposition confuses me. In recent years in this Parliament, legislation appropriate to Wales or directed at Wales alone has been drafted in the form of enabling legislation and has been passed either in a separate Bill or as a Wales-only section of a larger Bill. It seems to me that there has been little difficulty with those proposals being considered by Joint Committees, being drafted in the broadest terms in primary legislation and passed in those terms by this Parliament, and the Assembly implementing the proposals at a later stage, after its process has been gone through. It has not been necessary after the Assembly has gone through its process to bring legislation back to this place for a vote, as the official Opposition are suggesting should happen, and it would be unnecessary after the Bill was passed if Members of Parliament were closely involved at an early stage of the process.

Mr. Grieve: The hon. Gentleman may know my views. I am not sure how many Orders in Council there were, but in 1966 there were 35 statutory instruments passed as subordinate legislation; only a tiny handful. Now, we constantly pass legislation that gives wide discretion to Secretaries of State to enact secondary legislation, which the House has grossly insufficient opportunity to scrutinise adequately. That is a constitutional reform that I would very much like to see.

However, it remains the case that the House has a responsibility for primary legislation. I am sure the hon. Gentleman will recognise that what the Government are doing in the Bill is turning what is normally primary legislation into secondary legislation, so issues of even greater importance will not be properly scrutinised here, on the promise that they may get better scrutiny elsewhere, but without our having any opportunity to see the final product and pronounce on it.

Ian Lucas: I am most grateful to the hon. Gentleman for that intervention, because it takes us to the heart of the Conservative position. What he has ignored throughout all his comments so far in the debate is that the National Assembly for Wales is a democratically elected institution. The point of devolution was to introduce a more democratic element to the process of dealing with the huge number of distinct regulations that the Secretary of State for Wales dealt with in the past. The central weakness of the Conservative position is that it does not recognise that the Assembly has any democratic validity at all.

Mr. David Jones: The hon. Gentleman is right; the National Assembly is a democratically constituted institution. But does he agree that it is constituted on the basis of a referendum that was held in 1997, in which the powers of the proposed Assembly were carefully defined? Does he agree also that the explanatory material that preceded that referendum made it clear that the powers to be devolved were secondary legislative powers, and that what is being proposed in part 3 is the piecemeal conference of primary powers on a step by step basis? That is quite different from what the people of Wales voted for in 1997.

Ian Lucas: I hear what the hon. Gentleman says. I do not regard the measure as the introduction of primary legislative powers by the back door. I do not support primary legislative powers for the Assembly. There has been an incremental process since the establishment of the National Assembly for Wales; for example, the introduction of Joint Committees, to which I referred. The Opposition did not at that stage call for a referendum. With respect to them, it is not possible for us to call for a referendum at each stage when procedures change. The correct time for a referendum to take place is when primary legislative powers are passed, if ever, to the Assembly. The present position is that the ultimate decisions will remain in this place. As long as that remains so, there is no need for a referendum.

David T.C. Davies: First, the hon. Gentleman says there is no need for a referendum until primary legislative powers are given to the Assembly, but surely the point of the Bill is that primary legislative powers will be given to the Assembly, albeit in a slightly restricted fashion. Secondly, the point behind what he is saying is surely that there should be a referendum if significant extra powers are going to the Assembly. The Secretary of State for Wales and his colleague have already said that this is a significant Bill. Thirdly, the scrutiny process that can take place in the Assembly necessarily will be far more restricted because there are at most only 60 people whose input can go into that scrutiny, whereas in the House and the other place, as the hon. Gentleman knows, there are more than 1,000 people.

Ian Lucas: The point about scrutiny is a valid one. That is the reason that I am so strongly in favour of Joint Committees of this place and the Assembly. That is a way of dealing with the relatively low number of Members in the Assembly. This is why I asked for some assurance from the Front Bench about the continued role of Members of Parliament in this regard.

To return to the issue of a referendum, this place will continue to have a role to play in legislation that is passed for Wales, but if there were a proposal to take away that role, there would need to be a referendum.

However, the process that exists here means that I will continue to have a role as a Member of Parliament in proposals that are outside the Assembly's present legislative competence, and I am content that no referendum will be required as long as that role remains.

I would like more reassurance on the early stages of the procedure that is to be introduced, but the Conservative party needs to wake up to the fact that there has been incremental improvement of the process through the development of the Joint Committees and the work of the Welsh Affairs Committee. That process has already happened; we did not need a referendum for it to begin, and we do not need one now.

Lembit Öpik: Sir Nicholas, what a delight it is to see you in the Chair. Thank you very much for giving me the opportunity to make a brief contribution to the debate.

We seem to have debated this group of amendments and the next one by proxy, in that this group does not really deal with referendums. We shall come to the next group shortly, so I shall limit my comments to amendment No. 161 and the associated amendments. There seems to be a contradiction between what the leader of the Conservatives has said and what the amendments seek to do. Both positions are legitimate but they do not fit together. I have a strong sense that the right hon. Member for Witney (Mr. Cameron) has expressed his support for devolution, yet this group of amendments seems to roll back the latitude that the Welsh Assembly has in regard even to its existing powers. The two positions do not fit together. If I have misunderstood the import of the amendments, I hope that the hon. Member for Beaconsfield (Mr. Grieve) will intervene on me to clarify the matter.

Mr. Grieve: The amendments have absolutely no bearing on the present powers of the Assembly, which involve the right to enact statutory instruments in the same manner as the Secretary of State previously had the power to do by virtue of legislation enacted by this House. That is its remit—

Nick Ainger: Framework powers.

Mr. Grieve: Indeed. The amendments propose to extend that provision so that measures that currently require primary legislation here would be dealt with by virtue of an Order in Council's sleight of hand and be converted into secondary legislation, so that the Assembly could also deal with them. Previously, it would have been unable to consider them because they required primary legislative consideration here. I can therefore reassure the hon. Gentleman that the amendments have no bearing on the Assembly's present powers. I have to say that I am slightly troubled if he cannot see the distinction between primary and secondary legislation, because that is precisely the piece of wool that the Government are trying to pull over everyone's eyes.

Lembit Öpik: I have been wearing that particular woolly hat for about nine years, because I was here when we created the original legislation. I look forward to hearing what the Minister has to say about this. I understand that the hon. Member for Beaconsfield has perhaps not been involved in Welsh stuff for quite as long as some of us, and I also accept that I might be wrong, but my understanding is that, as an unintended consequence, the amendments would impact on what the Assembly is already able to do. As I have said, however, I could be wrong about that.

Mr. David: The hon. Gentleman has a point. As my hon. Friend the Member for Wrexham (Ian Lucas) said earlier, enabling powers are in widespread use at the moment, whereby the National Assembly for Wales is given permissive authority to draft specific clauses in primary legislation. The official Opposition's proposals would clearly undermine the spirit of that arrangement, if nothing else.

Lembit Öpik: I am grateful for the hon. Gentleman's intervention, because the amendments seem to have missed something. As he rightly says, if the amendments are passed, the Assembly will no longer be able to do certain aspects of its work in the same way. If we were debating solely amendments Nos. 161, 162 and 177 to 179, the Assembly would, if those amendments were passed, feel the pinch in terms of its current powers. That might not have been the intention, but I am pretty sure that it is the outcome.

5.15 pm

Mr. David Jones: Does the hon. Gentleman agree that the Conservative amendments relate only to Assembly Measures, which are not passed by the Assembly at the moment? How can the amendments therefore affect the Assembly's current workings in any way?

Lembit Öpik: The Assembly's current workings are affected because of the amendments' unintended consequence in terms of existing legislative procedures. I do not want to speculate about that, because I am sure that the Minister will have had a more detailed analysis from his advisers, which will give a definitive answer.

Mrs. Gillan: Will the hon. Gentleman give way?

Lembit Öpik: I will do so briefly, but I will probably not respond to the hon. Lady's intervention.

Mrs. Gillan: I am merely trying to be helpful. The hon. Gentleman seems to think that our amendments to the first clause in part 3—on Assembly Measures, which do not exist at the moment—will affect the Assembly's current legislative position. Will he give examples of the unintended consequences to which he has referred? We should have a list of those, because it was neither my intention nor that of my hon. Friends who tabled the amendments to do other than to probe this matter and get clarification. The discussion of the amendments leads me to believe, however, that the longer the hon. Gentleman goes on, the more likely we are to put them to a vote.

Lembit Öpik: I have been inspired to raise such points only by the exhortation from the hon. Member for Beaconsfield that we should have a proper debate. It is useful that we are having such a debate, as we cannot both be right. I do not have a profound insight, as I do not read his amendments in great detail at night, but I

[Lembit Öpik]

believe that my hon. Friend the Member for Brecon and Radnorshire (Mr. Williams) does, so I shall give way to him to clarify the situation definitively.

Mr. Roger Williams: As my hon. Friend might have realised, much of the primary legislation passed in this place enables the Assembly to carry on its work and achieve its objectives without further reference back to this place. The Conservative amendments, however, seem to me to put a hurdle or even an obstacle in the way of the Assembly carrying out its purposes.

Lembit Öpik: I am grateful to my hon. Friend for his intervention. I feel that we are the warm-up act for the political giant to follow, who will give the definitive answer to the question.

Mr. Grieve *rose—*

Lembit Öpik: I will give way once more.

Mr. Grieve: The hon. Gentleman makes a point on which I shall be interested to hear the Minister's comments. The amendments could only have the unintended consequences that he states if, as a result of the passage of the Bill, the previous mechanism governing the Assembly's action disappeared, so that everything had to be an Assembly Measure. The Minister might tell me that that is how the Government have done it. If so, the House needs to debate that, because an Assembly Measure is different from the Assembly's previous powers. If that is one of the consequences of part 3, I find it slightly surprising that it was not highlighted by the Minister on Second Reading, because it would not only enhance the Assembly's existing powers but change them radically so that the Assembly could do something that it could not do previously.

Lembit Öpik: I think I can say on behalf of all Members that we are in for a treat when the Minister clarifies the issue. I do not think that I have anything to add. The Minister has heard the question, which now hangs poised above him as we await his answer.

There is another point, probably less controversial in terms of interpretation, but nevertheless controversial in terms of judgment. Notwithstanding the debate in which we have just engaged, the aim of the Conservative amendments is evidently to rein in the Assembly's latitude to operate autonomously, because they introduce the necessary involvement of both Houses of Parliament to affirm matters that, as the Bill stands, would not require the affirmation of either House. As the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) observed, that is a legitimate position, but my position is different. The amendments go even less far than a Bill that I feel does not go far enough, and it therefore goes without saying that we cannot support them.

It is not clear to me why the Conservatives seem to be both very pro-devolution and very much against giving the Assembly its head. I think it was the hon. Member for Wrexham (Ian Lucas) who pointed out that the Assembly is democratically elected by the people of Wales.

Mrs. Betty Williams (Conwy) (Lab): May I offer a simple explanation for the amendments? Could it be that none of the four Members who tabled them has represented a Welsh constituency since devolution or, indeed, sat on the Welsh Affairs Committee, which has worked hard and closely with the Assembly, as was pointed out by my hon. Friend the Member for Wrexham (Ian Lucas)?

Lembit Öpik: I will not go down that path. I do not question the intellect or the parliamentary capabilities of three Conservative Front Benchers with a collective IQ of at least 600—which is doubled if we include the acting duty Whip, the hon. Member for Lichfield (Michael Fabricant).

That issue does not concern me. The issue that concerns me is an issue of judgment. Surely if we are truly committed to devolution we must, at the very least, oppose the amendments. The Liberal Democrats think that the Bill as it stands is timid, but the amendments take it backwards.

I will now sit down, and give way to the main attraction.

The Temporary Chairman (Sir Nicholas Winterton): I call Mr. Paul Murphy. *[Laughter.]*

Mr. Paul Murphy (Torfaen) (Lab): I am the second main attraction.

Issues relating to scrutiny may also be discussed later, particularly when we debate clause 97, but I was prompted to speak at this stage by what was said by my hon. Friend the Member for Wrexham (Ian Lucas). The hon. Member for Beaconsfield (Mr. Grieve) made an interesting speech, although I do not agree with the requirement for resolutions. I think that we achieved a balance when providing for Orders in Council. Another possibility would have been primary legislation every time the Assembly wished to deal with an issue. That would have been entirely impracticable.

The hon. Gentleman made some interesting points about scrutiny of the Orders in Council, as did my hon. Friend the Member for Wrexham. It was pointed out that in Northern Ireland, in the absence of a functioning elected Assembly, direct rule must rely on Orders in Council. As everyone knows, Orders in Council are unamendable, and the time taken for consideration is very short. In Northern Ireland the problem has been partly overcome through a decent system of pre-legislative scrutiny, and I think that that is what should happen in this instance.

Having read the notes on clauses and the various other documents that we are obliged to read in connection with the Bill, I am not entirely convinced that we have arrived at the right answer yet.

The Select Committee on Welsh Affairs recommended in its report on these issues that

"Standing Orders be amended to disapply Standing Order No.118 in respect of draft Orders in Council made under the proposed new Act."

It went on to talk about the role of the Welsh Grand Committee. The reply from the Government was effectively that it was a matter for the business managers. I am not convinced that it is. Obviously, business managers have an important role to play but the House has a right to look at how properly to scrutinise the legislation. There is a case for both the Assembly and Parliament meeting together in a Committee structure to look at that. There is a case for the Select Committee on Welsh Affairs to play a role in such legislation. In particular, there is a case seriously to question whether one and a half hours' debate on Orders in Council is adequate. I am sure that it would be possible to extend that debate to three hours. I am sure that debates could be held on the Floor of the House if the issue were of such gravity, and that we can look at the role of the Welsh Grand Committee in these matters. That may be another way out.

In all the documentation surrounding this part of the Bill, little is said about the parliamentary scrutiny of the Orders in Council, but plenty is said about the role of Government, whether it is in Cardiff or in London. Such comment is right, but then it stops. The arrangements for the Assembly Government, or the Executive as it is likely to be called, and the British Government in terms of working out what happens with the Orders in Council are well defined in the Bill. Checks and balances exist, but there is a gap as far as this place is concerned. My right hon. Friend the Secretary of State and my hon. Friend the Minister would do well to return to the issue with colleagues, whether it be the Leader of the House or whoever, to consider again whether to establish formally in writing—in Standing Orders, in legislation or wherever—a system by which pre-legislative scrutiny is defined more closely and adequately, and Orders in Council themselves are not limited to one and a half hours' debate upstairs in a Committee. That is not good enough for the issues that we are dealing with.

As the hon. Member for Beaconsfield said, these are gravely important issues. This is a new form of procedure and arrangement for the House of Commons, so there is nothing to stop us having a new form of scrutiny. I look forward to the response of my hon. Friend the Minister, but these are important issues and I am sure that many Labour Members agree with my argument.

Julie Morgan (Cardiff, North) (Lab): I want to make a brief contribution. The hon. Member for Beaconsfield (Mr. Grieve) says that part 3 gives primary legislation to the Welsh Assembly by the back door. That is the basis of his argument, which is a huge exaggeration. The proposals in the Bill are relatively modest. I would support primary legislative powers and campaign for them, but only if there were a referendum. I do not believe that the proposed measures introduce primary legislative powers.

Part 3 clearly preserves the right of Parliament to oversee legislation in Wales in principle. It is clearly laid down that that right will be debated in Parliament and that the Assembly will not be able to go ahead with anything unless it is debated here. If the hon. Gentleman's proposals were adopted, it would make the whole process much more cumbersome and difficult. It would be a step backwards. As a result, a proposal that I support strongly, albeit a small step forward, would be held back.

Mr. David Jones: Does the hon. Lady agree that, once legislative competence has been devolved by adding a matter to one of the fields listed in schedule 5, the Assembly can continue to make Assembly Measures ad infinitum, without any input from this House? Once legislative competence is devolved, it is devolved for good, and this House will have no input in the process.

5.30 pm

Julie Morgan: As has been noted, devolution exists already. The Assembly is democratically elected, and we must trust its ability to carry out legislative functions. The Opposition are making a great mistake in attempting to hang on to power in Westminster in a way that will not allow the Assembly to develop.

There will be difficulties when it comes to scrutiny, as the Assembly has only 60 Members, and it must take that problem on board and deal with it. However, I strongly support what has been said by my hon. Friend the Member for Wrexham (Ian Lucas) and others about the importance of pre-legislative scrutiny and of working together through the Welsh Affairs Committee. When I was a member of that Committee, we worked with the Assembly to carry out joint scrutiny of quite a few Bills. That extremely effective way of working can be built into this process.

In conclusion, the amendments would create another obstacle to giving the Assembly more power over what it does. I hope that they will be resisted.

Nick Ainger: Before I respond to the debate, I want to point out that the amendments, and the contribution by the hon. Member for Beaconsfield (Mr. Grieve), take us back to the fundamental question of devolution. The Opposition are reluctant to accept that the democratically elected Assembly in Cardiff does have powers to scrutinise legislation and to hold the Executive to account. The right hon. Member for Witney (Mr. Cameron) has said that the Tories have moved to a pro-devolution position, but the amendments seem to cut across that.

The enhanced legislative powers that part 3 would enable to be conferred on the Assembly are an adaptation of the current settlement. Parliament will be able to scrutinise and control the powers that it devolves to the Assembly on a case-by-case basis. It will then be for the Assembly to scrutinise how those powers are used to make Assembly Measures that address the needs of Wales.

Mr. Grieve: In the 1997 referendum, the people of Wales voted by a small majority for devolution powers that were clearly explained. Those powers were subsequently legislated on, and I took part at some length in the debate in this House about the transfer to the Assembly of the Secretary of State's function to make statutory instruments. The Minister seems to want to fudge the issue, so does he agree that the Bill, by means of the mechanism in part 3, transfers further powers to the Assembly? If part 3 is enacted, therefore,

[Mr. Grieve]

the Assembly will be able to do things that it could not do previously. Can we get that established at the outset, so that we can see the parameters of the debate?

Nick Ainger: Very simply, the answer is yes, because giving the Assembly enhanced legislative powers was a manifesto commitment. I am surprised that the hon. Gentleman had to ask that question, given the purpose of the Bill and everything that we have said about it, including in the White Paper.

The Bill is designed to give the Assembly enhanced legislative powers, but the amendments show that the Tories still have no faith in the Assembly's ability to scrutinise its own legislation. If that is not so, why does Amendment No. 161 enable Parliament to examine an Assembly Measure not only at the beginning of the process but at the end, and to say yes or no to it? That is not accepting devolution.

David T.C. Davies: As one of the more sceptical Assembly Members, I can assure the Minister that we do not think that the Assembly would fail to do the job of scrutinising; it would do as good a job as it possibly could. My point is—to some extent, the hon. Member for Cardiff, North (Julie Morgan) agreed with this—that 60 people, even with the help of the Welsh Affairs Select Committee and of Joint Committees, are not going to be able to do as good a job as the 1,000-plus who sit in this House and in the other place.

Nick Ainger: That is an interesting point, but once the hon. Gentleman has been here a little longer and been through the Whips Office, he will perhaps realise how many people are actually actively involved in scrutinising legislation. It is interesting to count the number of Members who participate in the scrutiny even of controversial Bills on Second Reading, in Committee, on Report and on Third Reading. The Assembly currently sits for only two or three days a week, and as the First Minister and its Presiding Officer have said, it will have to sit full time. Its doing so will address a lot of the practical problems associated with 60 AMs scrutinising legislation.

The hon. Member for Beaconsfield said that these amendments would not affect current processes, but frankly they attempt to turn the clock back. Schedule 11 allows for framework powers that can be given to the Assembly through primary legislation to be converted into Orders in Council or into Assembly Measures. If his amendment were accepted, legislation that the Assembly had been given the power to develop by primary legislation passed in this House would have to come back to this place for further approval. That is nonsensical. We are trying to give the Assembly enhanced powers, but if his amendment were accepted, the Assembly would have to come back here for approval of such legislation, yet secondary legislation undertaken by the Assembly would not be affected. That, too, is nonsensical.

Mr. Grieve: The Minister will surely see some logic in our proposal. The giving of enhanced powers to do things that previously were not possible is a very good reason for asking that such legislation be sent back for approval. However, we are content that the ordinary powers provided for under statutory instrument should not be sent back. That is a perfectly basic and sensible point, and if I have misunderstood the Minister he will doubtless explain himself.

Nick Ainger: That is not giving enhanced legislative powers—it is keeping a very tight grip on such powers. I suggest that the hon. Gentleman read the White Paper, and I remind him that the Bill's purpose is to give enhanced legislative powers to the Assembly.

Mr. Grieve *rose—*

Nick Ainger: I will give way again, but in response, I shall simply repeat what I said before.

Mr. Grieve: I am grateful to the Minister—such to-ing and fro-ing can be helpful. He clearly did not listen fully to what I said. I pointed out at the outset that if the Government want to give the Assembly primary legislative functions, we will support part 4, subject to a referendum. Instead, however, they propose to give the Assembly the ability, through Order in Council, to enact Assembly Measures that currently require primary legislation passed first in this House. That is where we have a disagreement. If the Minister wishes to proceed down that route, my view, without the part 4 procedure, would be that although I might be prepared to let the detail be worked out by the Assembly, I should still wish the Measure to come back to be validated by the House before it could be enacted.

We have a disagreement, but to say that I am not prepared to give enhanced powers to the Assembly is to traduce my words. No logical analysis could lead the Minister to that conclusion, leaving just a desire, I am afraid, to make propaganda, which slightly irritates me.

The Temporary Chairman: Order. I make a plea for slightly shorter interventions. From the Chair, they appear to be becoming short speeches. I appeal to hon. Members to try to make interventions shorter.

Nick Ainger: The hon. Member for Beaconsfield still refuses to accept that the enhanced powers we are talking about mean giving further responsibility. It would be wrong if, having given the Assembly the responsibility to develop the detail of a Measure, it then has to come back to this place for us to say yea or nay to that detail. That is not devolution; that is not giving powers to the Assembly—that is holding power even tighter than we hold it now.

Mr. Llwyd: I touched on that point earlier, and the Minister is absolutely right. The flaw in the argument of the hon. Member for Beaconsfield (Mr. Grieve) is that if, as we should, we allow the Assembly to deal with all the detail, when the Measure comes back here we will not have all the detail to go through. Nor have we the time to go through all the detail. If, rightly, we have left the Assembly to deal with the detail, we are merely the machinery by which the Assembly makes that detail law.

Nick Ainger: Exactly. In effect, as my right hon. Friend the Secretary of State is saying to me now, all we could do would be to hold a veto. That is certainly not

in line with our devolution position, but I thought that it was also the new devolution position of the Conservatives.

I come now to the contributions made by hon. Members. I say with the greatest of respect that the hon. Member for Beaconsfield misconceives what the Orders in Council do. They do not change the law, they merely give permission to the Assembly to develop, through the Assembly Measures method, its own law. He said that the Orders in Council changed the law—they do not; they merely give the Assembly permission to carry out those functions.

Mr. Grieve *rose—*

Nick Ainger: I will give way again, hopefully to a brief intervention.

Mr. Grieve: I shall seek to be as brief as possible. In the schedule that lays out the powers we are transferring—schedule 5, I think—it is quite clear that we are substantially giving primary law-making powers to the Assembly. It may be called an Order in Council, but the Assembly Measure is a primary law-making power that we are, without referendum, shedding to the Assembly, and disguising by calling it an Order in Council.

If the Minister wants to persuade me that I am wrong about that, I shall listen, but I shall take a lot of convincing. He is simply dressing up a primary legislative function as something else and saying that we need not worry about it because it is not a primary legislative function, when it plainly is.

Nick Ainger: The point that the hon. Gentleman does not seem able to accept is that Parliament will decide case by case the areas in which the Assembly can legislate. If Parliament decides that it does not want to give the Assembly powers to legislate in a clearly defined area, Parliament will not do that. We have to accept that the Order in Council will not change the law: it will be the Assembly Measure that will change the law.

5.45 pm

Mr. David Jones: The Minister has conceded that what is being handed over to the Assembly, on a case-by-case basis—as he puts it—is primary legislative competence. That being the case, can he tell the Committee why he does not have enough faith in the people of Wales to put these proposals before them in a referendum? I suggest that the answer is simple, and it is because he knows—as the Secretary of State has conceded—that the Government would lose such a referendum.

Nick Ainger: Well, we have a mandate for this—

Mr. Jones *indicated dissent.*

Nick Ainger: I am afraid that we do have a mandate. We made it clear in both the UK Labour manifesto and in the manifesto for Wales that we would give enhanced legislative powers to the National Assembly. The hon. Gentleman argues that we are giving primary powers by the back door, but if so, we are doing so very openly because Parliament will decide whether to give the Assembly those powers on each issue. It is not the carte blanche provided for in part 4—which will give the Assembly total discretion in the areas for which it has Executive responsibility—to bring in legislation. That is completely different from part 3.

Ian Lucas: Does my hon. Friend agree that the logic of the Opposition's position is that even if we passed primary legislation to give the Assembly powers, as we did in the case of the fire authorities, for example, we would need to have a referendum to enable us to do so?

Nick Ainger: That is the logical conclusion.

I have another example. In section 62 of the Education Act 2005, the Assembly was given framework powers over education inspection. I have checked the *Hansard* for the Committee stage of that Bill and there was not a peep from the Opposition. A power was given to the Assembly to carry out its own policy programme and develop its own regulations on the inspection of schools and educational establishments in Wales, and it went straight through on the nod.

Mrs. Gillan: Does the hon. Gentleman think, therefore, that we were being supportive of the proposition that such a power should go to the Assembly and, therefore, supportive of the Assembly having those powers at that time?

Nick Ainger: I have listened to the hon. Member for Beaconsfield, but the hon. Lady does not appear to have done so. Powers were given straight to the Assembly to develop their own policies and legislation, and the Opposition accepted that. However, in this case, with powers to be given through the Assembly Measure and Order-in-Council process, they say that there should be a referendum. In 18 years in power, the Conservatives held not a single referendum. How serious are they on this issue?

Mr. Grieve: If the logic of the Minister's argument is correct, there is no need for the legislation. If the Minister were correct, it would be possible, under the existing arrangements, for the Assembly to do what he wants it to be able to do. The Minister knows that that is not the case, so perhaps he would concentrate on why it is that the Government have had to latch on to the mechanism of the Order in Council to provide the enhanced functions. That might then help him to understand why part 3 represents a major shedding of power by this House, without referendum, to the Welsh Assembly, under the tutelage of the Secretary of State in its implementation. As a democrat and because I was elected to this House to represent people, that is what I object to.

Nick Ainger: The hon. Gentleman cannot have read the White Paper. The main thrust behind the introduction of the part 3 powers is the delays and logjam that occur with the parliamentary process here. If the Assembly is to be totally dependent on primary legislation being passed here and then given framework powers for secondary legislation, it will have to wait a long time. It may be that there will be occasions when

[Nick Ainger]

legislation will give the Assembly framework powers that it can convert into Assembly Measures, and I have quoted the Education Act 2005. However, the point of part 3 is to address the issue that was highlighted in the Richard report about the parliamentary legislative logjam that exists here. It prevents the Assembly from getting through the pieces of legislation that it wants.

I think that I have dealt with virtually all the points raised by the hon. Member for Beaconsfield. Clearly, I have not convinced him, but I did not expect to do so. However, I shall now turn to some of the points about draft legislation and scrutiny that were raised by my right hon. and hon. Friends. I notice that the hon. Member for Montgomeryshire (Lembit Öpik) is no longer in his place. My right hon. Friend the Member for Torfaen (Mr. Murphy) touched on the importance of pre-legislative scrutiny in this process. The problem that we face is that the Bill cannot fetter the procedures of the House. We cannot dictate to the House the procedures for pre-legislative scrutiny. I agree with everything that my right hon. Friend and my hon. Friend the Member for Wrexham (Ian Lucas) said about the importance of pre-legislative scrutiny. The Welsh Affairs Select Committee has done an excellent job in considering pieces of primary legislation and has changed them.

It is important for all Members to understand the process that will be involved. We envisage that, with the agreement of the House and the Select Committee, a preliminary draft order will be produced by the Assembly after it has been through whatever processes it wants to go through, and that may include considering a report produced by one of its Committees. The Secretary of State would then ask the House and, in particular, the Select Committee to scrutinise that draft legislation or Order in Council.

I hope that my right hon. Friend has seen the two documents that I have made available to the House, the first of which was a draft document relating to the Bill for a public services ombudsman. Instead of being a piece of primary legislation, the document shows how it would have followed the Order in Council and Welsh Assembly Measure system. The second relates to the Transport (Wales) Bill, which is completing its stages through the House. That would also have gone through the Order in Council process. Both documents clearly show the opportunities that exist for pre-legislative scrutiny.

Mr. Alan Williams (Swansea, West) (Lab): May I reassure the Minister that the Liaison Committee and its member Committees are constantly asking for more draft Bills? If the Wales Office produces them, I assure it that they will be considered. However, that does not avoid the fact that after such Bills have been looked at, discussed in depth and amendments to them recommended, it is not the House that will decide whether the amendments will be accepted—it will be the Secretary of State.

Nick Ainger: That is not necessarily so.

Mr. Williams *rose—*

Nick Ainger: Let me describe the process, and perhaps that will help my right hon. Friend.

Once the pre-legislative scrutiny has been undertaken, any suggested changes would return to the Assembly in a report produced by the Welsh Affairs Committee, or jointly by an Assembly Committee. In fact, the Assembly Committee may separately be considering the same proposal. It would then be for the Assembly possibly to reconsider the form of the draft Order in Council, taking into account the pre-legislative scrutiny. The order would then return to the Secretary of State, who would lay it before the House, and it would be debated. If members of the Welsh Affairs Committee or anybody else who had been involved in the pre-legislative scrutiny felt that their reasonable comments and suggested amendments had not been taken on board, it is possible that they could persuade their colleagues in the House that the order should not go through.

Mr. Williams: We would have to do that in the limited time of one and a half hours allowed to debate the order placed before the House. Virtually no one would be able to take part.

Nick Ainger: That is why it is so important that we have the pre-legislative scrutiny.

I respond to my right hon. Friend the Member for Torfaen by pointing out that these are important issues and we recognise the importance of getting them right. We will look at them and see whether there is any way to ensure that the Orders in Council receive full pre-legislative scrutiny and that there is no question—either now or in the future—that that could be circumvented in any way. I can give him that assurance.

Mrs. Gillan: How does the Minister see clause 94(7)(b) and subsection (8) fitting into the process? It appears that the Secretary of State can just say no and give a few reasons for saying no. The First Minister then just has to announce that to the Assembly. How does that fit in with what the Minister said in reply to the first intervention from the Father of the House? There appears to be an incongruity here.

Nick Ainger: Knowing my right hon. Friend's position, I think that he would be more than happy if the Secretary of State used the powers in clause 94. However, the Secretary of State will have to put in writing his reasons for refusal to lay an order, and if those reasons are unreasonable they will clearly be subject to judicial review. I think that that responds to that point.

Ian Lucas: I am most grateful for the reassurances that my hon. Friend the Minister has given about the importance of pre-legislative scrutiny. However, my concern is that there has been no reference whatever to a draft order being placed before Parliament before the Assembly considers it. Would it be possible for the legislation to provide for draft orders to be placed before this House as well as before the Assembly?

Nick Ainger: I do not wish to confuse my hon. Friend, but we need to be clear about what we are calling draft orders. Preliminary draft orders—the first draft, in effect—would undergo pre-legislative scrutiny in the same way as draft Bills, such as the Transport (Wales)

Bill. We would have to keep calling the Measure a draft Order in Council until it was agreed to and thus became an Order in Council. I assure my hon. Friend that the preliminary drafts will come before the House for pre-legislative scrutiny every time.

6 pm

Mr. Dai Havard (Merthyr Tydfil and Rhymney) (Lab): My hon. Friend explained that there would be an iterative process through which we would end up with an Order in Council before Parliament. At that point, we would presumably discuss it as parliamentarians, so would there be a whipped vote or a free vote?

Nick Ainger: I speak as a former member of the Whips Office. The Secretary of State would be laying a Government order, so I would expect my hon. Friends to follow the Secretary of State's suggestion of supporting it.

We have had a long exchange on the detail of amendment No. 161. The hon. Member for Beaconsfield raised several points when he spoke to amendment No. 162, so it is worth putting our thinking on record. Amendment No. 162 would remove the protection afforded to an Assembly Measure against legal challenge on the ground of a procedural invalidity in the proceedings of the Assembly that led to its enactment. The Bill provides for the legal separation of the Assembly Government from the Assembly, as is the case here, in the Northern Ireland Assembly and in the Scottish Parliament.

The Assembly should not be impeded in its primary function of making legislation by legal challenges, some of which could be wholly spurious and based on a technical invalidity during proceedings. In respect of Parliament, that principle is enshrined in article 9 of the Bill of Rights, which provides that freedom of speech, debates and proceedings in Parliament ought not to be impeached or questioned in any court or place outside Parliament. It is also reflected in respect of the Scottish Parliament in section 28(5) of the Scotland Act 1998, and in respect of the Northern Ireland Assembly in section 5(5) of the Northern Ireland Act 1998. Clause 92(3) and the equivalent Measure in clause 106(3), which relates to Acts of the Assembly, will put the Assembly on the same footing as Parliament, the Northern Ireland Assembly and the Scottish Parliament.

Mr. John Gummer (Suffolk, Coastal) (Con): If the principle is as obvious as the Minister suggests, why was it not thought necessary when the original Government of Wales Act 1998 was passed? If such a provision is now thought necessary, what has changed? Why was it originally thought that the position should be different from that of Scotland and Northern Ireland, but now thought obvious that the situation should be the same?

Nick Ainger: Because the Bill gives the Assembly the right to enact Assembly Measures. That is the difference between where we were at the time of the 1998 Act and where we are today.

Mr. Gummer Will the Minister thus tell me what I should say to my constituents who are not protected in such a way and have no such opportunity to deal with English matters with the same clarity that he is allowing for the Welsh?

Nick Ainger: That is a slur on not only the right hon. Gentleman, but all English Members of Parliament. Of course they have exactly the same powers and defences regarding legislation. Now that we are giving the Welsh Assembly the power to make Assembly Measures, it requires the same protection as Parliament, the Northern Ireland Assembly and the Scottish Parliament.

We have had a good run around all the issues. Obviously, we are still trying to persuade the new Conservative party—if I may call it that, given its position on devolution—to accept that they have to let go a bit. I hate to use this term, but perhaps it is still a little anally retentive. It is time to move forward and realise that the enhanced legislative powers will be good for the Assembly and for Wales, and certainly do not require a referendum.

Mr. Grieve: I hope that my participation in the previous Government of Wales Bill and, indeed, the Bill that became the Scotland Act 1998, has made me pragmatic about the constitution of our country. Our constitution is, of course, unwritten, and it has great flexibility. The right hon. Member for Torfaen (Mr. Murphy) made the point that constitutions evolve, which I acknowledge. I accept the Minister's argument that the separation of primary and secondary legislation has a certain flexibility. In recent years, we have seen ample signs that the Executive have taken to addressing matters through secondary legislation that the House would have thought of as requiring primary legislation in the past. I also acknowledge that, as the right hon. Member for Torfaen said on Second Reading, the important aspect of scrutiny is its effect on the delivery of good governance and legislation to recipients. I thus hope that it is not the case that sacred notions of parliamentary propriety or historical ways of conducting business are simply embedded in my mind. I learned that when we considered both Bills in 1998, which I enjoyed participating in very much.

The Minister's answers to the questions of my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) about amendment No. 162 were telling. The reason why the protection that we have under the Bill of Rights was not given to the Welsh Assembly in 1998 was because it was considered that it was being set up not as a parliamentary body, but as a local government body. At the time at which we debated the matter, I highlighted my worry that, whereas the solution that we had adopted for Scotland was quite neat—one might have disagreed with it, but shedding a whole raft of areas of parliamentary responsibility to the Scottish Parliament had a neatness about it—the solution for Wales was fraught with problems because of the difficulty of separating primary and secondary legislative functions. That is embedded in my mind from all those years ago.

Today's debate has highlighted the problem. Despite all the explanations that the Minister offered, we cannot escape the fact that the reason why the Government thought it necessary to give immunity to the Welsh Assembly was precisely because they intended to

[Mr. Grieve]

transfer primary legislative functions to it under part 3. I enjoy debating with the Minister—or any other hon. Member, for that matter—but when we are discussing constitutional measures, it is important that, while arguing our cases, we are honest with the electorate about what we are doing. The Government's tendency to say that changes do not really matter because they are minor incremental moves, or gentle tweaks to the system about which we should not worry, is quite wrong. Even by the standards of the present blurred distinctions between primary and secondary legislation, the Government are presenting a fundamental, major constitutional change.

Mr. Gummer: Does my hon. Friend agree that it then becomes increasingly difficult to explain to English constituents the fact that some parts of the United Kingdom have powers from which other parts are excluded, yet the representatives of those parts in this House still play their part in making decisions on the future of English constituencies?

Mr. Grieve: My right hon. Friend is right. That is a serious issue, which is likely to continue to grow. Indeed, it has become more serious in the past eight years since devolution and it will continue to be a subject of debate.

For the purposes of this debate, I shall concentrate on the impact of these measures on the people of Wales, for whom we have a major responsibility, and we will continue to have that responsibility even after part 3 is enacted. If part 4 were ever enacted, however, our responsibility would shift considerably.

Ian Lucas: Does the hon. Gentleman consider that the passage of the part 3 measures should mean that I, as a Member of Parliament from Wales, should have my power to participate in proceedings in this House reduced? Should part 3 mean that my votes here will count for less?

Mr. Grieve: I shall avoid having a major constitutional debate with the hon. Gentleman, although that is a relevant and important topic. If part 4 were ever enacted, the argument about reducing the role of Welsh Members would become similar to that for reducing the role of Scottish Members. The same applies to a reduction in the number of Welsh MPs.

From the Government's point of view, the nice thing about part 3 is that it blurs all that and provides a mechanism by which Parliament sheds its law-making powers to a mixture of the Secretary of State and the Assembly, but in a way that preserves the notion that Parliament remains in complete control of Welsh matters.

I shall now bring my remarks to a close, because that is precisely why I tabled amendment No. 161 in the first place. Its merit is that it would ensure that Parliament scrutinised the end product of an Assembly Measure before it was enacted. If I may say so to the Minister, that reflects exactly the constitutional position for which he is trying to argue.

I found the Minister's arguments about my proposal being a kick in the face for the Assembly odd. Under part 3, the Assembly's powers would be enhanced. We gradually drew that out from the Minister. It took time to succeed, but finally we got an acknowledgment that these powers are different from the pre-existing powers. A final ratification procedure therefore seems to me fairly reasonable.

The Minister argued that that would interfere grossly with the way in which the Assembly carries out its functions and delay things. I find that an odd argument. What on earth is wrong with a one and a half hour debate in this House to enable the House to satisfy itself that the Assembly has operated in compliance with the remit originally given to it, and that the Measure does not offend constitutional propriety or cause difficulties? All those are powers that we are to give to the Secretary of State, but apparently we do not want to keep them for ourselves.

The longer this debate has gone on, the more convinced I have become that my decision to table the amendment was correct. I listened carefully to the arguments of the hon. Member for Montgomeryshire (Lembit Öpik), who suggested that we would be taking back something from the old devolution settlement of 1998, but he will have heard what the Minister said, and I do not think that we are doing that. Even if there is an area of interface between the two—I fully acknowledge that constitutional issues can be blurred at the edges—I genuinely think that this is an improvement in the system.

After all, the Bill is about all sorts of ways of improving that system. I do not think that my proposal would diminish the Assembly's ability to do the detail, and it certainly would not reduce or interfere with the power that the Government propose to give the Assembly to do the detail, or with its existing powers to implement what was previously the Secretary of State's remit. My amendment would provide a way by which the House could continue to be involved.

I agree with the right hon. Member for Torfaen and the hon. Member for Wrexham (Ian Lucas) about the scrutiny issues. I am not sure what all the solutions are. I am open-minded on that subject. On its own, the proposal before us would not be a substitute for the pre-legislative scrutiny. These things have to go hand in hand, but to suggest that the idea behind amendment No. 161 is an insult to the Assembly or the people of Wales is far off the mark.

6.15 pm

Lembit Öpik: It sounds as if the hon. Gentleman is saying that he wants to institute a system that would give the Assembly the latitude to make the tactical decisions within subject areas, but that he would like to maintain the strategic decision making in this Parliament, here in London. That is a legitimate position to hold, but he will understand that I have a different view, because I think it right to devolve the strategic decisions as well. Nevertheless, I understand his position, even if there is a genuine difference of view.

Mr. Grieve: I am most grateful to the hon. Gentleman. I do not want to go over the point again, but if we want to devolve strategic decision making to the Assembly, part 4 would do exactly that. One may disagree about whether that would be a good or a bad thing, but part 4 has an internal coherence that part 3 does not possess.

Part 3 is about a troika—one individual and two institutions. There is the Secretary of State with his Executive functions, the Welsh Assembly and this Parliament. It is for us to bring about a system that, if this is what the House wants, will enable us to give the necessary powers to the Assembly to deal with the detail while still—this is what the Government say that they want to achieve—leaving us with residual responsibility. What could be a better expression of that residual responsibility than our voting, after a one and a half hour debate, on the ratification of the Assembly Measure when it comes back to us?

The alternative is to tolerate a situation in which we give a power, yet once we have lost it, problems can arise, and the criticism can come back to us. I have great reservations about part 3, but if it is to be made to work, the amendment would be an improvement, so I commend it to the House.

Question put, That the amendment be made:—

The Committee divided: Ayes 160, Noes 314.

Division No. 135] **[6.18 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butterfill, Sir John
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Elwood, Mr. Tobias
Evennett, Mr. David
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Francois, Mr. Mark
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Gummer, rh Mr. John
Harrimond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Maclean, rh David
Main, Annie
Maples, Mr. John
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Moss, Mr. Malcolm
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rosindell, Andrew
Ruffley, Mr. David
Scott, Mr. Lee
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Turner, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Michael Fabricant and Andrew Selous

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Baker, Norman
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bell, Sir Stuart
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byrne, Mr. Liam
Cable, Dr. Vincent
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Carmichael, Mr. Alistair
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth

Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farron, Tim
Featherstone, Lynne
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Godsiff, Mr. Roger
Goggins, Paul
Goldsworthy, Julia
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harvey, Nick
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hemming, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hewitt, rh Ms Patricia
Heyes, David
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, Mr. David
Laws, Mr. David
Leech, Mr. John
Lepper, David
Levitt, Tom
Linton, Martin
Llwyd, Mr. Elfyn
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
Meacher, rh Mr. Michael
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Morden, Jessica
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Öpik, Lembit
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Price, Adam
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, Angus
Robinson, Mr. Geoffrey
Rogerson, Mr. Dan
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Ussher, Kitty
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watts, Mr. Dave
Webb, Steve
Weir, Mr. Mike
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wishart, Pete
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wyatt, Derek

Tellers for the Noes:
Tony Cunningham and Mr. Ian Cawsey

Question accordingly negatived.

Mrs. Gillan: I beg to move amendment No. 48, in page 50, line 9, at end insert—

'(2A) No Assembly Measure may be introduced unless a majority of voters in a referendum vote in favour of Assembly Measure provisions coming into force.'.

The Temporary Chairman (Sir Nicholas Winterton): With this it will be convenient to discuss the following: New clause 6—*Referendum about commencement of Assembly Measure provisions*—

'(1) Her Majesty may by Order in Council cause a referendum to be held throughout Wales about whether the Assembly Measure provisions should come into force.

(2) If the majority of voters in a referendum held by virtue of subsection (1) vote in favour of the Assembly Measure provisions coming into force, the Assembly Measure provisions are to come into force in accordance with section 92.

(3) But if they do not, that does not prevent the making of a subsequent Order in Council under subsection (1).

(4) No recommendation is to be made to Her Majesty in Council to make an Order in Council under subsection (1) unless a draft of the statutory instrument containing the Order in Council has been laid before, and approved by a resolution of, each House of Parliament and the Assembly.

(5) But subsection (4) is not satisfied unless the resolution of the Assembly is passed on a vote in which the number of Assembly members voting in favour of it is not less than two-thirds of the total number of Assembly seats.

(6) A draft of a statutory instrument containing an Order in Council under subsection (1) may not be laid before either House of Parliament, or the Assembly, until the Secretary of State has undertaken such consultation as the Secretary of State considers appropriate.

(7) For further provision about referendums held by virtue of subsection (1) see Schedule 6.

(8) In this Act, "the Assembly Measure provisions" means sections 92 to 101.'.

New clause 19—*Referendum about commencement of Assembly Measure provisions (No. 2)*—

'(1) Her Majesty may by Order in Council cause a referendum to be held throughout Wales about whether the Assembly Measure provisions should come into force.

(2) If the majority of voters in a referendum held by virtue of subsection (1) vote in favour of the Assembly Measure provisions coming into force, the Assembly Measure provisions are to come into force in accordance with section 92.

(3) But if they do not, no subsequent Order in Council under subsection (1) may be made until eight years have elapsed after the referendum held by virtue of the first such Order in Council.

(4) If the majority of voters in a second referendum held by virtue of subsection (1) do not vote in favour of the Assembly Measure provisions coming into force, no further Order in Council under subsection (1) may be made.

(5) No recommendation is to be made to Her Majesty in Council to make an Order in Council under subsection (1) unless a draft of the statutory instrument containing the Order in Council has been laid before, and approved by a resolution of, each House of Parliament and the Assembly.

(6) But subsection (5) is not satisfied unless the resolution of the Assembly is passed on a vote in which the number of Assembly members voting in favour of it is not less than two-thirds of the total number of Assembly seats.

(7) A draft of a statutory instrument containing an Order in Council under subsection (1) may not be laid before either House of Parliament, or the Assembly, until the Secretary of State has undertaken such consultation as the Secretary of State considers appropriate.

(8) For further provision about referendums held by virtue of subsection (1) see Schedule 6.

(9) In this Act, "the Assembly Measure provisions" means sections 92 to 101.'.

Mrs. Gillan: I hope that in the course of our consideration of this group of amendments we will not hear about Ministers or Government Members engaging in debate by press release. You might not know, Sir Nicholas, that the Government issued a press release and the article that resulted from it was headed, "Hain accuses Tories of a bid to 'castrate' Assembly". I have never been accused of trying to castrate anything, let alone an Assembly. I know that the Government are hidebound—they have got themselves into a Procrustean bed that they cannot get out of—but they will have to get used to the idea that the Opposition are trying hard to improve the position of the people of Wales. Through this group of amendments, we are trying to ensure that the people of Wales have a vote and a say in the matters that are before the Committee.

Clause 92 is the foundation stone of the new legislative architecture being constructed by the Government and it was debated in some detail in relation to the last group of amendments. It is the clause that confers on the Assembly the power to make a type of legislation in relation to Wales known as an Assembly Measure. In the previous debate, the Minister said that the clause provided "enhanced legislative powers". That means that the status quo will not remain and that the Assembly will have enhanced capabilities, over and above those that were originally envisaged. According to the explanatory notes,

"Measures will ... have the same effect as an Act of Parliament."

The notes continue:

"they may modify the effect of legislation made or enacted before or after this Bill is enacted, or make entirely new provision."

Under the clause, even if the process of enacting an Assembly Measure is invalid or irregular, that will not stop the Measure becoming law. That is set out in subsection (3).

Our amendments are designed to give the people of Wales a voice before that new, complex and—dare I suggest—cunning legislative device comes into force. Let me make it clear that we are not seeking a referendum because we believe that it would fail, or that it would succeed. We are keen to ensure that the Assembly develops in the way that the people of Wales want it to develop. Their wants and needs should be paramount.

Mr. Hollobone: That is a crucial point. The National Assembly was set up after a referendum—albeit one whose result was extremely close—and any substantive changes to the way in which the Assembly operates should also be put to the people of Wales.

Mrs. Gillan: My hon. Friend makes an excellent point. There is no doubt that if the people of Wales think that they are getting one thing when they are, in fact, getting another, it would be incorrect not to consult them or give them the opportunity to have a say on that specific matter. *[Interruption.]* I am being told by the hon. Member for Cardiff, West (Kevin Brennan) that they had a general election. There is no doubt that these matters were raised during the general election, but they were not raised in the detail that we now have before us in the Bill. It is only right that we have the opportunity to scrutinise the details, and if the Opposition genuinely conclude that the status quo has not been maintained and the caravan has moved on, it is only right that the people of Wales be taken along with it.

Mr. Gummer: Does my hon. Friend agree that that is especially true for those of us who are opposed to referendums in principle? If one has had a referendum on a particular constitutional base, one is then placed in great difficulty if the same mechanism is not used to ask when one wants to make a change. The Government are pretending not to be making a change in order to avoid that mechanism. Even those of us who hate referendums have to accept that the process is a continuation of one that, unfortunately, the Government forced through previously.

Mrs. Gillan: I thank my right hon. Friend for that generous intervention, not least because I know that, in normal circumstances and on most matters, his face is set firmly against referendums. However, if a

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referendum has been offered initially, it is dishonest to take the process forward without going back to consult the people. I concede that point.

Ian Lucas: In that case, why is the hon. Lady not calling for a referendum on the abolition of the corporate status of the Assembly?

Mrs. Gillan: I do not believe that that is a constitutional issue. Progress on the separation of powers is based on a consensus across the board. It is something to which the Secretary of State and all parties represented in the House acceded, particularly on Second Reading. But by all means, if the hon. Gentleman would like a referendum on that, perhaps he will persuade those on the Government Front Bench to offer it. I confine myself to changes in the legislative process whereby primary legislative powers are no longer to be reserved to the House, but will be passed down to the Assembly. The people of Wales ought to be given a voice. I should have thought that the hon. Gentleman supported me, as I am supporting the people of Wales.

Ian Lucas: I will take no lectures from the hon. Lady concerning the people of Wales, some of whom I represent. I should have thought that the hon. Lady, who has been in the House far longer than I, understood that the abolition of the corporate status of the Assembly is indeed a constitutional amendment. I am not calling for a referendum on the proposal relating to Assembly Measures; she is. The logic of her position is that she should call for a referendum on the abolition of corporate status.

Mrs. Gillan: The hon. Gentleman is trying to take us down a road that I do not wish to follow. I agree that the Assembly has not been functioning correctly. That is partly due to the confusion over the difference between the Welsh Assembly Government and the Welsh Assembly itself. If there is a consensus across the board, I see no reason to call a referendum. However, on legislative matters, there is a reason to call a referendum. I hope the hon. Gentleman will follow the argument as I present it, as he may wish to give his constituents the voice that I seek to offer them.

Mr. David Jones: Is not the essential point that the Government propose the transfer of primary powers from this place to another legislative body? Is it not the case that a convention has emerged over the years that where power is ceded by Parliament to another body, be it the European Union, the Scottish Parliament or the Welsh Assembly, the people are consulted in a referendum? That is being denied them on this occasion by the Government.

Mrs. Gillan: The point stands alone. I invite Labour Members who want the people of Wales to be given a voice in the process to join us in the Lobby tonight and support a referendum.

Mark Tami (Alyn and Deeside) (Lab): If the hon. Lady and her party are so fond of referendums, can she tell me how many referendums the Conservatives have given the British people?

Mrs. Gillan: This is not a trivia quiz; it is a serious proposition. If this is the first referendum that we give the people in Wales, the hon. Gentleman ought to welcome it. His Government believed in offering referendums when it suited them, but when it does not suit them, they do not permit the people to have a voice.

Let us deal with the principle of a referendum. The Government are clearly not averse to referendums. The Bill allows for a referendum prior to full legislative powers being devolved to the Assembly. I hope Labour Members agree that there is no objection in principle to a referendum. I assume they have no objection and will support the referendum offered in part 4.

On Second Reading the Secretary of State gave the impression that he thought the question as to whether to grant interim powers by Orders in Council was too complex to be put to the people in Wales. If that is the case, it is appalling that the Government do not consider the electorate sufficiently intelligent to understand what they are proposing for Wales, and that they should not be consulted. A referendum at this point would ensure that resources were used to promulgate the work of the Assembly. It is the Secretary of State who is afraid that any referendum at this stage would be lost. I hate to remind the Minister that the Secretary of State said:

"Rhodri and I and Welsh Labour are not in the business of calling referendums we are going to lose".

His fear is robbing the people of Wales of both information and choice.

There we have it; referendums are all right in principle. The Labour Government will hold a referendum, but only if it suits them, and certainly not a referendum that may suit the people of Wales.

6.45 pm

Mr. Peter Bone (Wellingborough) (Con): Is that not the nub of the argument? The Government have learned from their experience with referendums of the regions that they can lose them. Is that why they do not trust the people of Wales?

Mrs. Gillan: Ah, yes; once bitten, twice shy. I thank my hon. Friend for reminding the House of the north-east referendum. When the Labour Government think they will win, they hold a referendum. If they think they may not win, or there is a chance that another view will be expressed, they have no intention of allowing that device to be used by the people.

The next point that we need to consider is whether the proposal is for a fundamental change. Throughout the debate, the Secretary of State and the Minister have tried to talk up the Assembly Measures as a more radical devolution, or to talk down the Measures as merely a device of convenience to overcome legislative roadblocks. The proposal is a handling plan to appease the opposing factions in the Labour party. They should not try to pull the wool over our eyes in order to sort out their internal differences.

When giving evidence to the Welsh Affairs Committee on 10 December the Secretary of State said that the device enabled the Government to

"get on with the job in the meantime and give substantial powers . . . to the Assembly through Orders in Council between 2007 and 2011".

On Second Reading the Father of the House, the right hon. Member for Swansea, West (Mr. Williams), who sadly is not in his place, raised concerns. He said that he

believed it was technically possible under these provisions for the full legislative objective to be achieved without a referendum. He raised further concerns about what he described as a "Trojan horse". He said that

"if just one non-controversial, innocuous order is passed, a policy area is opened. Once that happens, the Assembly is free to introduce new measures with different policy objectives, without having to go for a further order. It is a form of creeping devolution."—[*Official Report*, 9 January 2006; Vol. 441, c. 53.]

I hope the Minister will take seriously the words of the Father of the House.

Last week in the debate in the Assembly the First Minister, who has been alerted to the possibility of having primary legislative powers in all but name and without the inconvenience of a referendum, said that every party in Wales would be able to start the process of preparing their manifestos on the basis of the extension of the Assembly's law-making powers. He went on to boast that the third Assembly would have far greater law-making powers than the first and second, which meant more meat on the bones, more choice for the people and more power for the people of Wales.

Let us be clear. There will not be more power for the people of Wales. There will be more power for the Labour Executive in Wales, whether the people want them to have it or not. The First Minister has no plans to ask them, either.

The provisions extend significantly the powers of the Assembly and the people should be consulted first, not least as this is not what they voted for in the last referendum which, as everybody recalls, was won by a whisker. What did the people of Wales vote for? We are all more than aware of their lukewarm endorsement of the original Assembly provisions. However, I am more concerned with what the people of Wales think they have voted for, rather than reliving the referendum.

I have examined the policy papers produced in August 1997. They make extremely interesting reading. In policy paper 3 the Government told the people that the Assembly would consider how new laws from the Westminster Parliament would be implemented in Wales, and that the Assembly would fill in the details of those laws by secondary legislation to reflect the needs in Wales. The policy paper answers those questions by saying that primary legislation will be made in Westminster, and that it effectively will be interpreted in Wales by the Assembly. So the people of Wales were led to believe that they were voting only for secondary legislation.

More importantly, in answer to a question in policy paper 6, the Government answered the question as to why the referendum would not offer a wide range of options such as full independence by saying that Ministers believed that those options had been rejected by the voters in the general election. They said that the purpose of the referendum was to seek endorsement of the Government's "detailed plans" that voters had accepted in principle. In other words, the last referendum was specifically on the detailed plans that were enacted in the Government of Wales Act 1998, and not on the general outline. The people were certainly neither consulted on, nor led to believe that they would get, the system that is before us today.

Mr. Gummer: Is it not worse than that? Is it not true that when Labour politicians saw how close the result of the referendum was likely to be, they went round the Principality telling people that they need not be frightened, because the proposals were a step not towards a Welsh Parliament but towards a kind of local government in which Wales would be able properly to examine the details rather than the principles? If they had not done that, they would have lost even that referendum.

Mrs. Gillan: I have always had the impression, from talking to people who lived through that, that the message from the Government at the time was the one that they thought their audience wanted to hear. On one street corner, they played the proposals down, telling people that they would stay firmly part of the United Kingdom, that primary legislation would remain with Parliament, and that the Assembly would deal only with secondary legislation, while on the next street corner, they were selling the measures as the final road to independence.

Mr. Llwyd: I shared many a platform with people from the Labour party and the Liberal Democrats at that time, and I did not hear any of that kind of thing being said. While the hon. Lady is talking about putting this question to the people of Wales, may I ask her to comment on something that her leader in the Welsh Assembly said recently? He said:

"I think we have at the moment an insecure settlement which cannot persist. We either need to move forward to legislative powers or abolish the assembly and I think that's not an option. We've got to see how we can move things forward and that's got to mean legislative powers."

Another senior member of her party in the Assembly, Glyn Davies, said on 15 June 2005 that he agreed with the

"objective of a law-making Assembly as the only way to create true accountability for the Government in the National Assembly."

Neither of those hon. Gentlemen said anything about involving the people in such a decision.

Mrs. Gillan: These are obviously selective quotes from the hon. Gentleman. However, neither of those statements is incompatible with our view that, if we are to move forward in that fashion, we should hold a referendum. I would have hoped that the hon. Gentleman appreciated the spirit of our amendment, which would allow the people of Wales to have a voice. Too often, they have been ignored. The amendment would provide the opportunity for them to say what they would like and whether they approved of the detailed plans in the Bill. If the people of Wales were capable of being consulted on the detailed proposals before, why not ask them again this time, when the mechanisms for legislation and the outcomes are so patently perceived to be changing in such a complex and opaque fashion?

Another reason that is given for the introduction of Assembly Measures is the lack of parliamentary time and the alleged frustrations of the Welsh Assembly Ministers with their failure to secure legislative time. When I spoke to the First Minister a few weeks ago, the only real example that he cited was the failure to get legislation considered that would make St. David's day

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a bank holiday. In other words, it was a proposal that he had put forward and that the Government had sought to block by ignoring it.

There is no real evidence of a vast backlog of legislation. These measures are therefore an indictment of the way in which the Secretary of State fights his corner in Cabinet for legislative time to be given to Wales. If that is the case, will a full list of every proposal that has been rejected by the Labour Government to date be placed before the House? I invite the Minister to place in the Library of both Houses a list of the requests that the Secretary of State and the Department have received from the Assembly that they have failed to satisfy. If we had that list before us, we would be better able to understand the position relating to the legislative timetable and the blockage to which everyone is alluding.

It is interesting that, while we are arguing about this in Westminster, the First Minister is arguing a different point in the Welsh Assembly. Last week, he stated that a "Westminster Department or two" would be able to get a Bill that they would not be able to get at the moment because of the lack of time in the parliamentary year. It is interesting that the Assembly should be pleading the case of Government Departments here, but I find it hard to believe that the parliamentary timetable is really so overcrowded, especially as the Government have now pulled their Northern Ireland on-the-runs legislation and appear to have pulled their legislation on the National Offender Management Service. They are also devoting six days on the Floor of the House to this Bill. I believe that there would have been plenty of time to accommodate not only the hard-done-by Westminster Departments so fondly defended by the First Minister but any outstanding requests from the Assembly.

However, the very fact that detailed scrutiny is to pass to the Assembly highlights the variation between the Government's proposals and what the people of Wales have voted for. Such a change should receive their blessing or otherwise. Such a complicated process should not be put before the House when we could dispense with part 3 if we speeded up the process here and left in the Bill future legislative powers and the provision for the main referendum that has already been suggested. I believe that there is enough parliamentary time, and that this is really a question of business management. However, if this procedure is to be introduced, the people of Wales should have a voice in the matter.

Furthermore, the Minister should have consulted fully in this Parliament before the Bill goes through. In order to know what we would be putting to the people of Wales in a referendum, we should ensure that we have considered these proposals properly in this House and the other place. I was surprised to find that the proposals for the Assembly Measures had not been examined by the Procedure Committee in this House. I wrote to its Chairman on 11 January to ask the Committee to examine the implications of the legislative proposals in the Bill, so that it could give its view on parliamentary scrutiny for the procedures in both Houses. Before any matter is put to the people of Wales in any referendum, they should know the views of this House on the procedures that are being promulgated.

On Second Reading, the Secretary of State gave the impression that these matters had been discussed with Lord Holme and Lord Dahrendorf, the Chairmen, respectively, of the Delegated Powers and Regulatory Reform Committee and the Constitution Committee in another place, and that the Committees had been consulted. However, reading the letters from those Chairmen to the Secretary of State that have been placed in the Library of both Houses, it is obvious that neither the Committees nor the Chairmen had even seen the Bill, let alone had the opportunity to comment on it in any fashion. So perhaps the Minister could let us have sight of the response of the Secretary of State and tell us whether the Committees of this House and the other place will have the chance to examine these complex procedures, which were certainly not envisaged by the Richard commission. They would need to be examined to discover the full implications of what we would be putting to the people of Wales in a referendum. As Lord Richard suggested, as a very minimum, the Henry VIII powers ought to be considered, not least to see whether a more transparent and understandable method could be used than the tortuous route envisaged under the Order in Council mechanism.

7 pm

The Conservative party is committed to giving the Assembly the chance to work well. I do not want to rehearse the argument that we should allow it to improve its current performance before loading more competences on to its Members. As the Richard commission has said, however, given the complexity of devolved powers, knowing what the Assembly can and cannot do is becoming less of a problem for those close to Government, but it remains a central issue of accountability for the people of Wales. Perhaps it would therefore be more sensible to divide the Executive from the Assembly and look for a period of stability rather than load on another piece of complex legislative architecture. Were the Minister to dispense with part 3, maintain the status quo and consider improving the way in which the Welsh Assembly works currently—as it was envisaged working—perhaps we would withdraw the amendment, as there would be no need to insist on a referendum of the people of Wales.

I want to prevent an open-ended opportunity for repeated referendums should the initial result not be in accordance with the Government's wishes. As we shall see later in our deliberation of the Bill, the Government have a tendency to leave the door wide open for repeated referendums, as they have done on part 4. That would not be healthy legislation, so one of my amendments would rule that out.

The Secretary of State and Labour Ministers constantly try to depict the Conservative party as negative towards devolution. As I have explained, we have proposed a referendum not because we would expect a negative reaction—I leave that to the Secretary of State and the First Minister—but simply to ensure that the Government are moving ahead at a speed that is acceptable to the people of Wales. Nor are we reluctant to see further powers given to the Assembly,

which should only be done if it has the capability to exercise those powers and the full backing of the Welsh nation.

We have been disappointed by the progress made by the Assembly in its current tasks and would like to see it improve its performance before we spend more time saddling it with what must be one of the most complicated legislative procedures imaginable. If we burden the Assembly in such a fashion, we will risk its existence, because we will be rushing the process to keep pace with Labour's political timetable.

The people of Wales deserve better than that. They deserve a voice in the process. We should consult them before the event, not after. If the Minister has the guts to do it, I ask him to accept the amendments and give the people of Wales the vote that they deserve. He was happy enough to consult them previously, and he should be happy to do so again.

Mr. Llwyd: I oppose the amendments, as I do not believe that the step change contained in part 3 justifies a referendum. Nevertheless, I agree that the referendum provided for in relation to part 4 is warranted, and I would be happy for that to be called. I agree with the hon. Member for Chesham and Amersham (Mrs. Gillan), however, about the correspondence between Lord Dahrendorf and Lord Holme and the Secretary of State. I have also seen copies of letters placed in the Library dated 12 and 13 January, which are, to put it mildly, strident. Whatever has been going on, her call to see a copy of the Secretary of State's response is well made.

Mrs. Gillan: Does the hon. Gentleman agree that it is alarming that we should be led to believe one thing on Second Reading when in fact the truth is completely different? In relation to the procedure under discussion, therefore, the Government have not come clean—passing on primary legislation is an enormous step forward, and the people of Wales should be consulted.

Mr. Llwyd: The hon. Lady does not expect me to agree with the second part of her question, but I agree with her on the giving of information on Second Reading. During that debate, we also had a long discussion of little substance about dual candidature. I have yet to see any raison d'être for that provision. I have scoured the Library, and I cannot find mention of that arrangement anywhere but in relation to pre-revolution Ukraine—if that is the example we will be following, heaven help us. In due course, I hope that we can have a copy of the Secretary of State's response to their lordships.

Nick Ainger: I assure the hon. Gentleman and the hon. Member for Chesham and Amersham (Mrs. Gillan) that that letter will be placed in the Library.

Mr. Llwyd: I earnestly hope that it will not create difficulties between this place and the other place. Traditionally, the other place has had an unsympathetic view of the Order in Council procedure anyway, and I do not think that this matter will assist very much. We will wait to see the response, and I hope that it was placatory.

We will be unable to support the amendment if it is pressed to a vote, but, in one or two respects, I agree with the hon. Member for Chesham and Amersham.

Mr. Gummer: I wonder whether it is reasonable to remind the House that those of us who represent English constituencies but come from Welsh stock also have a concern to promote the best possible government for Wales, and have no concern to remove the devolution arrangement, which is now part of our history. Whatever the arguments at the time might have been, that is the point that we have reached. The question that we are asked to discuss today is whether the change being made is sufficiently large to invalidate the decision made when the referendum was held, and to demand another referendum to ensure that the people of Wales wish to make such a step.

As the House will know, I am a disbeliever in referendums, which I consider to be a foreign and non-parliamentary activity. I would not have had a referendum in the first place—if the imperial Parliament, as it was once called, has decided to devolve its powers, that is a decision that the whole nation makes. That is not what happened, however. In this case, we established that a decision was reached as a result of a referendum. I have voted against referendums in every other circumstance, and I only think it possible to hold one in this case because of continuity with a previous decision that was made as a result of such a referendum.

Having said that, the Government are being peculiarly difficult in trying to pretend, on the one hand, that the changes are so minor that they do not require this reference to the people of Wales, and on the other, that they are too complicated for the people of Wales to make a decision. The Minister cannot have it both ways. The truth is that the changes are complicated because they are intended to hide the fact that they are so fundamental. The difficulty that the Minister must face is that I can find no parallel for this kind of legislative change outside of the desires of Napoleon III of France to avoid democracy. He used to so complicate the system that, at various points, people had a bit of a say, but, in the end, he gave himself the final say.

Were I voting in a referendum in Wales, therefore, I would want to ask a lot of questions about the role of the Secretary of State, about where, in the end, the power will lie, and about whether I wanted this change, which removed the power from the democratically elected Parliament of the United Kingdom but did not give it directly to a democratically elected Assembly in Wales but rather passed it through a series of sieves, one of which was the Secretary of State for Wales, as well as many other mechanisms.

It seems to me, therefore, that a referendum would give not just the people of Wales but the rest of us an opportunity to be quite sure what the Government are about. In a sense, the more complicated that is, the more important a referendum is. In a referendum, the details would have to be presented to the people of Wales in a form that would allow them reasonably to be expected to be able to make up their minds.

David T.C. Davies: Does my right hon. Friend believe that some of Napoleon's descendants are still hard at work complicating matters in another Parliament, in Brussels?

Mr. Gummer: I am a great believer in the Parliament in Brussels. We often find ourselves very much on the side of the French, if we only recognised it. One of our problems is that we do not fight our corner properly in the European Union, because we are always semi-detached from it. Some of my colleagues make it more difficult for us to do that. I think that we ought to be right in there, part of the European Union, determined to make it work more and more effectively.

That is my view of the European Parliament. I also want the Welsh Assembly to work more effectively, but it will not work effectively if the proposals are so complex and the democratic deficit so obvious that the Minister is not prepared to put the proposals to a vote.

There is another problem with not having a referendum. I do not think that the Minister recognises the growing anger in the rest of the United Kingdom, particularly in England, about the fact that, increasingly, power is being removed from the House of Commons in relation to Wales and Scotland, but representatives of Wales and Scotland can make decisions on issues in parts of England where people have no right to say anything about Wales and Scotland. The referendum is crucial in that regard. At least my constituents must know that the people of Wales want this. That will give them a start. They may ask for a change in the way in which things work here, but I think it very bad in today's society to make changes in the constitution when there is uncertainty about whether they are wanted by those for whom they are being made. I believe that the deficit in trust that the Government have extended should concern us all, wherever we come from.

Mr. Llwyd: Let me make two points. First, the people of Wales voted overwhelmingly at the last election in favour of three parties that promised a strengthened National Assembly akin to a Parliament. Secondly, the logic of the right hon. Gentleman's argument suggests that he should be pressing for an English Parliament, and good luck to him.

Mr. Gummer: I agree with the hon. Gentleman so often that I do not want to fall out with him on this issue. I am sufficiently concerned about the unity of the United Kingdom to say that I would prefer the simpler course of enabling English Members of Parliament to vote on English matters, and not allowing those who do not represent English seats to vote on matters that are devolved to their areas. That would mean that in some cases Welsh Members could vote and in other cases they could not, and that in many cases Scottish Members could not vote at all. It strikes me as a reasonable solution. I do not want a separate Parliament, and I do not think that it would be suitable.

Let me remind the hon. Gentleman that the issue before us is the nature of the referendum. I think that if I took up his point about an English Parliament, Sir Michael, you would rightly call me to order. I find it odd that the hon. Gentleman, who has upheld the democratic way in a manner that is not always observed on the Labour Benches, does not want a referendum that would give his party an opportunity to explain why it would like to go further than the Government are going. I should have thought that it would also give him an opportunity to dissect the divisions in the Labour party that have resulted in this ridiculous proposal.

7.15 pm

As we know perfectly well, notwithstanding all the ideas about Orders in Council and the Secretary of State for Wales and an hour and a half of discussion in the Select Committee, all this has come about purely because there are two diametrically opposed groups in the Labour party—those who want more powers for the Assembly, and those who want fewer powers for it. They have produced a result that appears to give more powers, but in such a complicated way that the Minister is not even prepared to try to explain it to his electorate. He clearly does not want the opportunity to do so, because it would be too difficult. He found it difficult enough to explain to the Committee, let alone the electorate.

I should have thought, however, that the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) and his party would be delighted to give this dying Government, in particular, an opportunity to push the proposal in the Principality. The fact that he does not want a referendum makes me worry considerably on his behalf. However, I urge the Committee to vote for the referendum not because I believe in referendums, but because I believe in keeping our word. In the last referendum, the word was that there would be a limited kind of devolution, different in nature from that provided for Scotland, and by a very small majority the proposal was passed. Whatever we hear sotto voce from the Minister about the referendum, I know perfectly well what went on. It was very simple. The Labour party snatched the last few votes by promising that it would not be all that different.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the right hon. Gentleman give way?

Mr. Gummer: I will in a moment, although the hon. Gentleman has not been present much today.

That is how the Labour party won the referendum, and it strikes me as an instance of constitutional impropriety for the party, having won it on that basis, to slide through significant changes without asking again.

David Taylor: The right hon. Gentleman seems to be suggesting that the arrangements put to the UK population, and indeed the Welsh population, in the original referendum are now being expanded with no further consultation or soundings. As recently as nine months ago, precisely what is in the Bill was contained in the UK-wide Labour manifesto and in the Welsh manifesto, and was put to the people accordingly.

Mr. Gummer: The hon. Gentleman was not present to hear his Minister explain to us that the issue was so complicated that it was not possible to put it in a referendum. For him to claim that it was not so complicated when it came to a general election is fatuous. He knows perfectly well that in a general election people vote on a range of matters. I do not accept that that grants any kind of mandate for change in a referendum matter.

The hon. Gentleman ought to have been present to note the care with which I said—*[Interruption.]* The hon. Gentleman should stop blowing his top in that amazing manner and listen.

I have said from the outset that I oppose referendums. I believe that Parliament ought to make the decisions. I believe that general elections are about giving mandates to parliamentarians to make decisions. The Government, however, do not believe that. The Government decided that there would be a referendum on this issue, and then said "We make changes that are so complicated that we cannot put them to the electorate in a referendum, but the electorate understood them enough to vote in a general election." It is impossible to uphold that argument.

The issue seems simple to us. We say "There was a referendum. Some of us did not want it, and do not like referendums. But when a referendum has taken place, it is dishonourable to turn to the people of Wales and say 'We are going to change the deal on which you vote without giving you an opportunity to understand clearly what we are doing, and to say whether you want it or not'." If the Secretary of State is not prepared to do that, I suggest that it is because he thinks he would lose—and if that is the reason, it is even more dishonourable than the first.

David T.C. Davies: I am grateful for the opportunity to pick up some of what was said by my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer). I remind the Committee that the last referendum was indeed very narrowly won, and that only one in four people voted in favour of the Assembly. The referendum was narrowly won, despite the fact that the Government spent vast amounts of money putting out one document after another purporting to show what a utopia Wales would be if and when the referendum were won. To some extent, they also encouraged people to vote in favour of the Assembly by deliberately holding the referendum one week after the referendum in Scotland. They were not prepared to risk Wales voting on the same day. Most important, they made it clear all along that the people of Wales would be voting on a Welsh Assembly, not a Parliament. Despite all that, they could only get a very narrow result in favour of a Welsh Assembly—the difference was about 2,000 votes. To change the ground rules just seven years or so after that referendum would be unfair and cheat the people of Wales.

The reality is that we are embarking on a huge constitutional change that has not been thought through properly. No one has sat down in government and thought where they want the British constitution to be and how they will reach that state. As my right hon. Friend the Member for Suffolk, Coastal has pointed out, we still have the huge difficulty of providing an answer to the West Lothian question. I do not happen to know what the answer is. We cannot carry on with the status quo. I do not like the idea of more politicians sitting in an English Parliament. I tend to go along with my right hon. Friend's view that preventing Welsh and Scottish Members from voting is the answer, but the constitution is a fragile flower and if we are going to start tampering with it, we need to be clear what we are trying to achieve.

For example, there is, within one strand of the Conservative party, a perfectly logical argument for some sort of federal United Kingdom. I do not happen to share that argument but I can see the logic of it. However, if one is going to go down that line, one has to say so from the start and set out exactly how it will be achieved on an equitable basis.

We now have the prospect of yet more powers for the Welsh Assembly without any of those other questions being answered, and those questions will get bigger and bigger. That is why it is important that we have a referendum. It is only fair. Before the referendum took place, the former Secretary of State for Wales, Ron Davies, was asked in *The Western Mail*:

"Is a Welsh Assembly seen as an end in itself, or the first step towards a fully federal system in Britain".

He said:

"This question is based on a false antithesis. It is an end in itself".

If the Welsh Assembly were an end in itself back in 1998, it is completely wrong that we should come back just a few years later to discuss giving it significant further powers, without any prospect of a further referendum. Therefore, I support the amendment.

Mr. David Jones: I also support the amendment wholeheartedly because it seeks to redress the fundamental dishonesty of the Bill, namely, that the powers that are to be transferred are so small and modest that they do not need to be put to a vote of the Welsh people. We have heard already that those powers can be used for the purpose of amending, extending or repealing Acts of Parliament. It is hard to think of powers that can be more extensive than those.

We have heard that in 1997 it was made abundantly clear to the people of Wales what they were voting for—an Assembly that would assume responsibility for exercising the powers that were at that stage exercised by the Secretary of State for Wales. They were secondary law-making powers. The Minister has conceded today that what is proposed is the extension of primary legislative competence to the Welsh Assembly, not as a block but, as was eloquently described by the right hon. Member for Swansea, West (Mr. Williams) on Second Reading, on a salami-slicing basis: a bit of power is given here, a bit more next year, then a bit more and a bit more. Ultimately, we end up with the whole salami transferred to the devolved body and none left with Parliament. That is by any standard a major transfer of power. The convention in this country is that such transfers of power are put to the vote of the people in a referendum.

It is abundantly clear why the Government do not want a vote. It is because, as the Secretary of State has already conceded, they know that they would lose the vote. It is simple. He said that the Labour party is not in the business of holding referendums that it knows it would lose. This is an illegitimate, dishonest device for getting around the problem of going to the people in a referendum.

Mr. Gummer: Does my hon. Friend agree that that gives the lie to the argument that the Labour party has a mandate because of the general election? If it were so sure of its mandate because of the general election, would it not be happy to have a referendum? Is it not the case, in fact, that it knows perfectly well that the people of Wales did not vote on the issue at all at the general election?

Mr. Jones: Not only did the people of Wales not vote on the issue, but the Labour party knows that, if it were to hold a referendum, it would lose it.

[Mr. Jones]

Lord Richard made the position clear in his evidence to the Welsh Affairs Committee. It is worth quoting. He hit the nail on the head:

"Let's be frank about it, it is a device to avoid having to come to Westminster and ask for primary powers to be formally devolved. It is quite an interesting device. It is quite a good device in that sense because what you end up with is a situation in which Cardiff ends up with greater powers, Westminster can say they have not devolved primary legislative powers, but depending on the way in which the Order in Council procedure is used, it could, in effect, be a concealed grant of almost a direct legislative competence down to Cardiff."

That is exactly what is proposed by the Government. They are behaving in the most dishonest fashion. I, as a Welsh Member, sitting for a Welsh constituency, feel angry that they will not give the people of Wales the right to vote in a referendum. If the Government are so convinced that what they are proposing is for the good of the people of Wales, let them ask the people of Wales. Otherwise, let them withdraw their proposals.

Nick Ainger: I think that everyone has got it off their chest now—this artificial indignation, saying that we have something to hide, are misleading the people of Wales and are dishonest. It may be helpful to Conservative Members to read out from the public document that was the UK Labour party's manifesto and the manifesto that we fought the election under in Wales. The UK manifesto says:

"In Wales we will develop democratic devolution by creating a stronger Assembly with enhanced legislative powers and a reformed structure and electoral system to make the exercise of Assembly responsibilities clearer and more accountable to the public."

The Welsh manifesto said:

"In a third term we will legislate for a stronger Assembly with enhanced legislative powers. We will improve the accountability of Ministers".

He has now left his place, but as the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) said, the Labour party fought on that manifesto, which was open with the people of Wales that we would give them enhanced legislative powers. I know that Plaid Cymru went further, as did the Liberal Democrats. In Wales, overwhelmingly, those parties that won were looking to give the Assembly more legislative powers. For Conservative Members to claim that we have been trying to slip the proposal through and hide it is totally unacceptable and contrary to the facts. The Labour party had a special conference in September 2004, some six months before the general election, in which we clearly debated the issue and formulated the policy on which that manifesto commitment was based. We have not been trying to slip something through, as was confirmed by the hon. Member for Meirionnydd Nant Conwy, to whom I am grateful. Conservative Members have failed to make the case that the proposal represents such a substantive change from the position in the 1997 referendum, and the case that was put then, that a second referendum is justified.

At all stages, Parliament will be able to grant powers to the Assembly that are very confined. That means that the change is not huge—unlike the major constitutional change that followed the 1997 election, when the 60 Members of the Assembly were elected. They were given Executive powers and the ability to deal with secondary legislation that previously had been handled by this place.

7.30 pm

The right hon. Member for Suffolk, Coastal (Mr. Gummer) said that such significant changes—he did not say how they were significant—warranted a referendum. However, part 4 of the Bill states that there will be a referendum if there is a call to move to full primary powers. We are not hiding that, or trying to run away from holding a referendum, as we will hold referendums when they are warranted. I was amazed to hear the right hon. Gentleman ask why, if we were so confident of our manifesto commitment, we were reluctant to put it to a referendum. Our manifesto contained many pledges to the people of Wales and of England, so is it being suggested that all those commitments should be subject to the referendum process? That would be a nonsense. The people of Wales and the rest of the UK gave this Government a mandate to implement this specific manifesto commitment, and that is what we intend to do.

Mr. David Jones: Is the Minister suggesting that it was proper to offer the people of Wales a referendum on the devolution of secondary powers, but not to do so when primary powers are being devolved, albeit on a piecemeal basis?

Nick Ainger: That is exactly the point—we are devolving primary powers on a case-by-case basis. In each case, Parliament will decide whether it agrees that a measure should be sent down for the Assembly to develop its Assembly Measures.

The hon. Member for Chesham and Amersham (Mrs Gillan) referred to the comment made on Second Reading by my right hon. Friend the Member for Swansea, West (Mr. Williams) that this was a salami-slicing process. Schedule 5 sets out the process by which matters that can be legislated on are identified, so if my right hon. Friend is right, the salami is an awfully long one. Some would say that the Bill goes the whole hog, but if that is true the hog comes rasher by rasher. The Opposition seem to fear primary powers being devolved without a referendum, but that process will take many years, during which time I believe that a referendum is bound to be held.

Mr. Alan Williams: On Second Reading, I was trying to make the point that the Government would continue the process of salami-slicing even if a referendum said no.

Nick Ainger: That is true, but it will happen on a case-by-case basis. The documents placed by the Government in the Library give a clear and focused definition of the powers that each Order in Council would confer.

David T.C. Davies: I shall twist the Minister's metaphor a little further. He has talked about salami slices and rashers, but are not the complicated

constitutional measures in the Bill more of a dog's breakfast than a cooked breakfast? Few people will understand it.

Chris Ruane: The hon. Gentleman made a hash of that.

Nick Ainger: My hon. Friend is right to say that the hon. Gentleman made a bit of a hash of his question, but I do not think that the proposal is that complicated. It is certainly more transparent than the current process. The hon. Member for Chesham and Amersham asked how many pieces of legislation the Assembly had asked for. I shall not deal with every request since 1999, but at present there are three proposals for Bills that it would like to have on the statute book.

In this Session, the Government are dealing with this Bill and two others. In addition, there have been requests for Bills on tourism and accommodation registration, housing, and local government community councils. There is no way that those Bills could be fitted into the legislative programme for this Session, as they would have to compete with Bills coming from all the Departments in Whitehall. The main purpose of these proposals is to ensure that the Assembly can get the legislation that it needs in a reasonable time and without encountering the logjam that exists as a result of our processes in this Parliament.

Mrs. Gillan: The three pieces of legislation to which the Minister referred could easily be dealt with in less than the time being devoted on the Floor of the House to this Bill. However, I hope that the Minister will give his opinion on what Lord Richard told the Welsh Affairs Committee. He said:

"Let's be frank about it, it is a device to avoid having to come to Westminster and ask for primary powers to be formally devolved. It is quite an interesting device. It is quite a good device in that sense because what you end up with is a situation in which Cardiff ends up with greater powers, Westminster can say they have not devolved primary legislative powers, but depending on the way in which the Order in Council procedure is used, it could, in effect, be a concealed grant of almost a direct legislative competence down to Cardiff."

Is Lord Richard absolutely wrong, or is his experience coming to the fore? Is he giving us the real view of a procedure about which we believe that the people of Wales should have their say?

Nick Ainger: I disagree with Lord Richard on his last point. The Bill is extremely transparent and conceals nothing. There will be pre-legislative scrutiny of all the relevant Orders in Council, the Assembly will use its own procedures to give proper scrutiny to Assembly Measures, and this House and the House of Lords will be able to decide whether the powers defined in the Order in Council should be given to the Assembly.That is a much more transparent system than what we have now. Under the present system, the Assembly can make a request for primary legislation, but there is no real discussion about why that legislation gets delayed or is prevented from reaching the statute book.

On the previous group of amendments, we debated at some length how the proposed powers will work and the degree of change that they represent. The Government argue that Parliament will retain control of the process by which power is given to the Assembly to legislate in clearly defined areas, so the Bill does not represent a change that is so substantial and significant that it warrants a referendum. Moreover, I challenge Opposition Members with Welsh constituencies to say how many people have gone to their weekly surgeries—or written to them, or phoned their offices—to demand a referendum on the Orders in Council. The fact is that nobody has expressed any concern about a referendum—except members of the Conservative party. I understand that Nick Bourne, who leads the Conservatives in the Assembly, has gone on record as saying that there are divisions within the party on this issue. One good reason for having a referendum is to resolve that issue within the Conservative party.

Mrs. Gillan: Nick Bourne went on to say that there are also divisions in the Labour party on this issue, as evidenced by voting on the Welsh Affairs Committee report, so the Minister should not be quite so keen to attack; rather, he should address the divisions in his own party. He asks how many people have asked for a referendum, but how many have been excitedly battering down his door and asking for this convoluted Orders-in-Council process? Where has the demand come from? If he can point to it, I should be delighted to read the references in the Libraries of both Houses. I do not believe that anybody has been demanding this process, except for the Labour Government.

Nick Ainger: As I pointed out earlier, the three main political parties in Wales stood on manifestos that made it clear that they intended to give enhanced powers, in various forms, to the Assembly. If such demands had not come from those parties, why on earth would we have introduced this legislation? It stands to reason that there is demand in Wales for giving the Assembly enhanced powers, but Conservative Members seem not to want to accept that. The manifesto on which we fought the last election, and won, made it very clear that we intended to give the Assembly enhanced powers. However, the structure that we have provided means that Parliament will remain in control of deciding which powers we will give. That constitutes no significant change from the current settlement, so it does not warrant a referendum. I therefore urge colleagues to vote against the amendment.

Mrs. Gillan: It was interesting to note that when the Minister began his response to this group of amendments, the first thing that he said was, "I am so glad that Members have managed to get that off their chest." Perhaps a lad from Sheffield cannot understand how passionately some Conservative Members feel about Wales, but they do. Indeed, that is perhaps the nub of this debate. The Labour party cannot stand the fact that the Conservatives have been listening to the people of Wales, are now representing them across the board—both in the Assembly and in this House—and want to speak up on their behalf.

We have had a good debate on this group of amendments. I do not agree with the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) on this issue; I would have expected him to support me, but I understand his position. I hope that he may support me on some other amendments because we do make common cause in certain instances. I am surprised that he does not support my proposed device, which would give the people of Wales a greater voice.

[Mrs. Gillan]

I hope that people will take note of the honest contribution of my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer), who is fundamentally against referendums. None the less, he insists on voting to enable the people of Wales to have a voice through a referendum, because they were consulted on this issue in the first place and because the powers being granted reveal an almost Napoleonic tendency, as he described it. Indeed, given the power granted in clause 94(7)(b), the Secretary of State could almost be called Napoleon himself.

My hon. Friend the Member for Monmouth (David T.C. Davies) also made a good speech. He pointed out that the Labour Government do not know where they are going or when they are going to get there. They certainly are not bothering to consult other people or take them with them down that road. My hon. Friend the Member for Clwyd, West (Mr. Jones) also made a passionate and powerful speech, which was about protecting his constituents and the people of Wales in general.

7.45 pm

This is a complex and unique procedure that amounts to giving enhanced powers and making a fundamental change. So far as I can ascertain, the proposals in part 3 have not been scrutinised by Committees of this House in any detail, despite the Secretary of State trying to give us the opposite impression. This is not what the people of Wales voted for last time and, with respect to the Minister, it is not what they voted for at the general election. They did not have the opportunity to scrutinise the detailed proposals contained in this legislation, and they should have that opportunity. If their views were so important in the first instance, why is it right to disregard them now because of political convenience and expediency?

If this provision is supposed to be compensation for a lack of time for scrutiny, it constitutes bad management. We ought not to be legislating for such a convoluted constitutional procedure simply because we cannot get three measures through. We could have got three measures through in the time that has been allocated to discussing this Bill. We could have supported a truncated Bill, which could have gone through this House relatively quickly, had the Minister removed part 3, for example.

The Bill also diminishes the level of scrutiny in this House. We must remember that the people of Wales vote for MPs in this House not just from the Conservative party but from all other parties, including the Labour party. I notice that Labour Members for Wales have chosen not to contribute to this debate—they have chosen not to let us know whether they would like to grant their constituents the opportunity to have a say in this process.

This is not a transparent process. We are about to enact a procedure whereby Assembly Measures cannot be amended in this House. This is a very important and complicated procedure that will be able to pass, in all but name, primary legislative powers to the Assembly without the people of Wales realising what the Government are doing. Such a confidence trick is perhaps to be admired, but I do not admire it. The Government are pulling the wool over the eyes of the people of Wales. Therefore, I have no choice but to invite Members to join me in the Lobby tonight, if they believe that the people of Wales should have a voice. If, however, they believe that the Government know best and that Napoleon should get his way, they will of course vote against the amendment. But if they do, they will rue the day that they tried to silence the people of Wales in such an inappropriate fashion.

Question put, That the amendment be made:—

The Committee divided: Ayes 136, Noes 304.

Division No. 136] **[7.47 pm**

AYES

Afriyie, Adam
Amess, Mr. David
Ancram, rh Mr. Michael
Atkinson, Mr. Peter
Baldry, Tony
Barker, Gregory
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butterfill, Sir John
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dorries, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Fox, Dr. Liam
Francois, Mr. Mark
Garnier, Mr. Edward
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gray, Mr. James
Greening, Justine
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Loughton, Tim
Main, Anne
McCrea, Dr. William
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Moss, Mr. Malcolm
Mundell, David
Murrison, Dr. Andrew
O'Brien, Mr. Stephen
Paice, Mr. James
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rosindell, Andrew
Ruffley, Mr. David
Scott, Mr. Lee
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Soames, Mr. Nicholas
Spelman, Mrs. Caroline

Spicer, Sir Michael
Spink, Bob
Steen, Mr. Anthony
Streeter, Mr. Gary
Swayne, Mr. Desmond
Syms, Mr. Robert
Taylor, Mr. Ian
Tredinnick, David
Turner, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Wilson, Mr. Rob
Winterton, Ann
Wright, Jeremy
Yeo, Mr. Tim

Tellers for the Ayes:
Andrew Selous and
Mr. Crispin Blunt

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Allen, Mr. Graham
Anderson, Janet
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beith, rh Mr. Alan
Bell, Sir Stuart
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browne, Mr. Jeremy
Bryant, Chris
Buck, Ms Karen
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Carmichael, Mr. Alistair
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Fisher, Mark
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Godsiff, Mr. Roger
Goggins, Paul
Goldsworthy, Julia
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harvey, Nick
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hemming, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kramer, Susan
Kumar, Dr. Ashok
Lamb, Norman
Lammy, Mr. David
Leech, Mr. John
Lepper, David
Levitt, Tom
Linton, Martin
Llwyd, Mr. Elfyn
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McFadden, Mr. Pat
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Morden, Jessica
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Öpik, Lembit
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Price, Adam
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, Angus
Robinson, Mr. Geoffrey
Rogerson, Mr. Dan
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen

Tipping, Paddy	Williams, Mr. Roger
Trickett, Jon	Williams, Stephen
Truswell, Mr. Paul	Willis, Mr. Phil
Turner, Dr. Desmond	Willott, Jenny
Ussher, Kitty	Wills, Mr. Michael
Vaz, Keith	Winnick, Mr. David
Walley, Joan	Winterton, Ms Rosie
Waltho, Lynda	Wishart, Pete
Ward, Claire	Wood, Mike
Wareing, Mr. Robert N.	Woolas, Mr. Phil
Watts, Mr. Dave	Wright, Mr. Anthony
Webb, Steve	Wright, David
Weir, Mr. Mike	Wright, Mr. Iain
Whitehead, Dr. Alan	Wyatt, Derek
Wicks, Malcolm	
Williams, Mrs. Betty	**Tellers for the Noes:**
Williams, Hywel	**Mr. Ian Cawsey and**
Williams, Mark	**Tony Cunningham**

Question accordingly negatived.

Clause 93

LEGISLATIVE COMPETENCE

Mr. Roger Williams: I beg to move amendment No. 107, in page 50, line 21, leave out from 'competence' to end of line 4 on page 51 and insert

'unless it relates to one or more of the reserved matters specified in Schedule [Reserved matters].'.

The Chairman of Ways and Means (Sir Alan Haselhurst): With this it will be convenient to discuss the following:

New schedule 1—'*RESERVED MATTERS*—

PART 1

GENERAL RESERVATIONS

The Constitution

1 The following aspects of the constitution are reserved matters, that is—

(a) the Crown, including succession to the Crown and a regency,

(b) the Parliament of the United Kingdom,

(c) the continued existence of the High Court of Justiciary as a criminal court of first instance and of appeal,

(d) the continued existence of the Court of Session as a civil court of first instance and of appeal.

2 (1) Paragraph 1 does not reserve—

(a) Her Majesty's prerogative and other executive functions,

(b) functions exercisable by any person acting on behalf of the Crown, or

(c) any office in the Welsh Administration.

(2) Sub-paragraph (1) does not affect the reservation by paragraph 1 of the management (in accordance with any enactment regulating the use of land) of the Crown Estate.

(3) Sub-paragraph (1) does not affect the reservation by paragraph 1 of the functions of the Security Service, the Secret Intelligence Service and the Government Communications Headquarters.

3 (1) Paragraph 1 does not reserve property belonging to Her Majesty in right of the Crown or belonging to any person acting on behalf of the Crown or held in trust for Her Majesty for the purposes of any person acting on behalf of the Crown.

(2) Paragraph 1 does not reserve the ultimate superiority of the Crown.

(3) Sub-paragraph (1) does not affect the reservation by paragraph 1 of—

(a) the hereditary revenues of the Crown, other than revenues from bona vacantia, ultimus haeres and treasure trove,

(b) the royal arms and standard,

(c) the compulsory acquisition of property held or used by a Minister of the Crown or government department.

4 (1) Paragraph 1 does not reserve property held by Her Majesty in Her private capacity.

(2) Sub-paragraph (1) does not affect the reservation by paragraph 1 of the subject-matter of the Crown Private Estates Acts 1800 to 1973.

Political parties

5 The registration and funding of political parties is a reserved matter.

Foreign affairs etc.

6 (1) International relations, including relations with territories outside the United Kingdom, the European Communities (and their institutions) and other international organisations, regulation of international trade, and international development assistance and co-operation are reserved matters.

(2) Sub-paragraph (1) does not reserve—

(a) observing and implementing international obligations, obligations under the Human Rights Convention and obligations under Community law,

(b) assisting Ministers of the Crown in relation to any matter to which that sub-paragraph applies.

Public service

7 The Civil Service of the State is a reserved matter.

Defence

8 (1) The following are reserved matters—

(a) the defence of the realm,

(b) the naval, military or air forces of the Crown, including reserve forces,

(c) visiting forces,

(d) international headquarters and defence organisations,

(e) trading with the enemy and enemy property.

(2) Sub-paragraph (1) does not reserve—

(a) the exercise of civil defence functions by any person otherwise than as a member of any force or organisation referred to in sub-paragraph (1)(b) to (d) or any other force or organisation reserved by virtue of sub-paragraph (1)(a),

(b) the conferral of enforcement powers in relation to sea fishing.

Treason

9 Treason (including constructive treason), treason felony and misprision of treason are reserved matters.

PART 2

SPECIFIC RESERVATIONS

Preliminary

1 The matters to which any of the sections in this Part apply are reserved matters for the purposes of this Act.

2 A section applies to any matter described or referred to in it when read with any illustrations, exceptions or interpretation provisions in that section.

3 Any illustrations, exceptions or interpretation provisions in a section relate only to that Section (so that an entry under the heading "exceptions" does not affect any other Section).

Reservations

Head A—Financial and Economic Matters

A1. Fiscal, economic and monetary policy Fiscal, economic and monetary policy, including the issue and circulation of money, taxes and excise duties, government borrowing and lending, control over United Kingdom public expenditure, the exchange rate and the Bank of England.

Exception

Local taxes to fund local authority expenditure (for example, council tax and non-domestic rates).

A2. The Currency Coinage, legal tender and bank notes.

A3. Financial services Financial services, including investment business, banking and deposit-taking, collective investment schemes and insurance.

Exception

The subject matter of section 1 of the Banking and Financial Dealings Act 1971 (bank holidays).

A4. Financial markets Financial markets, including listing and public offers of securities and investments, transfer of securities and insider dealing.

A5. Money laundering The subject-matter of the Money Laundering Regulations 1993, but in relation to any type of business.

Head B—Home Affairs

B1. Misuse of drugs The subject matter of—

(a) the Misuse of Drugs Act 1971,

(b) sections 12 to 14 of the Criminal Justice (International Co-operation) Act 1990 (substances useful for manufacture of controlled drugs), and

(c) Part V of the Criminal Law (Consolidation) (Scotland) Act 1995 (drug trafficking) and, so far as relating to drug trafficking, the Proceeds of Crime (Scotland) Act 1995

B2. Data protection The subject matter of—

(a) the Data Protection Act 1998, and,

(b) Council Directive 95/46/EC (protection of individuals with regard to the processing of personal data and on the free movement of such data).

Interpretation

If any provision of the Data Protection Act 1998 is not in force on the principal appointed day, it is to be treated for the purposes of this reservation as if it were.

B3. Elections Elections for membership of the House of Commons, the European Parliament and the Parliament, including the subject matter of—

(a) the European Parliamentary Elections Act 1978,

(b) the Representation of the People Act 1983 and the Representation of the People Act 1985, and

(c) the Parliamentary Constituencies Act 1986.

so far as those enactments apply, or may be applied, in respect of such membership.

B4. Firearms The subject matter of the Firearms Acts 1968 to 1997.

B5. Entertainment The subject matter of—

(a) the Video Recordings Act 1984, and,

(b) sections 1 to 3 and 5 to 16 of the Cinemas Act 1985 (control of exhibitions).

The classification of films for public exhibition by reference to their suitability for viewing by persons generally or above a particular age, with or without any advice as to the desirability of parental guidance.

B6. Immigration and nationality Nationality; immigration, including asylum and the status and capacity of persons in the United Kingdom who are not British citizens; free movement of persons within the European Economic Area; issue of travel documents.

B7. Scientific procedures on live animals The subject matter of the Animals (Scientific Procedures) Act 1986.

B8. National security, interception of communications, official secrets and terrorism National security.

The interception of communications, but not the subject-matter of Part III of the Police Act 1997 (authorisation to interfere with property etc.) or surveillance not involving interference with property.

The subject matter of—

(a) the Official Secrets Acts 1911 and 1920, and

(b) the Official Secrets Act 1989, except so far as relating to any information, document or other article protected against disclosure by section 4(2)(crime) and not by any other provision of sections 1 to 4.

Special powers, and other special provisions, for dealing with terrorism.

B9. Betting, gaming and lotteries Betting, gaming and lotteries.

B10. Emergency powers Emergency powers.

B11. Extradition Extradition.

B12. Lieutenancies The subject matter of the Lieutenancies Act 1997.

Head C—Trade and Industry

C1. Business associations The creation, operation, regulation and dissolution of types of business association.

Exceptions

The creation, operation, regulations and dissolution of—

(a) particular public bodies, or public bodies of a particular type, established by or under any enactment, and

(b) charities,

Interpretation

"Business association" means any person (other than an individual) established for the purpose of carrying on any kind of business, whether or not for profit; and" business" includes the provision of benefits to the members of an association.

C2. Insolvency In relation to business associations—

(a) the modes of, the grounds for and the general legal effect of winding up, and the persons who may initiate winding up,

(b) liability to contribute to assets on winding up,

(c) powers of courts in relation to proceedings for winding up, other than the power to sist proceedings,

(d) arrangements with creditors, and

(e) procedures giving protection from creditors.

Preferred or preferential debts for the purposes of the Bankruptcy (Scotland) Act 1985, the Insolvency Act 1986, and any other enactment relating to the sequestration of the estate of any person or to the winding up of business associations, the preference of such debts against other such debts and the extent of their preference over other types of debt.

Regulation of insolvency practitioners.

Co-operation of insolvency courts.

Exceptions

In relation to business associations—

(a) the process of winding up, including the person having responsibility for the conduct of a winding up or any part of it, and his conduct of it or of that part,

(b) the effect of winding up on diligence, and

(c) avoidance and adjustment of prior transactions on winding up

Floating charges and receivers, except in relation to preferential debts, regulation of insolvency practitioners and the operation of insolvency courts.

Interpretation

"Business association" has the meaning given in Section C1 of this Part of this Schedule.

"Winding up", in relation to business associations, includes winding up of solvent, as well as insolvent, business associations.

C3. Competition Regulation of anti-competitive practices and agreements; abuse of dominant position; monopolies and mergers.

Exception

Regulation of particular practices in the legal profession for the purpose of regulating that profession or the provision of legal services.

C4. Intellectual property Intellectual property.

Exception

The subject matter of Parts I and II of the Plant Varieties Act 1997 (plant varieties and the Plant Varieties and Seeds Tribunal).

C5. Import and export control The subject matter of the Import, Export and Customs Powers (Defence) Act 1939.

Prohibition and regulation of the import and export of endangered species of animals and plants.

Exceptions

Prohibition and regulation of movement into and out of Wales of—

(a) food, animals, animal products, plants and plant products for the purposes of protecting human, animal or plant health, animal welfare or the environment or observing or implementing obligations under the Common Agricultural Policy, and

(b) animal feeding stuffs, fertilisers and pesticides for the purposes of protecting human, animal or plant health or the environment.

C6. Consumer protection Regulation of—

(a) the sale and supply of goods and services to consumers,

(b) guarantees in relation to such goods and services,

(c) hire-purchase, including the subject matter of Part III of the Hire-Purchase Act 1964,

(d) trade descriptions, except in relation to food,

(e) misleading and comparative advertising, except regulation specifically in relation to food, tobacco and tobacco products,

(f) price indications,

(g) trading stamps,

(h) auctions and mock auctions of goods and services, and

(i) hallmarking and gun barrel proofing.

(a) the Hearing Aid Council Act 1968,

(b) the Unsolicited Goods and Services Acts 1971 and 1975,

(c) Parts I to III and XI of the Fair Trading Act 1973,

(d) the Consumer Credit Act 1974,

(e) the Estate Agents Act 1979,

(f) the Timeshare Act 1992,

(g) the Package Travel, Package Holidays and Package Tours Regulations 1992, and

(h) the Commercial Agents (Council Directive) Regulations 1993.

Exception

The subject matter of section 16 of the Food Safety Act 1990 (food safety and consumer protection).

C7. Product standards, safety and liability Technical standards and requirements in relation to products in pursuance of an obligation under Community law.

Product safety and liability.

Product labelling.

Exceptions

Food, agricultural and horticultural produce, fish and fish products, seeds, animal feeding stuffs, fertilisers and pesticides.

In relation to food safety, materials which come into contact with food.

C8. Weights and measures Units and standards of weight and measurement.

Regulation of trade so far as involving weighing, measuring and quantities.

C9. Telecommunications and wireless telegraphy Telecommunications and wireless telegraphy.

Internet services.

Electronic encryption.

The subject matter of Part II of the Wireless Telegraphy Act 1949 (electromagnetic disturbance).

C10. Post Office, posts and postal services The Post Office, posts (including postage stamps, postal orders and postal packets) and regulation of postal services.

C11. Research Councils Research Councils within the meaning of the Science and Technology Act 1965.

The subject matter of section 5 of that Act (funding of scientific research) so far as relating to Research Councils.

C12. Designation of assisted areas The subject matter of section 1 of the Industrial Development Act 1982.

C13. Industrial Development Advisory Board The Industrial Development Advisory Board.

C14. Protection of trading and economic interests The subject matter of—

(a) section 2 of the Emergency Laws (Re-enactments and Repeals) Act 1964 (Treasury power in relation to action damaging the economic position of United Kingdom),

(b) Part II of the Industry Act 1975 (powers in relation to transfer of control of important manufacturing undertakings), and

(c) the Protection of Trading Interests Act 1980.

Head D—Energy

D1. Electricity Generation, transmission, distribution and supply of electricity.

The subject matter of Part II of the Electricity Act 1989.

Exception

The subject matter of Part I of the Environmental Protection Act 1990.

D2. Oil and gas Oil and gas, including—

(a) the ownership of, exploration for and exploitation of deposits of oil and natural gas,

(b) the subject matter of section 1 of the Mineral Exploration and Investment Grants Act 1972 (contributions in connection with mineral exploration) so far as relating to exploration for oil and gas,

(c) offshore installations and pipelines,

(d) the subject matter of the Pipe-lines Act 1962 (including section 5 (deemed planning permission)) so far as relating to pipelines within the meaning of section 65 of that Act,

(e) pollution relating to oil and gas exploration and exploitation, but only outside controlled waters (within the meaning of section 30A(1) of the Control of Pollution Act 1974),

(f) the subject matter of Part II of the Food and Environment Protection Act 1985 so far as relating to oil and gas exploration and exploitation, but only in relation to activities outside such controlled waters,

(g) restrictions on navigation, fishing and other activities in connection with offshore activities,

(h) liquefaction of natural gas, and

(i) the conveyance, shipping and supply of gas through pipes.

Exceptions

The subject matter of—

(a) sections 10 to 12 of the Industry Act 1972 (credits and grants for construction of ships and offshore installations),

(b) Part I of the Environmental Protection Act 1990.

The manufacture of gas.

The conveyance, shipping and supply of gas other than through pipes.

D3. Nuclear energy Nuclear energy and nuclear installations including—

(a) nuclear safety, security and safeguards, and

(b) liability for nuclear occurrences.

Exception

The subject matter of—

(a) Part I of the Environmental Protection Act 1990, and

(b) the Radioactive Substances Act 1993.

D4. Energy conservation The subject matter of the Energy Act 1976, other than section 9.

Exception

The encouragement of energy efficiency other than by prohibition or regulation.

Head E—Transport

E1. Road transport The subject matter of—

(a) the Motor Vehicles (International Circulation) Act 1952,

(b) the Public Passenger Vehicles Act 1981 and the Transport Act 1985, so far as relating to public service vehicle operator licensing,

(c) section 17 (traffic regulation on special roads), section 25 (pedestrian crossings), Part V (traffic signs) and Part VI (speed limits) of the Road Traffic Regulation Act 1984,

(d) the Road Traffic Act 1988 and the Road traffic Offenders Act 1988,

(e) the Vehicle Excise and Registration Act 1994,

(f) the Road Traffic (New Drivers) Act 1995, and

(g) the Goods Vehicles (Licensing of Operators) Act 1995.

Regulation of proper hours or periods of work by persons engaged in the carriage of passengers or goods by road.

The conditions under which international road transport services for passengers or goods may be undertaken.

Regulation of the instruction of drivers of motor vehicles.

Exceptions

The subject matter of sections 39 and 40 (road safety information and training) and 157 to 159 (payments for treatment of traffic casualties) of the Road Traffic Act 1988.

E2. Rail transport Provision and regulation of railway services.

Rail transport security.

The subject matter of the Channel Tunnel Act 1987.

The subject matter of the Railway Heritage Act 1996.

Exceptions

Grants so far as relating to railway services; but this exception does not apply in relation to—

(a) the subject matter of section 63 of the Railways Act 1993 (government financial assistance where railway administration orders made),

(b) "railway services" as defined in section 82(1)(b) of the Railways Act 1993 (carriage of goods by railway), or

(c) the subject matter of section 136 of the Railways Act 1993 (grants and subsidies).

Interpretation

"Railway services" has the meaning given by section 82 of the Railways Act 1993 (excluding the wider meaning of "railway" given by section 81(2) of that Act).

E3. Marine Transport The subject matter of—

(a) the Coastguard Act 1925,

(b) the Hovercraft Act 1968, except so far as relating to the regulation of noise and vibration caused by hovercraft,

(c) the Carriage of Goods by Sea Act 1971,

(d) section 2 of the Protection of Wrecks Act 1973 (prohibition on approaching dangerous wrecks),

(e) the Merchant Shipping (Liner Conferences) Act 1982,

(f) the Dangerous Vessels Act 1985,

(g) the Aviation and Maritime Security Act 1990, other than Part I (aviation security),

(h) the Carriage of Goods by Sea Act 1992,

(i) the Merchant Shipping Act 1995,

(j) the Shipping and Trading Interests (Protection) Act 1995, and

(k) sections 24 (implementation of international agreements relating to protection of wrecks), 26 (piracy) and 27 and 28 (international bodies concerned with maritime matters) of the Merchant Shipping and Maritime Security Act 1997.

Navigational rights and freedoms.

Financial assistance for shipping services which start or finish or both outside Wales.

Exceptions

Ports, harbours, piers and boatslips, except in relation to the matters reserved by virtue of paragraph (d), (f), (g) or (i).

Regulation of works which may obstruct or endanger navigation.

E4. Air Transport Regulation of aviation and air transport, including the subject matter of—

(a) the Carriage by Air Act 1961,

(b) the Carriage by Air (Supplementary Provisions) Act 1962,

(c) the Carriage by Air and Road Act 1979 so far as relating to carriage by air,

(d) the Civil Aviation Act 1982,

(e) the Aviation Security Act 1982,

(f) the Airports Act 1986, and

(g) sections 1 (endangering safety at aerodromes) and 48 (powers in relation to certain aircraft) of the Aviation and Maritime Security Act 1990,

and arrangements to compensate or repatriate passengers in the event of an air transport operator's insolvency.

Exceptions

The subject matter of the following sections of the Civil Aviation Act 1982—

(a) section 25 (Secretary of State's power to provide aerodromes),

(b) section 30 (provisions of aerodromes and facilities at aerodromes by local authorities),

(c) section 31 (power to carry on ancillary business in connection with local authority aerodromes),

(d) section 34 (financial assistance for certain aerodromes),

(e) section 35 (facilities for consultation for certain aerodromes),

(f) section 36 (health control at Secretary of State's aerodromes and aerodromes of Civil Aviation Authority), and

(g) sections 41 to 43 and 50 (powers in relation to land exercisable in connection with civil aviation) where land is to be or was acquired for the purpose of airport development or expansion.

The subject matter of Part II (transfer of airport undertakings of local authorities), sections 63 and 64 (airport byelaws) and 66 (functions of operators of designated airports as respects abandoned vehicles) of the Airports Act 1986.

The subject matter of 59 (acquisitions of land rights over land) and 60 (disposal of compulsory acquired land) of the Airports Act 1986 where land is to be or was acquired for the purpose of airport development or expansion.

E5. Other matters Transport of radioactive material—

Technical specifications for public passenger transport for disabled persons, including the subject matter of—

(a) section 125 (7) and (8) of the Transport Act 2985 (Secretary of State's guidance and consultation with the Disabled Persons Transport Advisory Committee), and

(b) Part V of the Disability Discrimination Act 1995 (public transport).

Regulation of the carriage of dangerous goods.

Interpretation

"Radioactive material" has the same meaning as in section 1 (1) of the Radioactive Material (Road Transport) Act 1991.

Head F—Social Security

F1. Social security schemes Schemes supported from central or local funds which provide assistance for social security purposes to or in respect of individuals by way of benefits.

Requiring persons to—

(a) establish and administer schemes providing assistance for social security purposes to or in respect of individuals, or,

(b) make payments to or in respect of such schemes,

and to keep records and supply information in connection with such schemes.

The circumstances in which a person is liable to maintain himself or another for the purposes of enactments relating to social security and the Child Support Acts 1991 and 1995.

The subject matter of the Vaccine Damage Payment Scheme.

Illustrations

National Insurance; Social Fund; administration and funding of housing benefit and council tax benefit; recovery of benefits for accident, injury or disease from persons paying damages; deductions from benefits for the purpose of meeting an individual's debts; sharing information between government departments for the purposes of the enactments relating to social security; making decisions for the purposes of schemes mentioned in the reservation and appeals against such decisions.

Interpretation

"Benefits" includes pensions, allowances, grants, loans and any other form of financial assistance.

Providing assistance for social security purposes to or in respect of individuals includes (among other things) providing assistance to or in respect of individuals—

(a) who qualify by reason of old age, survivorship, disability, sickness, incapacity, injury, unemployment, maternity or the care of children or others needing care,

(b) who qualify by reason of low income, or

(c) in relation to their housing costs or liabilities for local taxes.

F2. Child support The subject matter of the Child Support Acts 1991 and 1995.

Interpretation

If section 30 (2) of the Child Support Act 1991 (collection of payments other than child support maintenance) is not in force on the principal appointed day, it is to be treated for the purposes of this reservation as if it were.

F3. Occupational and personal pensions The regulation of occupational pension schemes and personal pension schemes, including the obligations of the trustees or managers of such schemes.

Provision about pensions payable to, or in respect of, any persons, except—

(a) the persons referred to in section 81 (3),

(b) in relation to a Welsh public authority with mixed functions or no reserved functions, persons who are or have been a member of the public body, the holder of the public office or a member of the staff of the body, holder or office.

The subject matter of the Pensions (Increase) Act 1971.

Schemes for the payment of pensions which are listed in Schedule 2 to the Act, except those mentioned in paragraphs 38A and 38AB.

Where pensions payable to or in respect of any class of persons under a public service pension scheme is covered by this reservation, so is making provision in their case—

(a) for compensation for loss of office or employment, for their office or employment being affected by constitutional changes, or circumstances arising from such changes, in any territory, territories or for loss or diminution of emoluments, or

(b) for benefits in respect of death or incapacity resulting from injury or disease.

Interpretation

"Pension" includes gratuities and allowances.

F4. War pensions Schemes for the payment of pensions for or in respect of persons who have a disablement or have died in consequence of service as members of the armed forces of the Crown.

The subject matter of any scheme under the Personal Injuries (Emergency Provisions) Act 1939, sections 3 to 5 and 7 of the Pensions (Navy, Army, Air Force and Mercantile Marine) Act 1939 or section 1 of the Polish Resettlement Act 1947.

Illustration

The provisions of pensions under the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 1983.

Interpretation

"Pension" includes grants, allowances, supplements and gratuities.

Head G—Regulation of the Professions

G1. Architects The regulation of the profession of architect.

G2. Health professions Regulation of the health professions.

Interpretation

"The health professions" means the professions regulated by—

(a) the Pharmacy Act 1954,

(b) the Professions Supplementary to Medicine Act 1960,

(c) the Veterinary Surgeons Act 1966,

(d) the Medical Act 1983,

(e) the Dentists Act 1984,

(f) the Opticians Act 1989.

(g) the Osteopaths Act 1993,

(h) the Chiropractors Act 1994, and

(i) the Nurses, Midwives and Health Visitors Act 1997.

G3. Auditors Regulation of the profession of auditor.

Head H—Employment

H1. Employment and industrial relations Employment rights and duties and industrial relations, including the subject matter of—

(a) the Employers' Liability (Compulsory Insurance) Act 1969,

(b) the Employment Agencies Act 1973,

(c) the Pneumoconiosis etc. (Workers' Compensation) Act 1979,

(d) the Transfer of Undertakings (Protection of Employment) Regulations 1981,

(e) the Trade Union and Labour Relations (Consolidation) Act 1992,

(f) the Industrial Tribunals Act 1996,

(g) the Employment Rights Act 1996, and

(h) the National Minimum Wage Act 1998.

Exception

The subject matter of the Agricultural Wages (Scotland) Act 1949.

H2. Health and Safety The subject matter of the following Parts of the Health and Safety at Work etc. Act 1974—

(a) Part I (health, safety and welfare in connection with work, and control of dangerous substances) as extended or applied by section 36 of the Consumer Protection Act 1987, sections 1 and 2 of the Offshore Safety Act 1992 and section 117 of the Railways Act 1993, and

(b) Part II (the Employment Medical Advisory Service).

Exception

Public safety in relation to matters which are not reserved.

H3. Job search and support The subject matter of—

(a) the Disabled Persons (Employment) Act 1944, and

(b) the Employment and Training Act 1973, except so far as relating to training for employment.

Exception

The subject matter of—

(a) sections 8 to 10A of the Employment and Training Act 1973 (careers services), and

(i) section 2 (3) (c) (arrangements for the purpose of assisting persons to establish themselves as self-employed persons); and

(ii) section 12 (disclosure of information).

Head J—Health and Medicines

J1. Abortion Abortion.

J2. Xenotransplantation Xenotransplantation.

J3. Embryology, surrogacy and genetics Surrogacy arrangements, within the meaning of the Surrogacy Arrangements Act 1985, including the subject matter of that Act.

The subject matter of the Human Fertilisation and Embryology Act 1990. Human genetics.

J4. Medicines, medical supplies and poisons The subject matter of—

(a) the Medicines Act 1968, the Marketing Authorisations for Veterinary Medicinal Products Regulations 1994 and the Medicines for Human Use (Marketing Authorisations Etc.) Regulations 1994,

(b) the Poisons Act 1972, and

(c) the Biological Standards Act 1975.

"Medicinal products" has the same meaning as in section 130 (1) of the Medicines Act 1968.

J5. Welfare foods Schemes made by regulations under section 13 of the Social Security Act 1988 (schemes for distribution of welfare foods).

Head K—Media and Culture

K1. Broadcasting The subject matter of the Broadcasting Act 1990 and the Broadcasting Act 1996.

The British Broadcasting Corporation.

Exception

Broadcasting in the medium of Welsh.

K2. Public lending right The subject matter of the Public Lending Right Act 1979.

K3. Government Indemnity Scheme The subject matter of sections 16 and 16A of the National Heritage Act 1980 (public indemnities for objects on loan to museums, art galleries, etc.).

K4. Property accepted in satisfaction of tax The subject matter of sections 8 and 9 of the National Heritage Act 1980 (payments to Inland Revenue in respect of property accepted in satisfaction of tax, and disposal of such property).

Head L—Miscellaneous

L1. Judicial remuneration

L2. Equal opportunities Equal opportunities, including the subject matter of—

(a) the Equal Pay Act 1970,

(b) the Sex Discrimination Act 1975,

(c) the Race Relations Act 1976, and

(d) the Disability Discrimination Act 1995.

Exceptions

The encouragement (other than by prohibition or regulation) of equal opportunities, and in particular of the observance of the equal opportunity requirements.

Interpretation

"Equal opportunities" means the prevention, elimination or regulation of discrimination between persons on grounds of sex or marital status, on racial grounds, or on grounds of disability, age, sexual orientation, language or social origin, or of other personal attributes, including beliefs or opinions, such as religious beliefs or political opinions.

"Equal opportunity requirements" means the requirements of the law for the time being relating to equal opportunities.

L3. Control of Weapons Control of nuclear, biological and chemical weapons and other weapons of mass destruction.

L4. Ordnance survey The subject matter of the Ordnance Survey Act 1841.

L5. Time Timescales, time zones and the subject matter of the Summer Time Act 1972.

The calendar; units of time; the date of Easter.

Exceptions

The computation of periods of time.

The subject-matter of—

(a) section 1 of the Banking and Financial Dealings Act 1971 (bank holidays), and

(b) the Term and Quarter Days (Scotland) Act 1990.

L6. Outer space Regulation of activities in outer space.

PART 3

GENERAL PROVISIONS

Welsh public authorities

1 (1) This Schedule does not reserve any Welsh public authority if some of its functions relate to reserved matters and some do not, unless it is a cross-border public authority.

(2) Sub-paragraph (1) has effect as regards—

(a) the constitution of the authority, including its establishment and dissolution, its assets and liabilities and its funding and receipts,

(b) conferring or removing any functions specifically exercisable in relation to the authority.

(3) Sub-paragraph (2)(b) does not apply to any function which is specifically exercisable in relation to a particular function of the authority if the particular function relates to reserved matters.

(4) An authority to which this paragraph applies is referred to in this Act as a Scottish public authority with mixed functions.

2 Paragraph 1 of Part I of this Schedule does not reserve any Welsh public authority with functions none of which relate to reserved matters (referred to in this Act as a Welsh public authority with no reserved functions).

Reserved bodies

3 (1) The reservation of any body to which this paragraph applies has effect to reserve—

(a) its constitution, including its establishment and dissolution, its assets and liabilities and its funding and receipts,

(b) conferring functions on it or removing functions from it,

(c) conferring or removing any functions specifically exercisable in relation to it.

(2) This paragraph applies to—

(a) a body reserved by name by Part 2 of this Schedule,

(b) each of the councils reserved by section C12 of that Part,

(c) the Commission for Racial Equality, the Equal Opportunities Commission and the National Disability Council.

Financial assistance to industry

4 (1) This Schedule does not reserve giving financial assistance to commercial activities for the purposes of promoting or sustaining economic development or employment.

(2) Sub-paragraph (1)—

(a) does not apply to giving financial assistance to any activities in pursuance of a power exercisable only in relation to activities which are reserved,

(b) does not apply to Part 1 of this Schedule, except paragraph 9, or to a body to which paragraph 3 of this Part of this Schedule applies,

(c) is without prejudice to the exceptions from the reservations in sections E2 and E3 of Part 2 of this Schedule.

(3) Sub-paragraph (1) does not affect the question whether any matter other than financial assistance to which that sub-paragraph applies is reserved.

Interpretation

5 (1) References in this Schedule to the subject matter of any enactment are to be read as references to the subject matter of that enactment as it has effect on the principal appointed day or, if it ceased to have effect at any time within the period ending with that day and beginning with the day on which this Act is passed, as it had effect immediately before that time.

(2) Subordinate legislation under section 129(1) may, in relation to the operation of this Schedule at any time before the principal appointed day, modify the references to that day in sub-paragraph (1).'.

Mr. Williams: The purpose of the amendment and the new schedule is to redefine the legislative competence of the Welsh Assembly, as an alternative to how that will be achieved by clause 93 and schedule 5. Clause 93 sets out the extent of the Assembly's powers to make Measures. It provides that the legislative competence of the Assembly can be altered by an Order in Council, thereby amending a matter in a field of schedule 5. However, subsection (2) of clause 93 states that if an Assembly Measure makes a provision outside the Assembly's legislative competence, it has no legal effect. Similarly, subsection (2) of clause 94 states that a field cannot be added to schedule 5 if it is one in which no functions are exercisable by Welsh Ministers, the First Minister or the Counsel General.

In our opinion, that will limit the vital primary powers that we want, and that Scotland has already, over policing, administration of justice in magistrates courts and the Prison Service. Clause 93 and schedule 5 give the Assembly no powers over those important issues. Following the consultation on the future of police authorities in Wales, it was obvious that it was vital for the Assembly to have extra powers over the police. The consultation process was an absolute sham, because after three weeks we were told by the Secretary of State that there was only one option—a single police authority.

Adam Price (Carmarthen, East and Dinefwr) (PC): I have some sympathy with the hon. Gentleman's objective, but the amendment has simply been cut and pasted from the Scotland Act 1998. New schedule 1, for example, refers to the High Court of Justiciary, which is unique to Scotland, and to the Court of Session. It also mentions several orders that apply only to Scotland, such as one on bankruptcy.

Mr. Williams: I must come clean about that. When I discussed the new schedule, I intended to enter a mea culpa on that point. I was responsible for part of the new schedule, but not for all of it—especially the mistakes. *[Laughter.]* The reference to the courts of the Scottish

legislative system should have been replaced by one to the highest courts for criminal and civil law in England and Wales. He may pick up one or two other errors. Because of the mistakes, I shall not press the amendment to a Division.

I wish to press the Minister on why he has set out the legislative competencies of the Assembly differently from how it was done for Scotland. Why has he set up the complicated system of fields in schedule 5, with further definitions in schedule 7? It would be much better to rule out those areas over which the Assembly has no competence. I know that the hon. Member for Clwyd, West (Mr. Jones) has been very concerned about that ad hoc method of adding primary legislative competencies to the Assembly. I would think that our proposal, as outlined in the new schedule, would give him more confidence that no additional powers could be devolved to the Assembly without a decision by this place.

Mr. David Jones: Can the hon. Gentleman confirm that, before any such transfer of powers took place, the Welsh people would be consulted in a referendum?

Mr. Williams: No, because as a party we have always made it clear that we believe in transferring primary powers to the Assembly. It was set up to improve the government of Wales and following a referendum that made it clear that secondary legislative powers would be given to the Assembly. However, it has become obvious to many, including to Nick Bourne, the leader of the Conservatives in the Welsh Assembly, that the present system is not working. To ask a body such as the Welsh Assembly to deliver services, including health and education, without having the necessary primary legislative powers is to put it in a position where it will fail to perform. Because it is failing to perform, it is losing the confidence of the Welsh people, and something needs to be done. Those people who value the future of Wales and of the Assembly are looking for ways in which to improve it and give the people of Wales more confidence that it has all the powers necessary to deliver first class services.

Mr. Hollobone: For those of us who do not have the privilege of representing a Welsh constituency, will the hon. Gentleman tell us whether he believes that the Assembly should have powers over the police? Is he saying that those powers should be enshrined in the Bill or that the issue should be decided at a later date?

Mr. Williams: I thank the hon. Gentleman for that intervention. I know of his interest in Welsh affairs, because his name often appears on the Order Paper for Welsh questions. Yes, we are suggesting that the Assembly should have power over the police, and it has been suggested for some time that it should have the power to determine the finances of the police authorities. Indeed, chief constables support that view. We believe that the police would function best if they were under the control of the Assembly. That is our policy.

Why should Wales have a different system from Scotland? Is that because, unlike Scotland, we are subject to a second-class system? Would it not be much better and much clearer for people such as myself who support the United Kingdom, who want to stay within the United Kingdom and who want Wales to play an important part in the United Kingdom, to have every assurance that the Welsh Assembly has the competence to legislate on the reserve matters as set out in new schedule 1 and that Wales will remain in the United Kingdom but with all the powers necessary to deliver first-class services for the people of Wales?

Nick Ainger: I shall be as brief as I can, because I know that Members wish to debate other amendments tonight.

The hon. Gentleman made the case for giving the Assembly powers over the police and police authorities. As a point of principle, this Bill does not broaden devolution. That is not its purpose. It is here to deepen devolution. The issue of the police does not appear and I assure him that any further amendments looking to extend the areas over which the Assembly has Executive powers and legislative competence will not be considered.

The hon. Gentleman asks why schedule 5 is set out in the way that it is and why the Bill is different from the Scotland Act 1998. In fact, the Bill is set out in the same way as the Scotland Act 1978. There are two ways of defining what an assembly or parliament has competence over. In the 1978 Act, it was decided, as we have decided, to define the areas over which it would be possible for the body to legislate. That is the first method. The other method was adopted in the Scotland Act 1998, which, as the hon. Member for Carmarthen, East and Dinefwr (Adam Price) rightly identified, the hon. Member for Brecon and Radnorshire has done a cut-and-paste job on. I will not say any more about that. The second method defines the areas over which the body does not have competence and cannot legislate.

A judgment is made based on other issues and relevant factors that would persuade one to choose one method over another. It is clear that we chose one system for Scotland in 1978 and another for Scotland in 1998. The issues are finely balanced. Wales is unlike Scotland and Northern Ireland because, in the other two Administrations, the areas over which they cannot legislate are defined. The other two have their own judicial systems, but the judicial system in Wales is, as we all know, linked to that in England. The jurisdiction is over England and Wales. As more and more legislation goes through, we think that there might be problems and that is one reason for choosing the option that we have.

The option in the Bill also assists with the system for Orders in Council. The fields are set out in schedule 5 and, when Orders in Council go through, matters will be lodged under each field. That is an easy way to define the process.

Mr. David Jones: Of course, clause 94 provides that additional fields may be added to schedule 5. Has any thought been given to extending the number of fields and might they be extended to include policing in the future?

Nick Ainger: I can give the hon. Gentleman the straight answer that there are no such plans at present. As I said to the hon. Member for Brecon and Radnorshire (Mr. Williams), we do not see the Bill as a way of extending the responsibilities of the Assembly.

8.15 pm

As the hon. Member for Carmarthen, East and Dinefwr (Adam Price) said, the Scotland Act 1998 refers to the courts. Clearly, we would require a large document not only to set out what was not devolved to the Assembly, but to take account of all the courts and judicial areas, including the Prison Service—the list would go on and on. It is far clearer for someone who is not versed in the intricacies of our constitution for us to set out in schedule 5 the exact areas on which the Assembly can legislate, rather than to produce a list of the things that it cannot do. A judgment must be made. For the reasons that I have given, we think that the approach represents a sensible way forward, principally because we are an England and Wales jurisdiction, so the situation is different from that in Northern Ireland and Scotland. When the hon. Member for Brecon and Radnorshire considers the reasons that I have set out, their link with the Order-in-Council process and the way in which matters can be added so that the Assembly can take forward its Assembly Measures, I hope that he will withdraw the amendment.

Mr. Roger Williams: I was interested to hear the reasons why the Government have chosen to define the legislative competence of the Assembly in such a way. It will take some time to think them through because they had not been made apparent to us before today. I think that it is more definitive to set out matters on which the Assembly cannot legislate than to have a list of matters on which it can legislate that, I believe, would grow and grow. However, given that the Minister set out new reasons why the Government have adopted their approach, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Mr. Grieve: I beg to move amendment No. 163, in page 50, line 31, leave out from '(4)' to 'or' in line 32.

Amendment No. 163 is a probing amendment. I am intrigued to understand exactly how the clause is designed to work and what the consequence of accepting the amendment would be. There is provision to allow Assembly Measures to be extended so that they cover consequential areas. Clause 93(5)(a) makes it clear that, in such circumstances, there must be the power to enforce the provision. However, the paragraph also refers to making the provision "effective". Quite simply, I wish to know from the Minister what that would entail. He will be aware that there is concern about whether it would be possible to extend such legislation to England, although I am mindful of the clear wording in an earlier subsection. I simply ask for reassurance about why the specific form of words has been chosen.

Nick Ainger: The term "effective" in this provision relates to the substance of a particular Assembly Measure. I realise that this is a probing amendment, and I am glad that the hon. Gentleman accepts that the other two conditions are straightforward, so that the legislation can be enforced in the courts, and that a Measure could be purely incidental or consequential. However, it is not always clear whether an amendment is purely consequential or incidental.

Let us take the example of an Assembly Measure that replaced the current system of listing buildings with a system of "historic buildings" or "heritage buildings". When work is done on such buildings, or materials are bought for them, under the current system, that is zero-rated. If the Assembly wanted to change the listing system and call it "heritage buildings", or whatever, a consequential amendment to value added tax legislation would be needed.

There could be a debate whether that would be a purely consequential amendment. If the buildings were reclassified as heritage buildings, we would certainly think the Assembly Measure defective if it changed their position with regard to VAT. That is why we are using the term "effective". Clearly it is very constrained, but I hope that my brief comments will reassure the hon. Gentleman of the need to include that word, and he will withdraw his amendment.

Mr. Grieve: I am happy to beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn

Mr. Grieve: I beg to move amendment No. 165, in clause 93, page 51, line 1, leave out subsection (7).

This is another probing amendment. I seek some guidance from the Minister about how subsection (7) should be interpreted. I have seen such subsections before, so it is not completely novel, but what would the circumstances be to which one would have to have regard in deciding whether an Assembly Measure fell within one of the areas specified in part 1 of schedule 5? That matters rather more in the context of Assembly Measures, as the Minister will understand, because if that were not the case, the Assembly would be acting outside its powers. It would be useful for the House to understand what the criteria are. If this is too complicated for the Minister to explain now from the Dispatch Box, a letter at a later stage would probably satisfy me.

Nick Ainger: I hope that I can help the hon. Gentleman. As he says, there is nothing unusual about this. It is designed to help resolve any doubts about whether a particular provision in an Assembly Measure is within the Assembly's legislative competence. If a question arises as to whether a provision in a Measure relates to a matter in schedule 5, the question is to be decided by considering the purpose of the Assembly Measure. My brief suggests that at this point I use the terms "the pith and substance" and "the true nature and character" of the provision.

Perhaps I can give the hon. Gentleman an example. We will soon be debating the Health Bill, which deals with, among many other things, a ban on smoking in public places. Within that Bill there are provisions to give the Assembly secondary legislation powers. Some may argue that that is a licensing issue rather than a health issue, but the purpose of the regulations that will ban smoking in public places is clearly health-related. I hope that that illustration helps the hon. Gentleman and that he will withdraw his amendment.

Mr. Grieve: The Minister's example was a very good one, absolutely on point and has clarified the matter completely. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 93 ordered to stand part of the Bill.

Schedule 5

ASSEMBLY MEASURES

Adam Price: I beg to move amendment No. 26, in page 108, line 30, at end insert—

'Field 5A: energy'.

The Chairman: With this it will be convenient to discuss amendment No. 25, in page 109, line 39, at end insert—

'Field 13A: police, probation, and prison service'.

Adam Price: If my hon. Friend the Member for Meirionnydd Nant Conwy (Mr. Llwyd) appears in a second, he may want to say a few words about amendment No. 25, which is more his area of competence, although sadly at the moment not that of the National Assembly.

On the Under-Secretary's suggestion, I will be pithy. Energy is topical at the moment with the publication today of the Government's consultation paper and the energy review. As energy provision is such a vital function and a secure, diverse and sustainable supply is so important, the issue is clearly of vast interest across the nations, but there are particular interests and the nature of energy differs across the United Kingdom. Energy has of course played a very important part in the history of Wales; we have certainly produced enough of it for the rest of the UK over a couple of centuries at least. It remains a key political issue in Wales for a variety of reasons.

However, there is an anomaly. Although energy remains a reserved matter, even under the Scotland Act, elements of it have been devolved and will be under the proposals in this Bill for Wales. Energy efficiency, for instance, is a devolved matter provided that it does not involve regulation or prohibition, as is energy conservation, and so on. Some elements of renewable energy are devolved and will continue to be so under the Bill. However, where there is interconnection, therein lies a problem.

At the moment, projects under 50 MW onshore are devolved to the National Assembly, whereas projects bigger than that remain a reserved matter in the Department of Trade and Industry. We argue that that is not acceptable. If we are to have a comprehensive energy policy for Wales, we must have greater devolution of power. That is why we seek through this amendment to introduce a new field for energy, which will allow the National Assembly, following the enactment of this Bill, to propose Orders in Council, extending some of its competence in energy.

Offshore developments are another area of increasing interest. There is an interesting feasibility study about possible tidal developments in Swansea bay and other coastal areas of Wales. Currently, and following the enactment of the Bill, such developments remain an exclusive power of the DTI. The Assembly should be enabled to propose an Order in Council to allow it greater control over such areas.

Moving to the more contentious issue of nuclear power, the National Assembly for Wales should decide whether Wales sees the building of a nuclear power station. We have heard the Secretary of State for Wales express the view that he does not believe that Wales should go down the nuclear route, and similar statements have been made by the Minister for Economic Development and Transport who has responsibility for energy in the National Assembly. There is consensus among three, if not four, of the political parties—and, who knows, some of the independents as well—on the fact that we do not want Wales to go down such a route, but currently and under the Bill the National Assembly does not have the power to reject the imposition of a new nuclear power station, whether in Pembrokeshire, Carmarthenshire or any other part of Wales.

Surely that cannot be right. The Scottish Executive have the power under the Electricity Act 1989 to award or to reject power station consents. All we are asking in the amendment is that the National Assembly have the right to propose an Order in Council giving itself the same power as the Executives in Scotland and, indeed, Northern Ireland have.

Lembit Öpik: Does the hon. Gentleman agree that if the Government are serious about having a genuine debate on nuclear power with the country, they should not be afraid to give the Welsh Assembly that authority? After all, it would be utterly undemocratic to force a nuclear power station on a community that clearly would resist such an application.

Adam Price: I entirely agree. When the Government publish the results of the consultation, it will be interesting to see whether there are different responses in the constituent nations of the United Kingdom. It is a matter for England if England wants to go down the nuclear route, but I suspect that the response in Wales will be negative. As the leader of the Liberal Democrats in Wales says, Wales should have right to decide its own future, because we shall be binding future generations.

I could go on to talk at length about other energy issues, but I am conscious of time. However, I should like to mention the energy corridor between the liquid natural gas terminals, which are themselves contentious, as the Under-Secretary knows. The proposed route of the pipeline goes through my constituency. That matter, too, is reserved; it is dealt with by the Secretary of State for Trade and Industry, although it cuts across planning and energy policy. Surely greater responsibility should be given to the National Assembly to enable it to produce a comprehensive energy policy that the people of Wales support.

8.30 pm

David Mundell: I welcome the amendments, even though I do not propose to support them. I welcome them because they allow me to tell the Minister that it is perfectly possible to support devolution and the evolution of devolution without supporting every measure that is proposed. During the course of today's proceedings, we have heard ridiculous attempts to rubbish the commitment of my right hon. Friend the Member for Witney (Mr. Cameron) to devolution, not only in Wales but in Scotland.

The Opposition understand that what we have now is asymmetric devolution, which means that not every provision of the Scotland Act will be replicated for

[David Mundell]

Wales. I do not share the views of the hon. Member for Montgomeryshire (Lembit Öpik) on the way in which energy provisions are working in Scotland. I have great concerns that nationalist elements in particular wish to use the difference between the powers that the Scottish Parliament has and the powers that the UK Parliament has to create a constitutional block and, if possible, crisis by presenting differences on energy policy. If the UK Government's policy is to have nuclear power in the UK, it is not for the Scottish Executive and Scottish Parliament, using provisions relating to other matters, to attempt to block the Government's energy policy. All such attempts to distort the devolution settlements should be resisted.

Lembit Öpik: Why would the hon. Gentleman resist the opportunity to give local communities some say over whether they have to put up with a nuclear power station which, as the hon. Member for Carmarthen, East and Dinefwr (Adam Price) rightly pointed out, is an investment not for a generation, but for centuries?

David Mundell: The hon. Gentleman is expressing his political views in respect of the nuclear industry, but in Scotland and other parts of the United Kingdom where nuclear power stations exist, many communities would welcome a new development. It is a misuse of constitutional powers to block UK Government policy in that regard.

Earlier, the Minister dealt with the powers relating to the police force and the England and Wales jurisdiction. From my brief experience of Wales questions, it is clear that many colleagues favour closer links between police forces in the north of Wales particularly and in parts of England. Measures that restrict such a possibility should be resisted. We shall therefore oppose the amendments.

Mr. Roger Williams: I support both amendments moved by Plaid Cymru Members. It would be our intention to include within the competence of the Assembly control over the police service in Wales. We will therefore support amendment No. 25.

We also support amendment No. 26, which would include energy in the Assembly's fields of legislative competence. We are conscious that Wales has been asked by the UK Government to bear a bigger burden of renewable energy generation than some parts of England. Targets have been set for Wales that have not had the support of the Welsh people and were not subject to the consultation necessary to ensure that they were well received.

The hon. Member for Carmarthen, East and Dinefwr (Adam Price) pointed out that planning permission for power stations generating more than 50 MW is still a reserved matter for the Department of Trade and Industry. We know that that produced a serious problem in the constituency of my hon. Friend the Member for Ceredigion (Mark Williams) in the case of Cefn Croes. That could have been handled better if the Assembly had had direct powers to deal with it. The difficulty arose because there was a misunderstanding about what representations could be made to the Department of Trade and Industry about the determination of that planning application.

Mr. David Jones: Would the hon. Gentleman suggest, therefore, that the Scarweather Sands application was sensitively handled by the Assembly?

Mr. Williams: I know the application to which the hon. Gentleman refers, but I do not have as much detailed information about that as he has, so I would not like to comment. The reservation of certain energy matters to the Department of Trade and Industry was intended to cover nuclear applications. As the capacity of renewable power stations has increased, wind farms, which were not thought to be caught by it, have been caught by it.

We support the inclusion of both energy and police matters in the fields of competence of the Assembly. I hope the Minister will take that on board.

Mr. Llwyd: I rise to speak to amendment No. 25, which seeks to extend the field of competence of the National Assembly by including the policing, probation and prison services within the purview of its powers. Senior police officers in all four police forces in Wales have been saying for some time that the time has come for a move towards the devolution of policing. That feeling has been exacerbated of late by the somewhat insensitive way in which the Home Secretary is seeking to impose an all-Wales force in place of the four that we have at present.

We are proud of our police forces in Wales, and all four are in the upper quartile of each league table in which they appear. They were also recently given an excellent clean bill of health by Her Majesty's inspectorate of constabulary and therefore have every reason to say that they are happy with their lot, and with the status quo. They believe that the only way of maintaining that is to devolve policing to the National Assembly, with which would come the probation service and the Prison Service. Both the National Association of Probation Officers in Wales and the Prison Service have expressed warm views about the path towards further devolution, and the way in which they see their future. We believe that they should be taken together as a package, as it were. That impetus has been given extra power by the fact that the National Offender Management Service is now being considered by the Government. This would effectively bring privatisation into the probation service and the Prison Service.

Mrs. Gillan: Does the hon. Gentleman agree that the way in which the National Offender Management Service has been handled has been disgraceful? We have been promised legislation, and legislation has been introduced and then withdrawn. We are still waiting for that legislation. Rumour has it that no NOMS legislation will now come forward, and that instead a small part of a mixed Home Office Bill will be allocated to the proposals. However, this would have the same effect of bringing in contestability through the back door without consulting the very people who work in the service.

Mr. Llwyd: The hon. Lady and I have both taken a close interest in the NOMS fiasco. One of the worst

aspects of it is that there has been no consultation whatever with those on the front line in the probation service or the Prison Service. Anyone who knows anything about those services knows that they are like chalk and cheese; they are incompatible. Even though they are both part of a wider service, they are not compatible with each other. One is there to befriend and to bring people back out into the wider community; the other is about incarceration, which involves elements of retribution as well as of education. These issues worry the people who work in those services in Wales and if NAPO and the Prison Service were to conduct an opinion poll or take a vote on the matter, people would say overwhelmingly that their future would lie better in Cardiff than with the Home Office.

I am grateful for this opportunity to make those points, and I hope that the Minister will give a reasoned response to the amendments.

Chris Bryant (Rhondda) (Lab): I hope that I shall be in order, Sir Alan, if I talk about schedule 5, even though I shall not refer to the two amendments—

The Chairman: Order. No, the hon. Gentleman would not be in order if he were to do that at this particular juncture.

Nick Ainger: I am going to disappoint hon. Members who have contributed to this debate, because I am going to give a technical response to the amendments rather than engaging with the points—although they have been well made—about whether the powers should be devolved to the Assembly, and with the reasons why hon. Members think that that should be the case. I shall explain the process as I go along, and perhaps hon. Members will then understand the position.

8.45 pm

As I made clear earlier, this Bill is not about broadening the terms of devolution but deepening it. The two amendments would broaden devolution into areas such as energy, police and the probation and Prison Service, with which the Assembly does not currently have the Executive functions to deal. That goes against the basic premise for the way in which we have established the fields in schedule 5. Those fields, as they are set out, are exclusively those areas in which the Assembly currently has Executive functions. The proposals for which hon. Members have argued—that energy, police and so on should be included—would contradict the premise that the only matters that appear in schedule 5 are those in which the Assembly has an Executive function.

Chris Bryant: My hon. Friend makes the point that there is no extension to new areas, but schedule 5 is materially affected by schedule 7, which limits each of the different fields in schedule 5. He might note that under culture, which is in field three, there would be an exception, whereby the Assembly would not have powers, for broadcasting. There would also be an exception for telecommunications. He might know, however, that cable television does not fall into either of those two categories. Will he make sure that that is not also an exception?

The Chairman: Order. I hope that the Minister will not respond to that intervention at this juncture, as we are debating energy, police and the probation and Prison Service.

Nick Ainger: The best way to deal with that intervention, Sir Alan, is to write to my hon. Friend, because the matter is complex and relates to telegraphy, wireless and goodness knows what. If he is patient, I will respond to that point and place a copy of my letter in the Library.

As I was explaining, schedule 5 includes only those matters in which Assembly Ministers will have Executive functions. By accepting the amendment I would go against the whole premise of how schedule 5 is set out. Hon. Members will accept that only giving powers to legislate in areas where Ministers would have Executive powers is common sense. It would be nonsense to give them powers to legislate in areas where they do not have any Executive powers.

Under clause 58, further Executive functions may be transferred to Welsh Ministers. If at some point in future the Welsh Assembly Government assume Executive functions in a new field, it will be possible for schedule 5 to be amended to add that. The Bill is not intended to alter the boundaries of the current devolution settlement. It changes the structures and mechanisms, but the appropriate means of transferring new responsibilities in new fields from UK Ministers to the Welsh Assembly Government is either an Act of Parliament or an Order in Council. Under clause 58, that could include a transfer of functions order. In those circumstances, schedule 5 could be updated to enable legislative competence in respect of that field to be conferred on the Assembly. However, it should be for Parliament to agree at the time whether those responsibilities are such that it would be appropriate to enable the Assembly to acquire legislative competence in that field, too.

Mr. Roger Williams: On a number of occasions the Minister has prayed in aid his party's manifesto, which stated that a Labour Government would give the Assembly enhanced legislative powers. It seems to me that a good enhancement would involve the police and energy.

Nick Ainger: I am afraid that the hon. Gentleman does not understand my point about what constitutes broadening and what constitutes deepening. I believe that enhancing means deepening, not widening. Let me repeat that we do not see the Bill as a vehicle for giving the Assembly further, wider powers, other than those listed in schedule 5.

Members may argue that adding the new fields would not affect the current settlement because an Order in Council would still be needed to confer the competence. It is, however, important for schedule 5 to give an accurate picture of the fields in relation to which the Assembly could acquire legislative competence at any one time. The schedule would give a misleading impression if it appeared to suggest that the UK Government might agree to grant

[Nick Ainger]

the Assembly legislative competence over areas that remain predominantly the responsibility of UK Ministers. Given that explanation of how the process works, I hope that the amendment will be withdrawn.

Adam Price: The Minister let the cat out of the bag by saying that he would give the technical response. It was almost a theological response, and I did not quite follow it. The Minister seemed to be saying that Parliament might have an opportunity to consider adding new fields in the future, but that that was not possible today. I did not understand why it would not be possible today, if the Committee were so minded.

A number of us have said that on issues such as nuclear power—that is just one example—Wales should decide. That is the central principle of democratic devolution. When there is a range of views across the nations in these islands, surely the national representative institution of the Welsh people should decide on Welsh energy policy. The same principle applies across the nations. Scotland currently has more powers than we do. Here is an opportunity for us to have parity of power.

Nick Ainger: I understand the hon. Gentleman's argument, but this is a devolution issue. Surely the Assembly itself should ask for the powers that he suggests it should have. It has not done so, and in effect the hon. Gentleman is suggesting the imposition on the Assembly of something that it has not requested.

Adam Price: Can the Minister give me an example of an occasion on which, in plenary session, the Assembly has voted against—

Kevin Brennan: The hon. Gentleman cannot get away with that.

Adam Price: I cannot prove a negative either, but I should be interested to see the evidence. I suspect that there is consensus across the political parties representing the Assembly against the imposition of a nuclear power station on Wales, but unfortunately, unless the amendment is passed, those representatives will not be able to ask for the power that exists in Northern Ireland and Scotland, which would allow them to decide on that crucial issue. We therefore wish to press the amendment to a vote.

Question put, That the amendment be made:—

The Committee divided: Ayes 45, Noes 391.

Division No. 137] **[8.53 pm**

AYES

Alexander, Danny
Barrett, John
Beith, rh Mr. Alan
Brooke, Annette
Browne, Mr. Jeremy
Burt, Lorely
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Farron, Tim
Featherstone, Lynne
Foster, Mr. Don
Goldsworthy, Julia
Harris, Dr. Evan
Harvey, Nick
Heath, Mr. David
Hemming, John
Holmes, Paul
Horwood, Martin
Howarth, David
Hunter, Mark
Kramer, Susan
Lamb, Norman
Law, Peter
Leech, Mr. John
Llwyd, Mr. Elfyn
Moore, Mr. Michael
Öpik, Lembit
Price, Adam
Pugh, Dr. John
Robertson, Angus
Rogerson, Mr. Dan
Russell, Bob
Sanders, Mr. Adrian
Stunell, Andrew
Swinson, Jo
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Webb, Steve
Weir, Mr. Mike
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wishart, Pete

Tellers for the Ayes:
Hywel Williams and
Mark Williams

NOES

Abbott, Ms Diane
Afriyie, Adam
Ainger, Nick
Ainsworth, rh Mr. Bob
Ainsworth, Mr. Peter
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Amess, Mr. David
Anderson, Janet
Atkins, Charlotte
Atkinson, Mr. Peter
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Baldry, Tony
Balls, Ed
Barker, Gregory
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Berry, Roger
Betts, Mr. Clive
Binley, Mr. Brian
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunt, Mr. Crispin
Bone, Mr. Peter
Borrow, Mr. David S.
Boswell, Mr. Tim
Bradshaw, Mr. Ben
Brady, Mr. Graham
Brennan, Kevin
Brokenshire, James
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browning, Angela
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butler, Ms Dawn
Butterfill, Sir John
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Carswell, Mr. Douglas
Cash, Mr. William
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Clapham, Mr. Michael
Clappison, Mr. James
Clark, Greg
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clifton-Brown, Mr. Geoffrey
Clwyd, rh Ann
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curry, rh Mr. David
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Dean, Mrs. Janet
Dhanda, Mr. Parmjit
Diamore, Mr. Andrew
Djanogly, Mr. Jonathan
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dorries, Mrs. Nadine
Dowd, Jim
Drew, Mr. David
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Eagle, Angela
Eagle, Maria
Efford, Clive
Elman, Mrs. Louise
Elwood, Mr. Tobias
Engel, Natascha
Ennis, Jeff
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farrelly, Paul
Field, Mr. Mark
Fisher, Mark

Fiallo, Mr. Robert
Flint, Caroline
Follett, Barbara
Forth, rh Mr. Eric
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Fox, Dr. Liam
Francis, Dr. Hywel
Francois, Mr. Mark
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gillan, Mrs. Cheryl
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Greening, Justine
Grieve, Mr. Dominic
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. Fabian
Hammond, Stephan
Hands, Mr. Greg
Harman, rh Ms Harriet
Harper, Mr. Mark
Havard, Mr. Dai
Hayes, Mr. John
Healey, John
Hendrick, Mr. Mark
Hendry, Charles
Hepburn, Mr. Stephen
Heppell, Mr. John
Herbert, Nick
Heyes, David
Hill, rh Keith
Hillier, Meg
Hoban, Mr. Mark
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hollobone, Mr. Philip
Holloway, Mr. Adam
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horam, Mr. John
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hunt, Mr. Jeremy
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
James, Mrs. Siân C.
Jenkin, Mr. Bernard
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. David
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lammy, Mr. David
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Lepper, David
Levitt, Tom
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Linton, Martin
Loughton, Tim
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Main, Anne
Malliaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McCrea, Dr. William
McDonagh, Siobhain
McFadden, Mr. Pat
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Milton, Anne
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Moss, Mr. Malcolm
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Mundell, David
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Murrison, Dr. Andrew
Newmark, Mr. Brooks
Norris, Dan
O'Brien, Mr. Mike
O'Brien, Mr. Stephen
Olner, Mr. Bill
Paice, Mr. James
Palmer, Dr. Nick
Pearson, Ian
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prisk, Mr. Mark
Pritchard, Mark
Prosser, Gwyn
Purchase, Mr. Ken
Rammell, Bill
Randall, Mr. John
Raynsford, rh Mr. Nick
Redwood, rh Mr. John
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roseindell, Andrew
Ruane, Chris
Ruddock, Joan
Ruffley, Mr. David
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Scott, Mr. Lee
Seabeck, Alison
Selous, Andrew
Shapps, Grant
Shaw, Jonathan
Sheerman, Mr. Barry
Shepherd, Mr. Richard
Sheridan, Jim
Simmonds, Mark
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soames, Mr. Nicholas
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Spelman, Mrs. Caroline
Spicer, Sir Michael
Starkey, Dr. Phyllis
Steen, Mr. Anthony
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Streeter, Mr. Gary
Stringer, Graham
Stuart, Ms Gisela
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Mr. Ian
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Trickett, Jon
Truswell, Mr. Paul
Turner, Mr. Andrew
Turner, Dr. Desmond
Turner, Mr. Neil
Usher, Kitty
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Vaz, Keith
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watts, Mr. Dave
Whitehead, Dr. Alan
Whittingdale, Mr. John
Wicks, Malcolm
Wiggin, Bill
Willetts, Mr. David
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Wilson, Mr. Rob
Winnick, Mr. David
Winterton, Ann
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Jeremy

Tellers for the Noes:
Mr. Vernon Coaker and Gillian Merron

Question accordingly negatived.
Schedule 5 agreed to.

Clause 94

Amendment of Schedule 5

Mrs. Gillan: I beg to move amendment No. 166, in page 51, line 9, leave out
'to add a new field or'.

The Chairman of Ways and Means: With this it will be convenient to discuss amendment No. 167, in page 51, line 11, leave out subsection (2).

Mrs. Gillan: These amendments are really probing amendments in respect of amendment of schedule 5, scrutiny of which has just been completed. In truth, I have tabled them to explore the extent of the legislative competency envisaged for the Assembly Measures and to invite the Minister fully to explain the scope for extending the Assembly's powers, using the fields outlined in schedule 5.

As I understand it, the legislative competence orders as described by the Minister in his explanatory letter of 17 January would add a matter to schedule 5. However, the schedule, which contains 20 fields, is an imprecise document. The Government chose to go into detail in field 13, on the National Assembly for Wales. For example, it contains matter 13.1, on the creation and conferral of functions, matter 13.2, which deals with similar provisions, and matters 13.3 to 13.6. However, the other fields have been left completely blank, as the Minister knows. That is tantalising, is it not? The moment one leaves such fields blank, the curiosity of the average politician is understandably aroused.

The examples that the Minister so obligingly sent us, to show how this provision would function, included that of the public services ombudsman and one relating to transport. He said that the Assembly would not have been able to pass measures relating to such matters before enactment of this legislation. That sets aside the fact that we already have primary legislation on these two examples, but that should not cloud the issue. I believe that the Minister chose them—I hope that he can confirm this—because they happened to be before the House. So in a sense this is a red herring—these are simply the examples that he has used. He did say that they are based on cases where the Assembly could not have legislated within its existing powers.

It would appear that there will be no check or balance if the Bill goes through. Field 10, for example, covers all highways and transport matters, and field 14 is headed "public administration", and those would, presumably, cover the other field for the example that the Minister gave. Those two fields would be prayed in aid for the two measures.

I gather from the Library that the addition of those two areas over and above the devolved subjects in schedule 2 to the Government of Wales Act 1998 and the subsequent amendments made by S.I. 1999/672, S.I 2000/253, S.I. 2000/1289, S.I. 2000/1830, S.I. 2001/3679 and S.I. 2004/3004 enhances the competencies of the Assembly above what was previous envisaged. Some of that is laid out in devolution guidance note 11, but I think I am correct in saying that that has not been fully updated.

Some obvious changes derive from some of those statutory instruments. We have mentioned fire and rescue services, and there is the addition of rural development. Other areas are transport—field 10—public administration, and field 15, which is on social welfare. That, I think, is supposed to be equivalent to what used to be called social services. "Social welfare" draws the category much wider. I would be grateful if the Minister gave us the history of the variations and outlined the reasons for the extensions and variations to the powers of the Assembly. I appreciate that some will be introduced functions.

Mr. Hollobone: I should like to underline the point that my hon. Friend is making. Is there not a worrying inconsistency in part 1 of schedule 5, where there is one line of text for most services, but some 40 lines for the Assembly powers? Does not that give the Executive of the Westminster Parliament huge flexibility, and therefore inordinate power, to determine at a later date, beyond the scrutiny of this Parliament, what powers are given to the Assembly?

Mrs. Gillan: My hon. Friend makes his point in his own way, and I shall make it in my way a bit later on. It is arguable that the way in which the Bill has been drawn is so wide that it could be wider than schedule 7, which limits and provides the exceptions. It is an extremely valid point.

Transfers of functions orders have already been brought in in respect of various matters, such as court cases involving subordinate legislation, local land charges, inheritance tax and a right to be party to proceedings on compatibility with the Human Rights Act 1988. Will the Minister outline under which fields those matters, for example, could be covered? That is extremely important. I need to feel that the Minister has fully explained to the House how widely the fields are drawn. Let me give an example. Under "economic development", it could be argued that it might be possible for the Assembly to promote the development of nuclear power in Wales, and thus support a new nuclear power station at Wylfa B. As we heard as we debated the last set of amendments, there is great concern about that in Wales. Perhaps there is a way to claim field 4 as the encompassing field for discussing, promoting or moving those matters forward. It would be of interest to know whether that could or could not be.

Under "social welfare", could the Assembly add the provision of social security benefits or employment programmes aimed at all unemployed people? Could it add child support or pension regulation, all of which currently remain wholly the responsibility of the UK Government? Are the headings a pointer to the direction that the Government wish to take, in which case could the Minister enlighten us further? Or do the Government seek to maintain the status quo in these fields, in which case, could they be filled in? If they are not filled in—as schedule 7 has been completed in detail to cover the situation in which full legislative powers are devolved—it could be argued that schedule 5 could be interpreted to cover a wider remit than schedule 7. The Minister should clarify that very generally drawn schedule, because otherwise it might not find favour in this Committee or in the other place.

9.15 pm

Mr. David Jones: Does my hon. Friend share my puzzlement that the Minister has repeatedly said this evening that it is the Government's intention not to broaden but to deepen the devolution settlement, but it would be possible for the Government to add any number of fields to those already contained in schedule 5, subject of course to the limitations in schedule 7? My concern is that it may be possible at some later stage for a large number of additional fields that are not currently the subject of the devolution settlement to be added.

Mrs. Gillan: It is for the Minister to answer that point and set our minds at rest, or to come clean about the Government's intentions. When we see a provision drawn so widely, it sets the alarm bells ringing on what the Father of the House called creeping devolution. It could become a reality.

This is a difficult area, but as I understand it the devolved subjects that were listed in schedule 2 to the Government of Wales Act 1998 are not repeated exactly in this Bill. They have been supplemented and slightly changed. I would like to hear from the Minister his views on the breadth of those fields. If he is intent on deepening rather than widening, perhaps he will allay our fears that the Bill will widen the devolution settlement by including headings as broad as "social welfare".

Nick Ainger: If I begin by explaining how schedule 5 is set out, it may assist the hon. Lady to understand how the process works. The fields that are set out are those areas in which Executive functions have been given to the Assembly and, following the split that will be introduced by the enactment of this Bill, to Assembly Ministers. They are the fields of Executive competence.

The hon. Lady mentions field 13, which is purely about the National Assembly for Wales. In order for the Assembly to be able to carry out its functions, pay its staff and so on, we had to set out in the Bill the matters on which it may legislate if required at as early an opportunity as possible. For all the other fields listed with nothing underneath them, it will be for the process of Orders in Council to determine.

The hon. Lady mentioned the two examples that I placed in the Library—legislation on the public administration ombudsman and transport in Wales. If we had not gone for the primary route, that is how an Order in Council would have looked. The transport legislation would have fitted under the field. I do not know which one it is—

Mrs. Gillan: Field 10.

Nick Ainger: Yes, field 10 is on highways and transport. The matter would come under field 10 and still have the heading "highways and transport". The matter, as defined in the Order in Council, would sit underneath that heading.

Some of the confusion may arise from the way in which the Bill is set out. There is a series of headings: "Schedule 5", "Assembly Measures", "Part 1" and "Matters", but that is then followed by the list of fields. That may have caused a little confusion. I hope the hon. Lady now understands the process.

I now come to the question of how more fields can be added. The hon. Lady is right to suggest that additional fields of Executive functions have been added since the 1998 Act. That has been done by a combination of primary legislation—for example, the Fire and Rescue Services Act 2004 transferred the Executive functions for the fire brigades in Wales to the Assembly—and the transfer of functions orders, the most obvious example being that for animal health. We envisage that those processes will continue. If agreement was reached between the Government and the Welsh Assembly Government that additional competence should be given to the Assembly, those are the procedures that would be used.

Mrs. Gillan: Can the Minister tell me where the provision for rural development came from in field 1? I gather that the old grouping was agriculture, forestry, fisheries and foods.

Nick Ainger: That is a good question. I cannot give an answer off the top of my head, but I lived next door to the Assembly Minister responsible for these matters for the first two or three years. I assure the hon. Lady that, from the word go, Christine Gwyther was actively involved in rural development. I am certain that she was acting quite properly in dealing with these matters. However, I will get a detailed response of how that issue has now become an Executive function.

Mr. Llwyd: Bearing in mind that the Minister lived next door to the other Minister, may I take it that that was joined-up government?

Nick Ainger: Indeed. The hon. Gentleman is quite right.

I now wish to explain how the Orders in Council would be used to amend schedule 5. If a transfer of functions order transfers Executive power from a UK Minister to a Welsh Assembly Minister, hon. Members may ask why there should not be a requirement to add that field to schedule 5. I do not propose this, but let us bear in mind the earlier debate about energy. If Executive functions were to be transferred from the Department of Trade and Industry to the Assembly Minister responsible for that issue—I imagine that it would be Andrew Davies—the transfer of functions order would clearly set out what was being transferred to the Assembly.

One might argue that the logic is that the transfer of functions order should also include the order that would also give the power to legislate. However, the Orders in Council give the powers to the Assembly to legislate whereas the transfer of function order is from Minister to Minister. That is why we would still have to have a separate Order in Council giving the Assembly the responsibility to legislate. The Executive function must be transferred—that is the first thing that must happen. That would trigger the field being added and then, in the fullness of time, an Order in Council would set out the legislative transfer.

Mrs. Gillan: Perhaps I am being stupid on this. Is the Minister telling me that a transfer of functions order relating to the details of each field will be passed following the enactment of the Bill, or will that happen only for subsequent matters? The matters have been widened from those in schedule 2 to the 1998 Act, so I need to know how that widening has happened. If it has happened due to all the statutory instruments that I cited, that is well and good, but that does not appear to be the case. Have amendments been made to broaden the matters and give the fields broader headings? For example, the field of "social welfare" has been changed from social services.

Nick Ainger: I thought that I had explained the situation earlier, but I shall try to do so again. The bulk

[Nick Ainger]

of the fields set out in the schedule arose due to the transfer of Executive powers that followed the enactment of the Government of Wales Act 1998. The fields that the hon. Lady cannot find in schedule 2 to the 1998 Act are those that have been transferred since then either by primary legislation—I cited the Fire and Rescue Services Act 2004 earlier, which transferred executive responsibility for the fire brigade to the Assembly—or by transfer of functions orders, such as that on animal welfare. There might well be a question about the wording or descriptions used in the Bill, but Executive functions must have come from the 1998 Act, other primary legislation or a transfer of functions order. They could not have come from anywhere else. The Assembly could not have given itself Executive powers without the approval of Parliament in some form.

Mrs. Gillan: The Minister is going some way towards explaining the situation. Can he tell me under which of the fields the functions in respect of inheritance tax fall?

Nick Ainger: No I cannot, but I will write to the hon. Lady to let her know.

I hope that I have been able to explain the procedure under which a new field would be added. It is clear that it will be for Parliament to decide—either through primary legislation or a transfer of functions order—as has been the case when other Executive responsibilities have been passed to the Assembly. The hon. Lady indicated that amendments Nos. 166 and 167 were probing amendments. I hope that she is happy with, and reassured by, my explanation of how the process will work and new fields will be added, and that she will thus withdraw the amendment.

Mrs. Gillan: The Minister has struggled hard with what is obviously a complicated aspect of the Bill. I shall withdraw the amendment, but I remain confused about how and why several fields have changed. I understand the straightforward result of the Fire and Rescue Services Act 2004, but the inclusion of the category of transport is a little premature, given that the Transport (Wales) Bill has not completed all its parliamentary stages. It is interesting that a provision can appear in a Bill before the necessary legislation has been passed. I still fail to understand how a transfer of functions order has resulted in the functions on social services being broadened to "social welfare".

As I said, it would be a lot easier if there were the same amount of detail in schedule 5 as in schedule 7. In view of the exceptions and the details laid out in schedule 7, it is arguable that this provision draws the powers much more widely. I hope that the Minister will write to me, because I would like to know under which field the functions in respect of inheritance tax fall, and also those in court cases involving subordinate legislation in devolved fields, and the right to be party to proceedings on compatibility with the Human Rights Act 1998. That would go some way towards explaining a very opaque process, and a very imprecisely drawn part of the Bill.

9.30 pm

I am not entirely satisfied. Although the Minister has struggled valiantly, I feel that he does not really understand the details himself—which is hardly surprising. I am grateful that he has gone some way towards explaining the schedule, and I shall withdraw my amendment on the understanding that, having read what he says to me—and, I hope, the rest of the Committee—in correspondence, I may wish to revisit the matter on Report and Third Reading. For now, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

David Mundell: I beg to move amendment No. 168, in page 51, line 21, leave out subsection (4).

With any legislation, it is important that any suggestion that measures can be carried out retrospectively should at least be put to the test, and that we be given an explanation of why such measures are needed. Retrospective legislation is always to be avoided. The example given in the explanatory notes to show why the provision is needed is:

"where there has been a legal challenge to the validity of an Assembly Measure based on doubt as to whether its provisions relate to a relevant matter, an Order in Council may restore legal certainty about the Measure by amending a matter to remove any ambiguity."

That form of explanation leads us to the view that such uncertainties and ambiguities might arise. It is much better to have rigour within the legislation and to make it clear that such mistakes would not be tolerated by the process. I would therefore like to hear an explanation from the Minister of why the provision is necessary, and in what circumstances he envisages its being used.

Nick Ainger: Referring to paragraph 336 of the explanatory notes, the hon. Gentleman seeks further information and clarification of how the provision would work and why it is necessary. May I give him an example? If an Assembly Measure relating to a matter in part 1 of schedule 5 were enacted, and it later transpired that the matter was not clear and needed amendment, although everybody agreed that the Measure was rightly within the Assembly's legal competence, an Order in Council could amend the wording concerning the matter in part 1 of the schedule to give that clarification. It could also, as far as was necessary, amend the citations in the Assembly Measure to put the whole thing on a clearer basis.

Parliament would have to approve the Order in Council and the Secretary of State must act compatibly with section 6 of the Human Rights Act. I reassure the House that the power would be used very rarely, and not without careful consideration of the grounds for using it. In the example that I cited, its use is limited to cases in which it had always been intended that the Assembly would be able to legislate by Assembly Measure on the matter concerned, and Parliament would be able to ensure that that was the case through its approval of the Order in Council.

Lembit Öpik: I share the concern of the hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) on the specific principled point that, in

introducing retrospective legislation, there is a possibility that we will create an environment where individuals fall foul of a law that did not exist in the past. I accept that the Minister is seeking to assure us that the legislation will always be compatible with the Human Rights Act, but how can he reassure us that the spirit of justice will be ensured if we are introducing legislation which goes back to a time when it did not exist?

Nick Ainger: I understand the hon. Gentleman's point. We should all have that concern about retrospective legislation, and that is why in the main we do not go down that road. I referred to the Human Rights Act to cover the issue of justice that he raised. We are talking about very minor detail that perhaps arises some time after the Assembly Measure has been enacted and clarification is needed. That is all that this provision will allow the Assembly to do through the Order in Council process.

Lembit Öpik: I appreciate that the Minister is seeking to reassure the Committee, but the difficulty is that we are hearing the reassurance that the provision will be applied only to minor detail from a Minister who is here now, in January 2006. That does not provide any insurance policy whatever against the suggestion of the hon. Member for Dumfriesshire, Clydesdale and Tweeddale that a future politician or group of politicians will use it to effect major upheaval and retrospective revision of legislation. Without labouring the debate, is there any reassurance whatever in the phrasing of the legislation that will prevent the wholesale use of the provision by a less sensitive or less scrupulous Administration?

Nick Ainger: The hon. Gentleman must accept from what I have said that this is basically a tidying-up exercise where there is a slight problem with an Assembly Measure. The provision will certainly not be used to change policy or the thrust of an Assembly Measure. It will be used for a minor detail that needs clarification.

Mr. Llwyd: In which case, if there were a full-blown Human Rights Act challenge and if part of the Measure were struck down, this process would not come into play, would it? That would not be minor in any way.

Nick Ainger: Perhaps I can reassure hon. Members in this way. If in the fullness of time clarification were required, the Order in Council would come back here. There is a protection. The Assembly would not legislate for itself retrospectively; Parliament, through the Order-in-Council process, would give permission for a new Order in Council to rectify the particular problem. That should reassure the hon. Member for Montgomeryshire. There would have to be a new Order in Council to bring forward the clarification.

Mr. Llwyd: That is quite different from retrospection. That is a matter of varying law by bringing it back. Retrospection would go back in time; it does what it says it does. With respect to the Minister, he is not addressing the point of retrospection.

Nick Ainger: I am trying to set out the practical process that would be gone through to ensure, as the hon. Gentleman says, that retrospective changes to the original Assembly Measure are made. For that to happen, there has to be another Order in Council. The issues will be debated here, just as we would discuss an ordinary Order in Council.

I hope that the hon. Member for Dumfriesshire, Clydesdale and Tweeddale accepts my reassurance that these provisions are likely to be very rarely used. They are for clarification and certainly not because it is envisaged that any new powers would be given to the original Assembly Measure. I hope that he will therefore withdraw his amendment.

David Mundell: I do not doubt the Minister's sincerity, but his responses to the queries raised by other hon. Members have made it clear that he cannot give us the assurances that he has been asked for. As the explanatory notes make clear, the nature of the clause is such that it offers the opportunity simply to reaffirm things that have already been done. That is unsatisfactory. I therefore ask the Minister to reflect on the clause and the genuine concerns that have been expressed by hon. Members from a number of parties. I shall not press the amendment to a Division, but I ask him to understand the seriousness with which we regard the clause and its potential, particularly in changed political circumstances, to cause severe difficulty and to undermine the devolution settlement in Wales. On the understanding that the Minister regards that as a serious and sincerely made point, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Mr. Grieve: I beg to move amendment No. 180, in page 51, line 26, after 'Assembly', insert

'in which the number of Assembly members voting in favour of it is not less than two thirds of the total number of Assembly seats'.

The Second Deputy Chairman of Ways and Means (Sir Michael Lord): With this it will be convenient to discuss the following: Amendment No. 154, in page 51, line 28, after 'approved', insert '(i)'.

Amendment No. 155, in page 51, line 29, at end insert

'or

(ii) has been laid before each House of Parliament and has been approved by a resolution of the House of Commons, but has been rejected by the House of Lords.

(5A) If subsection (5)(b)(ii) applies, the Order in Council shall not take affect until one year has elapsed since the date on which the House of Commons came to the resolution.'.

Amendment No. 27, in page 51, line 29, at end insert—

'(5A) In the event of approval of a draft statutory instrument by the Assembly, as specified in subsection (5)(a), but there not being within 40 days of that approval, an approval by a resolution of each House of Parliament as specified in subsection (5)(b), subsection (5) shall cease to have effect in the case of that draft statutory instrument, and the procedure specified in subsection (5B) will then apply to that draft statutory instrument.

(5B) The procedure which will apply in cases specified in subsection (5A) will be that no recommendation is to be made to Her Majesty in Council to make an Order in Council under this section unless a draft of the statutory instrument containing the Order in Council—

(a) has been laid before, and approved by a resolution of, the Assembly, and

[Sir Michael Lord]

(b) the resolution of the Assembly is passed on a vote in which the number of Assembly members voting in favour of it is not less than two-thirds of the total number of Assembly seats.'.

Amendment No. 187, in page 51, line 29, at end insert—

'(5A) Any draft of an Order in Council laid before Parliament under this section must be accompanied by—

(a) a detailed memorandum setting out the scope of the proposal, its practical effects on Wales and the legislative authority that would pass to the National Assembly, and

(b) a draft of the proposed Assembly Measure.

(5B) Before an Order in Council is subject to a resolution of both Houses of Parliament, the Secretary of State must make a motion to refer the draft of the Order in Council, along with the draft Assembly Measure, to the Welsh Grand Committee for consideration.

(5C) A report of the debate in the Welsh Grand Committee on the draft Order in Council and Assembly Measure must have been available to both Houses of Parliament for a period of not less than 60 days before any Order in Council is made under this section.'.

Amendment No. 211, in page 51, line 29, at end insert—

'(5A) But subsection (5) is not satisfied unless the resolution of the Assembly is passed on a vote in which the number of Assembly members voting in favour of it is not less than two-thirds of the total number of Assembly seats.'.

Amendment No. 212, in page 51, line 29, at end insert—

'(5A) But subsection (5) is not satisfied unless, before the draft of the statutory instrument containing the Order in Council has been approved by a resolution of the House of Commons

(a) the Welsh Grand Committee has debated the draft, and

(b) the Welsh Affairs Committee has reported to the effect that it approves the draft.'.

Amendment No. 122, in page 51, line 38, leave out 'either'.

Amendment No. 123, in page 51, line 39, leave out from 'Parliament' to end of line 1 on page 52.

Amendment No. 181, in page 51, line 39, leave out from 'Parliament' to end of line 41.

Amendment No. 53, in page 51, line 40, at beginning insert 'if subsection (7A) applies,'.

Amendment No. 54, in page 51, line 41, at end insert—

'(7A) This subsection applies only if the Secretary of State has reason to believe that the Assembly Measure made under the order—

(a) would have an adverse effect no any matter which is not specified in Part 1 of Schedule 5,

(b) might have a serious adverse impact on water resources in England, water supply in England or the quality of water in England,

(c) would have an adverse impact on the law as it applies in England, or

(d) would be incompatible with any international obligation or the interests of defence or national security.'.

New clause 4—*Refusal to lay draft statutory instrument*—

'In the event of approval of a draft statutory instrument by the Assembly, as specified in section 94 (5) (a), followed by a refusal to lay that draft statutory instrument before each House of Parliament, as specified in section 94 (7) (b), the Counsel General or the Assembly may refer to the Supreme Court for decision the question whether the Secretary of State's decision to refuse to lay the draft statutory instrument was made reasonably in the circumstances and intra vires.'.

Mr. Grieve: In an earlier debate we considered the possibility of introducing a system by which this House might have to vote following the passing of Assembly Measures, so that there was a second opportunity to ratify them. As I said to the Under-Secretary and the Secretary of State, there are other ways of approaching the problem with a view to improving the manner in which scrutiny is conducted. The amendments in this group are designed to achieve that and to provide an opportunity for the House to consider ways to change the process of scrutiny.

I shall deal first with amendments Nos. 180 and 211, which are designed to achieve roughly the same thing via different wording and different places in the text. I suspect that both would not be required. Their effect would be to ensure that no legislation was initiated by the Order-in-Council process unless the Assembly has resolved that it wishes it to be so initiated by a two-thirds majority. I present the amendments as probing amendments.

We know that in part 4 the Minister has provided that no initiation of the process of holding a referendum to transfer new legislative power should take place without a two-thirds majority in the Assembly. The Government argue that such a momentous change should occur only if there is a degree of consensus within the Assembly that such a measure should be adopted. However, on several occasions this evening the Minister has said that the difference between that procedure and the procedure set out in part 3 is that in the latter case it is possible to proceed on a case-by-case basis.

9.45 pm

If, for the general principle of a transfer of extra powers, a two thirds majority vote is required of the Assembly, it can certainly be argued that a two thirds majority vote should be required each time the Assembly wishes to proceed on a case-by case basis to acquire new powers under the Order-in-Council procedure. Why, in those circumstances, have the Government not considered including such a provision in the Bill? If we want to ensure that the Assembly takes powers only where there is agreement within the Assembly and a consensus in Wales that that should be the case, that would be an adequate safeguard.

The principal amendment in this group is amendment No. 187, which sets out a formula for better scrutiny of the legislative process. It provides that a draft Order in Council laid before Parliament must be accompanied by a detailed memorandum setting out the scope of the

proposal, its practical effects on Wales and the legislative authority that would pass to the National Assembly, and—this is an important aspect—a draft of the proposed Assembly Measure. The amendment spells out the requirement in legislative form.

Further, before an Order in Council is subject to a resolution of both Houses of Parliament, the Secretary of State would have to make a motion to refer the draft of the Order in Council, with the draft Assembly Measure, to the Welsh Grand Committee for consideration, thus ensuring the pre-legislative scrutiny that I think the Minister agrees would be necessary. A report of the debate in the Welsh Grand Committee on the draft Order in Council and the Assembly Measure must be available to both Houses of Parliament for a period of not less than 60 days before any Order in Council is made under this section.

I accept that one thing that the amendment does not provide for—it would be difficult to provide for it in primary legislation—is the possibility that was touched on by the hon. Member for Wrexham (Ian Lucas) and the right hon. Member for Torfaen (Mr. Murphy) that there should be joint sittings of the Welsh Grand Committee or a Standing Committee and Members of the Assembly to discuss the legislation. I envisage that slotting into the procedure provided for by amendment No. 187.

The amendment is not a perfect solution, but it at least provides a framework that goes considerably beyond what the Government spelled out in clause 94. I hope the Minister and other members of the Committee will respond in a positive spirit as to what further improvement we can make to the procedure. Leaving aside for a moment the proposal that I initially made in amendments Nos. 180 and 211, amendment No. 187 should be seen as standing on its own, although it can be linked to amendment No. 212, which further provides that subsection (5) will not be satisfied unless, before the draft of the statutory instrument containing the Order in Council has been approved by resolution of the House of Commons, the Welsh Grand Committee has debated the draft and the Welsh Affairs Committee has reported that it approves the draft. That is a further provision to increase and improve the consulting period and the way in which consultation takes place.

Amendments Nos. 122 and 123 were originally tabled by the Welsh nationalists, but we have added our names. We sought to achieve something similar in amendments Nos. 123 and 181, but for reasons that are fairly obvious, I prefer what is attempted in amendment No. 123 to amendment No. 181. Put simply, we find it difficult to understand why the Secretary of State should have the ability to refuse to place a draft before Parliament. Looking at the matter sensibly, one would assume that the Secretary of State holds office because his party has a majority in Parliament. But why should the Executive be in a position to veto the right of this House to consider the Assembly's draft?

If the Secretary of State were unhappy with a draft, it would surely be his job to come to the House and to explain, in the Committee proceedings that take place before the Order in Council can be approved, what he did not like about it. If there were a constitutional problem relating to it, let him come along and tell us. If we agreed with him, we would doubtless support him. If we disagreed, we could vote on the matter. But to provide for a double procedure in which the Secretary of State had a power of veto would appear to introduce the very mischief that I mentioned earlier, namely that this procedure in part 3 gives power to the Executive and removes it from the legislature. In this instance, we would be doing that for no good reason. I look forward to hearing the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) speak to these amendments, because they make a great deal of sense.

Mr. Llwyd: The purport of the amendments is exactly as the hon. Member for Beaconsfield (Mr. Grieve) has described. We are at a loss to understand why the Secretary of State should once more have an absolute veto over a provision being sought by the democratically elected Assembly for Wales. The Minister will no doubt address that point, and I do not want to labour it because it is getting late and the hon. Member for Beaconsfield has already put the case for the amendments very eloquently.

The purport behind new clause 4 is fairly simple. It reads:

"In the event of approval of a draft statutory instrument by the Assembly, as specified in section 94(5)(a), followed by a refusal to lay that draft statutory instrument before each House of Parliament, as specified in section 94(7)(b), the Counsel General"—

this next part is really the amendment—

"or the Assembly may refer to the Supreme Court for decision the question whether the Secretary of State's decision to refuse to lay the draft statutory instrument was made reasonably in the circumstances and intra vires."

In an earlier exchange with the hon. Member for Beaconsfield, concern was expressed that our proposals might have the effect of politicising the judges. However, we have used the word "reasonably" in the new clause, which relates to the reasonableness test according to the Wednesbury principles of a judicial review. We would seek to ascertain whether, with all the known facts being out in the open, the Minister had acted reasonably in all circumstances, and within his powers. That is all we are asking. We are not asking whether his decision was politically motivated or whether it was contrary to any or in favour of particular policy.

This is not in any way a political amendment. It is a stopgap measure to deal with the eventuality in which a future Secretary of State who was less sympathetic, or even hostile, to the cause of devolution than the present one might seek to prevent the Assembly from legislating, by providing the Assembly with some recourse to the law. I am not sure whether the Minister will be able to give us a definitive answer to this question today. New clause 4 would strengthen the democratic institution of the Assembly and allow it the same immediate right of referral to the Supreme Court that the Counsel General would have, and that the Attorney-General is given in other parts of the Bill.

Amendment No. 27 states, in effect, that

"In the event of approval of a draft statutory instrument by the Assembly . . . but there not being within 60 days of that approval, an approval by a resolution of each House of Parliament as specified",

the Assembly could, by a two thirds majority, carry on. If the period were 55 days, and were the House to adjourn for three months during the summer recess, that would be utterly unacceptable to the legislators in the

[Mr. Llwyd]

Assembly. The amendment would prevent such undue delay. That is not a slap in the face for Parliament, but merely enhances the Assembly's powers and, I hope, makes them more practical and ensures that its work is easier in due course.

Those are the amendments to which I wish to speak. The hon. Member for Beaconsfield (Mr. Grieve) has dealt with the other two amendments tabled by myself and my hon. Friends.

Mr. Paul Murphy: The Minister smiled kindly in the earlier debate on the question of pre-legislative scrutiny. I know that the Government will consider carefully some of the suggestions made in the Chamber. I want to refer to amendment No. 187, on which the hon. Member for Beaconsfield touched. When the Minister winds up, perhaps he will also smile favourably on the use of the Welsh Grand Committee, which could be enhanced by allowing all Members of the House the right to attend but not vote, as is the case with European legislation. Those different possibilities should be considered to ensure a better sense of scrutiny than is achieved by simply having one and a half hours in a Committee Room Upstairs.

Mark Williams (Ceredigion) (LD): I want to speak to amendments Nos. 53 and 54, tabled by my hon. Friends.

It is worth reminding ourselves of the work of the Richard commission, and of the concern that it expressed at the capacity of the Secretary of State to have too great an influence over the wishes of the National Assembly. We contend that if we are to have Orders in Council, we should follow the recommendation of the Welsh Affairs Committee, limiting the Secretary of State's powers to throw out an Order in Council only on procedural grounds. The Government's response to the Committee stressed the need for the Secretary of State to maintain that discretionary power in this area. The reply suggested limits to that discretionary power, but we believe firmly that those limits should be in the Bill.

I do not doubt the current Secretary of State's sincerity as a devolutionist. He told the Welsh Affairs Committee that he was one, and I believe him. We have heard the Minister talk about deepening devolution. In that context, as the hon. Member for Meirionnydd Nant Conwy has done, I wish to pose one question. What would happen if an anti-devolutionary party were to come to power in Westminster and totally frustrated the wishes of the Assembly by blocking any bid for enhanced legislation before Parliament even had a chance to consider it? We need more than vague assurances. We need assurances in the Bill.

Nick Ainger: This is a large group of amendments, and I hope that the House will bear with me as I address them in turn. I am conscious of the time, and I have a feeling that this will be a long speech.

Conservative amendments Nos. 180 and 211 would add a requirement for an Assembly resolution on a draft Order in Council amending schedule 5 to be approved by at least two thirds of all Assembly Members. The hon. Member for Beaconsfield asked why, if the Government insisted on a two-thirds majority for an Order in Council in relation to a referendum, we did not require a two-thirds majority in relation to the Order in Council process and so on. The answer is simple. We seek a two-thirds majority for a referendum because there must be consensus that there is a view throughout Wales—

To report progress and ask leave to sit again.—*[Kevin Brennan.]*

Committee report progress; to sit again tomorrow.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation).

Northern Ireland

That the draft Disability Discrimination (Northern Ireland) Order 2005, which was laid before this House on 7th December, be approved.—*[Kevin Brennan.]*

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees).

Charter of Human Rights and Commission Legislative Proposals

That this House takes note of the European Union Document No. COM (2005) 172, Commission Communication on Compliance with the Charter of Fundamental Rights in Commission legislative proposals; and supports the Government's position that the communication establishes ways in which the Commission could improve the compliance of its proposals with aspects of community law related to fundamental rights and the Charter remains a non-legally binding showcase of existing rights.—*[Kevin Brennan.]*

Question agreed to.

COMMITTEES

Mr. Deputy Speaker (Sir Michael Lord): I propose to put together motions 4 to 7.

Ordered,

Finance and Services

That Charlotte Atkins be discharged from the Finance and Services Committee and Barbara Keeley be added.

Environmental Audit

That Mr Tobias Ellwood be discharged from the Environmental Audit Committee and Mr Graham Stuart be added.

Trade and Industry

That Mrs Maria Miller be discharged from the Trade and Industry Committee and Mr Brian Binley be added.

Select Committee on the Armed Forces Bill

That Mr Michael Moore be discharged from the Select Committee on the Armed Forces Bill and Mr Colin Breed be added.—*[Joan Ryan, on behalf of the Committee of Selection.]*

NHS Audiology Services

Motion made, and Question proposed, That this House do now adjourn.—*[Jean Ryan.]*

10.1 pm

Dr. Howard Stoate (Dartford) (Lab): In the United Kingdom today, 9 million people—nearly 15 per cent. of the population—suffer from some degree of deafness. Of those 9 million, 5 million would benefit from hearing aids; yet only 2 million people currently have one.

The introduction in January 2000 of the modernising hearing aid services project promised a step change in the way in which NHS audiology services were to be managed and delivered. Digital hearing aids, which hitherto had only been available privately at a cost of up to £2,500, were finally to be provided through the NHS, and substantial investment was to be made available to audiology services to modernise their facilities and service. Since then a great deal has been achieved, and the quality of life of thousands of people, who are now benefiting from a digital aid for the first time, has undergone a dramatic improvement. It is an achievement of which the Government and its partner organisations, such as the Royal National Institute for Deaf People, can be justly proud.

While many patients have benefited in the last six years, a significant number of patients who are eligible for a digital aid, but have yet to receive one, are unlikely to have one fitted at any point in the near future.

David Taylor (North-West Leicestershire) (Lab/Co-op): I am grateful to my hon. Friend for giving notice of his willingess to give way. As someone with a perforated tympanic membrane and chronic tinnitus, I am one of the 8 million or so to whom he referred.

My hon. Friend mentioned the RNID. Is he aware of its approval of the scheme run in Leicester, my area, and six other parts of the country by Hearing Direct, which allows adult hearing aid users to receive telephonic advice and support encouraging them to continue such use without needing to travel to audiology clinics, thus saving them time and inconvenience? Is not the NHS doing quite well in bringing about such modernisation?

Dr. Stoate: I am pleased to hear of the innovative service in my hon. Friend's area. That is an example of the way in which the service can be, and has been, improved dramatically. If such a service were rolled out across the country, many people, including my constituents, would benefit. However, as I shall explain, it is not universal. Many parts of the country do not enjoy the service that my hon. Friend has managed to achieve in his area.

In the last year I have received dozens of letters from patients in Dartford, from people without an existing hearing aid, complaining about the length of the wait for a digital aid. I have also been contacted by a large number of patients with existing analogue aids, to whom the waiting list for a digital aid has been closed until recently. The distress and frustration that that is causing patients and their immediate families is, I need hardly say, considerable. It is particularly acute in the case of patients with existing analogue aids who are struggling to come to terms with the fact that they have no immediate prospect of receiving a digital aid.

The digital hearing aid service for residents in the Dartford, Gravesham and Swanley primary care trust area is currently provided by Medway NHS Trust. At present, 244 patients in Dartford and Gravesham are waiting for a "first fit" digital hearing aid. There is currently a 10-month wait, which is considerably longer than the best practice standard in the RNID's patients guide, "A good audiology service—what you can expect", which was published in 2002. The guide states that waiting times should not exceed the following: from GP referral to first assessment, not more than four weeks; from assessment to first fitting: not more than four weeks; and from first fitting to discharge; not more than eight weeks. Although the level of service is far lower than the best practice standard, it still represents a far better service than that enjoyed by patients who have been waiting to have analogue aids converted to digital aids. Until very recently, patients in that situation had no hope whatever of receiving a digital hearing aid as the waiting list for conversions was closed in order to enable the service to focus its resources on patients waiting for a first digital aid.

Mr. Peter Bone (Wellingborough) (Con): The position must be different around the country because I have a constituent who makes the reverse complaint. She has been forced to have a digital hearing aid when she is happier with the analogue aid and we cannot get the analogue for her.

Dr. Stoate: It is unique to have the Opposition complain that a service is too good. Long may it continue. If only it were so across the country. The hon. Gentleman makes the valid point that the service is patchy across the country.

The waiting list for digital conversions has now been resumed in my area but the approximate waiting time is 32 months. As of 16 January, 951 patients in Dartford and Gravesham were waiting for digital conversion.

In the past year, considerable efforts have been made to reduce waiting times for new patients and they are now a lot less longer than they were 12 to 18 months ago, when it was common to wait a year or more for a first fitting. The staff running the service deserve a lot of credit for that. However, that improvement has been made at the expense of patients with existing analogue aids, regardless of their clinical need, which concerns me.

Medway NHS Trust claims that its hand has been forced to a large extent by the introduction of a new waiting time target for NHS and diagnostic services, which states that, by 2008, no patient will have to wait longer than 18 weeks from referral to hospital treatment. The trust has interpreted that target as meaning that "new patients", that is,

"those patients with no amplification whatsoever"

should be prioritised. That is stated in a letter from the Medway NHS Trust chief executive's office dated 25 August 2005. However, I would welcome clarification from the Minister on that point. In my opinion the waiting list target should apply to people with existing aids who have experienced further hearing loss as well as to people who have no amplification.

[Dr. Stoate]

Although the waiting list is now open again to patients with existing aids, patients are still facing an extremely long wait and I feel that a fresh approach, which is based purely on clinical need and is free from such arbitrary distinctions between patients, is necessary. When the modernising hearing aid services project was launched, the RNID recommended that patients with analogue aids awaiting conversion to a digital aid should undergo a clinical assessment, so that the most vulnerable and needy patients could be given priority. It is extremely disappointing, therefore, that that is not happening.

The national framework contract public-private partnership with David Ormerod Hearing Centres and Ultravox, which was introduced in 2003, also makes a distinction between new patients without a hearing aid and existing patients with analogue aids. The PPP programme has made a significant difference to the lives of many new patients since its introduction and has been an undoubted success in many ways. It has enabled thousands of patients, who otherwise would still be waiting, to receive their first hearing aid. That comes as little consolation to existing patients in Dartford, however, who are not eligible for the scheme and still face a prolonged wait for a new digital aid.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing the debate and on raising this important issue. Are not digital hearing aids a perfect example of the NHS finding it difficult to deliver medical improvements in technology, despite the best efforts of all its staff, the Government and Ministers? Is not that an example of the NHS finding it difficult to deliver the services that people want?

Dr. Stoate: The hon. Gentleman is right, but I shall explain some of the reasons for that. The fault is not the Government's alone, and the system has worked well in some areas, but the service is patchy and we must try to bring all areas up to the best level. It is not true that the NHS is unable to fulfil contracts and deliver a good service, as it is clear that it has managed to do so in many parts of the country.

It is apparent, however, that a lack of resources—that is, facilities, staff and finance—still hinders the NHS' ability to deliver the level of service that patients have a right to expect. The Department of Health announced in January 2000 that £94 million was to be made available to modernise hearing aid services in England and said that, by April 2005, the latest digital hearing aids would be available for those people across the country who could benefit from them. Although digital aids are available in north-west Kent, we are still a long way from achieving the unfettered access envisaged in 2000.

The Darent Valley hospital patient and public involvement forum has campaigned tirelessly on this matter, and has suggested that many of the present problems result from a shortfall in funding from the Department of Health. It asserts that Government funding has covered only the cost of the hearing aids themselves and the associated computer equipment. The funding also helped to meet some, but by no means all, of the extra staffing costs associated with the increased work load, and that has obliged local PCTs to make up the difference from existing funds—something that they struggle to do. One member of the PPI forum, John Beadle, has said that

"although funds have been allocated"

to trusts,

"they were insufficient to meet all the requirements of audiology departments to fully support the 'Modernising Hearing Aids Service' programme."

Another major problem impeding the Dartford PCT's efforts to improve services is the shortage of suitable facilities. An outreach centre operated by staff from Medway, and using equipment from that trust, is available at Darent Valley hospital, but it consists of only one room. That is absurdly inadequate for an area with a population of almost 200,000.

Medway NHS trust has put together a business plan for the development of audiology services, and it seems likely that some of the capital will be used to fund the creation of an additional audiology room. Even with that extra room, however, the trust will still not have the level of facilities that it needs to deliver an effective service. It will still be far below the recommended level of provision set out in the best practice standards for adult audiology published in 2002 by the Department of Health and the RNID. In addition, even if the service is able to recruit and retain a full team of staff, and to ensure that a full range of equipment is made available, it still will not have the necessary facilities to house them.

Like all areas of the country, the service in Dartford is also affected by a shortage of audiologists. An audiology degree course has now been introduced and more qualified audiologists are now entering the profession but, with the demand for digital hearing aids continuing to increase, the service is struggling to keep up.

More and more people are seeking help with their hearing problems and that is, of course, to be encouraged. We have known for a long time that there is an enormous amount of unmet need around the country, and it is good that people are coming forward for help, encouraged perhaps by some of the recent announcements that have been made by the Department of Health. I am worried, however, that those people—some of whom might also have been encouraged to seek help by their friends and families—may quickly lose heart and give up when confronted by a lengthy wait for a fitting.

It is apparent that the lengthy waits experienced by patients in Dartford are common in many parts of the country. A recent survey carried out for the British Society of Hearing Aid Audiologists found that 41 per cent. of hospitals reported that queues of patients needing a hearing aid are longer now than in 2004. According to the society, it now takes seven weeks longer than it did in 2004 to see a specialist, have a hearing test and eventually get a hearing aid fitted.

The worst affected region is the south-east. By autumn 2005, the average wait there rose from 58 weeks in 2004 to 81 weeks, according to the BSHAA. In the north-east, the average wait went up from 18 weeks to 48 weeks, and the average wait in the west midlands is now 65 weeks.

In some trust areas, the average wait is considerably longer still: the BSHAA reported total waiting times in 2005 of 130 weeks at the Royal Sussex County hospital in Brighton, of 156 weeks at Birmingham's City hospital, and of 106 weeks at the Queen Elizabeth the Queen Mother hospital in Margate. In contrast, the average total wait from referral to fitting is around 31 weeks in the east midlands region, and 35 weeks in the northern region. Again, that shows the existing disparity across the country. The speed of service that a patient can expect therefore varies widely from place to place, and that is clearly unacceptable.

Waiting times are by no means the only issue that patients are concerned about. For example, a number of people have also approached me with concerns about the level of choice that exists in terms of the types of digital aid available to eligible patients. Although in-the-ear aids are available to private patients, NHS patients have access only to behind-the-ear aids, which many people find cosmetically unacceptable. Unfortunately, most NHS patients are unaware of this until they come to have a digital aid fitted. Not unnaturally, they are often very disappointed. This is particularly true of patients who receive their aid through companies involved in the public-private partnership scheme, which have of course spent considerable sums advertising availability of in-the-ear aids.

I am also concerned that, because of the pressure on local audiology services, patients who have been fitted with a digital aid may not be getting the rehabilitation and aftercare that they need to ensure that they make full use of the aid. The aftercare burden faced by audiology services has become even heavier since the introduction of the PPP scheme, as the companies taking part in it are not involved in the aftercare of NHS patients whose digital aids they fit. A telephone follow-up service has been introduced by the NHS, and it is clear that it is working in the constituency of my hon. Friend the Member for North-West Leicestershire (David Taylor), but it is not ideal and no substitute for ongoing, personal, face-to-face consultations.

It is clear that lack of effective service monitoring and audit arrangements at local level have contributed to the parlous situation in which many audiology services now find themselves. The Department of Health, the Royal National Institute for Deaf People and the National Institute for Health and Clinical Excellence have all published guidance on how local services should run. For example, NICE issued guidance on hearing aid technology as long ago as July 2000. It recommended that audits be performed to assess the performance of audiology departments. Two years later, the Department of Health and the RNID published their "Best Practice Standards for Adult Audiology", which set out the standards that

"all audiology departments will want to work towards".

It concludes by saying that

"a scheme should be put in place for monitoring and audit on a regular basis."

It seems, however, that few trusts have been able to implement either the best practice standards or the NICE guidelines fully. In many places, no attempt whatsoever has been made to implement them. Moreover, since those guidelines were published, little or no attempt has been made at national level to assess the quality of service being delivered in terms of waiting times, or to see whether the guidelines are being adhered to.

Part of the problem up to now is that unlike accident and emergency or cancer waiting times, the Healthcare Commission does not take into consideration audiology waiting times in setting each trust's annual performance rating. This problem is compounded by the fact that the Department of Health does not collect records of waiting times in each trust on the fitting of hearing aids. Both those oversights need to be addressed if we are to have a more accurate understanding of the situation on the ground in each area.

The new Department of Health 18-week treatment target for audiology patients by 2008 is a welcome step forward, but as I have already alluded to, to whom this waiting list target actually applies needs to be clarified. Does it apply to all patients, or just to those without any amplification? I should also be grateful for clarification of the level of treatment that the target refers to. Does it apply simply to the waiting time from general practitioner referral to an appointment with an ear, nose and throat consultant, or to the waiting time from GP referral to final fitting? It needs to refer to the latter if it is to have any credibility. A more robust and transparent system of targets, assessment and audit is absolutely essential if the service is to improve across the country.

Resources remain the ultimate obstacle, however, to service improvement. I have already referred to the straitened circumstances in which the audiology service in Dartford is operating. I hope that the accommodation problems that Dartford is experiencing are not the norm across the country. An assessment of the appropriateness of the accommodation in which each service is functioning needs to be carried out, and I ask the Minister to ensure that it is.

An assessment of the financial capacity of each service to deliver its basic commitments also needs to be carried out. The RNID document "Sustaining your modernised audiology service" maintains that adult services in England

"have been fully funded to fit digital aids, and an increase to reflect ongoing commitments has now become part of the baseline allocation to trusts."

The evidence from Dartford and from the BSHAA, however, suggests that trusts are finding it difficult to meet their obligations to patients, and that the funding provided is nowhere near sufficient to meet demand. Funding for audiology services ceased to be ring-fenced in April 2005 and audiology services now have to compete for funding with other health care departments. So it is unlikely that the funding situation will improve in the immediate future, given the state of most trusts' funding. Until requisite funding is made available that is based on an accurate assessment of the level of need in each community, audiology services will undoubtedly struggle to cater for existing demand.

In some ways, the Department of Health has become a victim of its own success in marketing digital hearing aids. In the past five years, thousands of patients have been persuaded, thanks to the efforts the Department of Health and the RNID, of the advantages that a digital aid can offer, and they have become aware of their availability on the NHS. Demand has therefore risen

[Dr. Stoate]

dramatically across the country, in most cases well beyond the capacity of the local audiology service. We cannot afford for the progress made in the past few years to be wasted. A thorough review of the way in which audiology is funded, delivered and monitored is therefore essential. I urge the Minister to make it a priority.

10.20 pm

The Minister of State, Department of Health (Ms Rosie Winterton): I congratulate my hon. Friend the Member for Dartford (Dr. Stoate). The topic is clearly important nationally and to his constituents, and as usual he set out his arguments eloquently. Like him, I believe that people who need hearing aids should have access not only to the latest technology, but to a high quality service. I thank him for his recognition of the dramatic national progress of the past five years in audiology, particularly the move from the old-fashioned analogue aids towards offering modern digital hearing aids.

My hon. Friend referred to the situation in his area. I pay tribute to the national health service staff in his constituency who have worked hard locally and done much to bring down waiting lists. I shall come to some of the problems that he has outlined and set out some of the ways in which we are addressing them. I should, however, put it on the record that the average waiting time for first fitting of digital hearing aids in all areas served by Medway Maritime Hospital Trust is 40 weeks. That sounds a long time, but it has come down from approximately 100 weeks—nearly two years—in early 2005. The trust plans to bring that below 10 weeks. The trust also plans to see 70 patients per month who are waiting for conversion from analogue to digital hearing aids. As part of that, there have been a number of local initiatives. One in Dartford, involving Gravesham primary care trust, is providing services to something like 600 extra patients, some of whom require analogue to digital conversions, by using private sector providers.

The team at the Medway trust is also carrying out group-fit sessions that enable more patients to be seen, and that is giving valuable peer support. Audiology facilities at Darent Valley hospital are to be extended, and recruitment of additional staff is under way. Audiology services at Gravesend hospital is to be moved to the new Gravesend community hospital later this year, and service links at the new facility will enable more sessions to be carried out at Gravesend to complement the sessions at Darent Valley hospital. In addition, £606,000 from the modernising hearing aid services initiative is being used this financial year across Kent to bring down waiting times. Finally, Kent and Medway strategic health authority is establishing an audiology group to look with PCTs and trusts at the impact of some of those current initiatives and to set further targets and trajectories for waiting lists in 2006.

My hon. Friend mentioned the initial £125 million investment in modernising NHS audiology services. He asked what that covered, and I can confirm that it covered staffing and training in the new modernising hearing aids services procedures as well as equipment and information systems.

All NHS audiology services are now able to fit digital hearing aids routinely and I reassure my hon. Friend that the Department would neither advocate nor promote treating only those without analogue aids. I am pleased to see that my hon. Friend's trust is now working to fit analogue aid wearers with digital hearing aids. However, I agree that we still have a long way to go. As my hon. Friend said, demand has grown enormously, and that has led to long waits in some areas.

Mr. Brooks Newmark (Braintree) (Con): I, too, wish to congratulate the hon. Member for Dartford (Dr. Stoate) on raising this important issue. I also congratulate the Minister on her willingness to try to achieve the goals that the hon. Gentleman seeks. The challenge, however, arises from the funding crisis that many PCTs are suffering. How does the Minister intend to bridge the gap between the important objectives that she seeks to achieve and the funding crisis?

Ms Winterton: It is important to be clear that the NHS has received enormous investment, and all PCTs have benefited from that. We need to ensure that PCTs manage their finances properly, and if that is not sorted out the finances will not be on the even keel necessary to fund some of the new services that are coming on line. Financial management is vital to enable some of the PCTs that have difficulties to get on an even keel so that those services are provided by all PCTs.

We are taking several measures to tackle the problems, including 350 additional audiology posts and a new four-year BSc degree in audiology with a total of 348 students in training. The national framework contract public-private partnership will allow NHS trusts to use private hearing aid dispensers, which is just the sort of initiative that is being used in my hon. Friend's constituency. As my hon. Friend the Member for North-West Leicestershire (David Taylor) mentioned, we are also introducing Hearing Direct, an optional telephone-based service that offers follow-up care and advice for selected hearing aid users. It will not suit everybody, and I wish to emphasise that if face-to-face contact is still necessary after the telephone contact, it will still be on offer. However, Hearing Direct is an exciting initiative that has achieved a high degree of satisfaction among users, not least because it can reduce the time that they spend travelling to out-patient appointments.

In the time remaining, I wish to address a few more of the points that my hon. Friend mentioned, such as the availability of in-the-ear aids compared with behind-the-ear aids. The MHAS procurement group, chaired by the RNID, agreed that the default position would be the provision of a range of behind-the-ear devices. However, if a specific clinical need for an in-the-ear device was indicated, one would be provided.

My hon. Friend also mentioned accommodation provision, which should be part of local service planning arrangements. The Medway NHS trust is considering using some of its capital to fund the creation of an additional audiology room. Even one room can cost something like £100,000, but I must emphasise that it is a matter for local PCTs to decide how they wish to address some of the accommodation issues.

We are also looking at further action on waiting times through the national physiological measurement programme. One of the development sites for this work

is at the East Kent Hospitals NHS Trust and the outcome of that will be shared across the strategic health authority.

My hon. Friend asked particularly about the 18-week target, and we are looking at the principles and definitions for that target. We started consultation that closed on 8 December. Audiology, as a whole, is one of the disciplines that we are considering at the moment and, following ministerial approval to the final principles and definitions, we will be publishing guidance within the next two months.

My hon. Friend also referred to the NICE guidance. NICE withdrew that guidance in May 2003 in the light of the proven success of the MHAS pilots and the wider availability of digital hearing aids. There is no central audit of practice by the Department—

The motion being made after Ten o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at twenty-nine minutes to Eleven o'clock.

House of Commons

Tuesday 24 January 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

Post Office

1. **Danny Alexander** (Inverness, Nairn, Badenoch and Strathspey) (LD): What discussions he has had with the Secretary of State for Trade and Industry on the future of the rural post office network in Scotland. [43210]

The Parliamentary Under-Secretary of State for Scotland (David Cairns): My right hon. Friend and I regularly meet ministerial colleagues and discuss a range of issues.

Danny Alexander: In the light of the decision not to allow post offices to deal with the new passports, and of reports that the contract for the Post Office card account will not be renewed after 2010, it appears that the Government are planning massive cuts in the number of rural post offices. Will the Minister assure the House that he will impress on his colleagues the essential social importance of the 1,100 rural post offices in Scotland and ensure that funding is put in place to ensure their survival long into the future?

David Cairns: It is disappointing that the hon. Gentleman did not mention the more than £2 billion of investment that the Government have put into the post office network, including £500 million for IT and £750 million invested specifically in the rural network. He has to face up to a simple dilemma. There are 800 post offices in the network with fewer than five customers a day. People are choosing to shop in a different way and, even before the introduction of the POCA, more and more people were choosing to have their benefits paid directly into bank and building society accounts. Would he continue to support a network that would wither on the vine without that investment, at an ever-increasing cost to the taxpayer? Those are difficult decisions. I understand why the Liberal Democrats are not capable of taking tough decisions, but we may have to.

Mr. John McFall (West Dunbartonshire) (Lab/Co-op): The Minister is aware that more than 4 million people have been given a POCA and that the account plays a significant part in the financial inclusion agenda. If it is to be withdrawn by 2010, will he give an undertaking that there will be proper planning and consultation so that the Government's financial inclusion objectives are realised?

David Cairns: My right hon. Friend is entirely correct. The Government set great store by financial inclusion. As chairman of the Treasury Committee, he has played a large part in advancing that agenda. The fact is that the guarantee to maintain the POCA extended only to 2010. Decisions on what happens after that are the subject of ongoing discussions between the Post Office and the Department for Work and Pensions. Large numbers of those who access their benefits through a POCA also have a bank account, so it is not axiomatic that all those who currently go through a POCA do not have an alternative account, but my right hon. Friend is right to remind us of the need for financial inclusion. We will keep that uppermost in our minds.

Mr. Ian Liddell-Grainger (Bridgwater) (Con): Given that the Post Office successfully continues to supply 170 different products, but that 40 per cent. of its income derives from pensions and benefits, is not the time now right for the Government to renegotiate with Post Office Counters people's ability to access bank accounts at the post office, or to use their cards in the post office to draw money from their benefits? Surely both are not possible.

David Cairns: It is a fact that basic banks accounts with all the major Scottish banks are accessible at post offices in Scotland, so we have gone some way to deal with that issue. [HON. MEMBERS: "No."] Basic bank accounts are accessible. What we have to do is ensure that, as we look to the future of the Post Office, which we regard as extremely important—we have invested massively in its future and put in enormous amounts of taxpayers' money to sustain it—we ensure that we continue to meet the social needs that it currently fulfils. However, we must also bear in mind the fact that people's shopping patterns change and the need to reflect that. We will take on board the point that the hon. Gentleman makes, but I think that the Government are already acting in that respect.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): I hope that the Minister will discuss these matters with his colleagues, and when he does I hope that he will also raise the question of urban post offices. Is he aware of the plans of Post Office Ltd to alter the status of six Crown post offices in franchise agreements and of the consequences that that will have in terms of reduction of service to customers and of conditions for staff? Given that there are many opportunities for the Government to put business into post offices, will they take a lead in ensuring the survival of our post offices, particularly in towns such as Dunfermline?

David Cairns: The question on the Order Paper is about rural post offices and if the hon. Gentleman thinks that Dunfermline post office is a rural post office, it shows his complete and utter ignorance of Dunfermline. It also demonstrates clearly why his party has abandoned all hope of winning the Dunfermline and West Fife constituency. Indeed, so low is the Liberal

Democrats' target that they hope only to beat the Scottish National party into third place. We have put significant investment—£2 billion—into the Post Office. I am sure that as long as Dunfermline continues to have an excellent Labour MP, as it will have after the by-election in a week or two, she will continue to ensure that the Government continue their policy of supporting the Post Office.

Asylum Cases (Dawn Raids)

2. **Mr. Jim McGovern** (Dundee, West) (Lab): What discussions he has had with the First Minister of Scotland on the use of dawn raids in asylum cases. [43211]

The Parliamentary Under-Secretary of State for Scotland (David Cairns): My right hon. Friend has regular discussions with the First Minister on a range of subjects.

Mr. McGovern: My hon. Friend will be aware of the disquiet felt in certain areas in Scotland about what the tabloid press portrays as dawn raids. Many people regard them as insensitive and unnecessary. Although any sensible politician would say there is no case for a separate immigration and asylum system in Scotland, does my hon. Friend agree that a certain flexibility might be applied to bolster public confidence in the system north of the border?

David Cairns: I thank my hon. Friend for the moderate and balanced way in which he made his point. The issue is all too often characterised by extremes at both ends: those who say we should have no asylum seekers or refugees at all, which we reject, and those at the other end who say we should have no rules to remove failed asylum seekers. We must have a balance. My hon. Friend is right. Early morning removals of asylum seekers are regrettable. We must do everything we can to avoid that, but if people are given opportunity and financial assistance once their claim for asylum has been turned down, they have lost their appeal, and they are asked to return to the country that they came from or their home country, if they consistently refuse to do so, we regrettably have to take steps to remove them. We must do so humanely and sensitively. I thank my hon. Friend for his contribution to that.

Jo Swinson (East Dunbartonshire) (LD): I welcome the Minister saying that we should enforce the rules sensitively and humanely, but does he agree that as they are currently carried out, early morning removals—dawn raids—are traumatic for families, particularly when parents are handcuffed and children are separated from their parents and taken away in different vehicles? What reassurances can he give to the constituents who contact me because they are concerned about the matter?

David Cairns: The point that the hon. Lady mentions illustrates perfectly why voluntary removals are far better. That is why it is much better for individuals to leave the country when their appeal has been turned down and they are instructed to leave and given financial help and support to do so. If people consistently refuse to leave the country after it has been found that they have no claim for asylum, we ultimately have to remove them if we are to have a system that we can enforce at all. It is very regrettable, but the power lies with them to pre-empt that by leaving the country when their appeal has run out.

Ann McKechin (Glasgow, North) (Lab): Like my hon. Friend, I agree that if we have a system, we have to deal with applications that are unsuccessful. Following discussions that colleagues in Glasgow have had with the immigration department, a system is being introduced whereby a lead professional will be involved throughout the removal process, from correspondence to meetings, up to the final removal. What measures will the Government take to encourage more people to take the route of voluntary return?

David Cairns: My hon. Friend is right to point out the improvements that are being made in the removals system, such as the lead professional and work with schools that have large numbers of asylum seekers' children, as many of the concerns are raised through the children in those schools. Such changes have been brought about across the United Kingdom because of concerns expressed in Scotland. It is proper for us to acknowledge that the First Minister played an important role in raising these concerns in discussions with the Home Secretary. What we cannot have—I know my hon. Friend agrees with this—is a different removals regime in Scotland from the one in England because that would make it more difficult to remove asylum seekers from Scotland, as we would simply be sending a green light to every failed asylum seeker awaiting deportation in England to move to Scotland. That cannot be a sensible position.

John Robertson (Glasgow, North-West) (Lab): I thank my hon. Friend for his answers and concur with his sentiments regarding the people being sent home. Is it not the case that Glasgow is the only city accepting asylum seekers? Is it not despicable for the hon. Member for East Dunbartonshire (Jo Swinson) to preach to those of us who have to deal with the problem daily, when her constituency and council have nothing to do with those people?

David Cairns: At Scottish questions, I have repeatedly congratulated Glasgow city council on the work that it has done. I have met Councillor Purcell, the leader of the council, and thanked him personally for the council's work. It is in negotiations to extend the contract. After a difficult start, as you will remember, Mr. Speaker, it has bedded down well and the families of asylum seekers in Glasgow are contributing to the city, the economy and the schools. I am happy to pay tribute to Glasgow. It is open to any other council to come forward at any time and seek to be part of that scheme.

Energy

3. **Mr. Mike Weir** (Angus) (SNP): What recent discussions he has had with the Department of Trade and Industry on energy in Scotland. [43212]

The Secretary of State for Scotland (Mr. Alistair Darling): There are regular discussions with Ministers and officials in the Department of Trade and Industry on a wide range of matters.

Mr. Weir: I thank the Minister for that uninformative answer. He will know that the DTI launched its energy review consultation document yesterday. Why are the Government determined to foist new nuclear power stations on Scotland when Scotland does not have an energy crisis? We produce eight times more gas than we consume, we have massive coal reserves and a massive potential for renewable energy generation. Is it not the case that Scotland could be energy independent? What we need is not new nuclear power stations but political power.

Mr. Darling: If the nationalists had their way, Scotland would not have any energy generation at all, because they are against nuclear and coal-fired power, and against wind farms unless they are in somebody else's constituency. They must face the fact that, in the next 15 to 20 years, Scotland will lose a lot of its generating capacity because it is getting older and we need to plan ahead now to make sure that we have secure energy supplies in the future. That means that we need to examine whether we should extend the life of the existing nuclear power stations, and whether there should be any new building of nuclear power stations and other plants. I must also point out that this Government and the Scottish Executive have given substantial help to renewable energy generation, which is very important. If the nationalists had their way, there would be no plants anywhere at all.

Mr. Frank Doran (Aberdeen, North) (Lab): The Secretary of State will be aware that, 30 years ago, Scotland held a world-class position in the renewables industry, but we lost that position when investment was squeezed out in the rush to go nuclear. Will the Secretary of State ensure, no matter what decision is made on nuclear power following the DTI review of the United Kingdom's energy requirements, that we maintain our investment in the renewables industry?

Mr. Darling: Absolutely. The Government and the Scottish Executive have targets to maintain and expand the amount of electricity generated from renewable sources. However, as I have said before, it is important that we generate electricity from a range of sources, so that we do not become over-dependent on any single one, which would be very risky. The whole point of the review is to have a grown-up discussion about what is best for Scotland. It is simply not possible to have an energy policy in which every option is ruled out, which is the position into which all three Opposition parties have more or less got themselves.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): Last week in the Scottish Parliament, the First Minister said that section 36 of the Electricity Act 1989 gives the Scottish Executive the power to veto the construction of new nuclear power stations in Scotland. Will the Secretary of State ask his colleagues in the DTI whether they agree with that interpretation?

Mr. Darling: Of course they do. I said at the last Question Time that the Scottish Executive would have to give their consent under the 1989 Act. In addition, planning matters are devolved, so the hon. Gentleman is doing no more than stating the blindingly obvious.

David Mundell: When the Secretary of State next discusses energy issues with his colleagues in the DTI, will he raise the impact of rising energy prices on businesses in Scotland? On the day that has seen the announcement of the loss of 700 jobs at Lexmark in Rosyth, will the Secretary of State acknowledge the fragility of Scotland's manufacturing industry? Does he accept that continuing rises in base costs will lead to further job losses?

Mr. Darling: Energy costs are certainly very important. Again, however, it is no use the hon. Gentleman saying that he is concerned about energy prices if he is then going to rule out a whole range of ways in which we could produce more energy, thus reducing prices. In relation to the announcement at Lexmark today, I have spoken to the local manager there and discussed the situation with him. This is clearly extremely disappointing news for the people who are employed at Lexmark, but the Scottish Executive and the Government, through Jobcentre Plus, will do everything that they possibly can to help the people who lose their jobs. In addition, it is also worth noting that more than 1,200 jobs have been announced in Fife in the past year. At a time when changes are taking place in the jobs market here and right across the world, it is important that we have a strong, stable economy backed up by as much help as possible to ensure that, if people do lose their jobs, they get back into work as soon as possible. That is something that we have been able to do, and there are now more jobs in Fife than at any time when the Tories were in power. It is important that we continue to maintain that course.

Mr. John MacDougall (Glenrothes) (Lab): I appreciate what my right hon. Friend has said about the investment in Fife and the campaigns fought by many people, including the late Rachel Squire, to achieve that success.

Scotland's energy needs will arise whether Scotland wants them to or not and they will have to be met. What mechanisms will my right hon. Friend provide to allow Scotland's energy industry to engage in discussions during the energy review?

Mr. Darling: My hon. Friend is right to say how important it is for the Government to maintain a strong and stable economy in Fife and elsewhere, so that jobs continue to be created there. Some 10,000 jobs have been created in Fife over the past seven or eight years. Now we must ensure that we can maintain the current conditions to allow the creation of many more jobs.

It is worth noting that some of the new jobs in Fife that have been announced during the last few months are connected with the construction of a wind turbine there. That is an example of the way in which Fife can gain from the new opportunities. It is important for all energy companies to be involved in the review, and that will certainly happen.

Election Counts

4. **Mr. Brian H. Donohoe** (Central Ayrshire) (Lab): If he will make a statement on the proposals by the Electoral Commission to change the timing of the count at the Scottish parliamentary and local government elections. [43213]

The Secretary of State for Scotland (Mr. Alistair Darling): I received the Electoral Commission's report on 10 January, and, in consultation with Ministers in the Scottish Executive, will consider its recommendations.

Mr. Donohoe: My right hon. Friend will know that I strongly oppose the idea of delaying the count. I believe that the delay is being requested purely because the same staff are used at polling stations during the day as are used at the count. Surely the answer is to employ more staff, so that an important aspect of the whole election process is adhered to.

Mr. Darling: I have some sympathy with what my hon. Friend says. As a Member who represents a constituency in Edinburgh, where results are regularly declared on what appears to be the next day—at 4 or 5 am—I should like to represent a constituency where they are declared at, say, 11.5 pm. We shall need to discuss the matter, not just with those who do the counting but with others, but we have only just received the recommendations and I think that I had better consider them before deciding what we should do.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): Is it not essential for the counting of votes in the Scottish parliamentary and local government elections to be separated, ideally by about a year? Given that complex new local government election systems are being introduced, would it not be inappropriate for them to be implemented on the same day as the already complicated parliamentary election system? Only wee fearties want the elections to take place together.

Mr. Darling: I am not sure that I agree with that proposition. I am responsible for the conduct of elections to the Scottish Parliament. Responsibility for the timing of the local government elections lies with the Scottish Executive.

David Mundell: Is the Secretary of State aware that the Electoral Commission has said that the additional member system of election, which would prevent candidates from standing in constituencies and also appearing on regional lists, is "outside international democratic norms"? Will he rule out the introduction of such a system in Scotland?

Mr. Darling: If it were not for the list system in Scotland there would be no Conservative MSPs, so I understand the hon. Gentleman's point. As I have said, I do not expect any early changes to be made to the Scotland Act 1998. We have the recommendations of the Arbuthnot committee, which will need to be considered by all political parties and indeed by others, but I have made it clear that I do not think any changes will be possible before the coming elections to the Scottish Parliament.

Mr. Jimmy Hood (Lanark and Hamilton, East) (Lab): The Secretary of State will recall the controversy that preceded the establishment of the Arbuthnot committee. Does he agree that, now that we have its report, Parliament—and Back Benchers in particular—should be able to have an input before the Government's response? Would that not best be achieved by setting up a Scottish Grand Committee to discuss the report?

Mr. Darling: I am always open to suggestions. I am sure that the usual channels will want to consider that. One thing that my hon. Friend will want to consider is whether a suitably large attendance at the Scottish Grand Committee can be guaranteed.

Devolution

5. **Miss Anne McIntosh** (Vale of York) (Con): What recent devolution issues the Advocate-General has considered. [43214]

The Secretary of State for Scotland (Mr. Alistair Darling): Since 13 December, 91 devolution issues have been raised with the Advocate-General.

Miss McIntosh: The Secretary of State will be aware that a number of Conservative Members take a close interest in devolution issues in Scotland and I hope that he will join me in congratulating the outgoing Advocate-General on her appointment to the bench. In so far as there is now a vacancy, who will be answering for the Advocate-General, and when might that vacancy be filled? Obviously, devolution is of close interest to the Opposition and we would like to know that the matters that we raise will receive close attention from the Secretary of State's Department.

Mr. Darling: I am glad to hear that devolution is of great interest to the Conservative party—that is one of the many ways in which it tells us that it has changed. As far as the appointment of the Advocate-General to the bench is concerned, I agree with everything that the hon. Lady said, and I am sure that she will miss her—we will remember fondly their exchanges over many years. The appointment of the new Advocate-General is of course a matter for the Prime Minister.

Mr. Alex Salmond (Banff and Buchan) (SNP): Can the new Advocate-General rule on which Minister is responsible for responding to the ridiculous proposal from Labour and Liberal councillors on the Forth Estuary Transport Authority to increase the tolls to a massive £4? The Secretary of State for Scotland says that he is against it, but the First Minister merely wants to delay it until after the by-election. Who will respond with regard to the £4 imposition proposed by the Labour and Liberal parties? Will the new Advocate-General also—

Mr. Speaker: Order. The hon. Gentleman is allowed one supplementary not three.

Mr. Darling: It seems to be true that the nationalists and Liberals are fighting each other for second place in the by-election. Given that it is now clear that the

existing Forth bridge will not last as long as people thought, that it would be ridiculous if Fife were left without a bridge, and that most reasonable people think that there ought to be a bridge between Fife and the central belt, it is interesting that the Greens are the only party that says that it is against it, and the Scottish National party wants to go into coalition with the Greens. Therefore, if one votes SNP or Green, one is voting for there not to be a replacement bridge.

Ferries

6. **Mr. Andrew Turner** (Isle of Wight) (Con): When he last discussed ferry services in Scotland with the Secretary of State for Transport. [43215]

The Secretary of State for Scotland (Mr. Alistair Darling): Responsibility for ferry services in Scotland rests with Scottish Executive Ministers.

Mr. Turner: I thank the Secretary of State for that unrevealing answer, because I asked him when he last discussed the matter with the Secretary of State for Transport. Can he tell me what is the subsidy per passenger mile to ferries in Scotland? Has he been informed by the Secretary of State for Transport what is the subsidy per passenger mile to ferries in England?

Mr. Darling: In relation to the Isle of Wight, all services are provided on a commercial basis. The reason for that is that about 9 million passengers are carried on ferries between the mainland and the Isle of Wight, whereas in the Scottish islands, even on routes such as Stornaway to Ullapool, the figure is about 189,000. A figure of 9 million passengers means that commercially justified services are possible, whereas most of the Scottish islands need an element of subsidy. I assume that even the new Conservative party is not arguing that ferry services are not important to the Hebrides and other islands. Such services need to be maintained and subsidised.

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): Have the Secretary of State or the Government investigated the economic benefits of the possible increase in tax revenues as a result of further lowering ferry fares to the Hebrides?

Mr. Darling: Were there to be such a consideration, it would have to be given by the Scottish Executive, which, of course, is responsible for the subsidy regime and for maintaining ferries to the Hebrides.

Energy Prices

7. **Michael Connarty** (Linlithgow and East Falkirk) (Lab): What representations he has received from Scottish industry representatives on energy prices. [43216]

The Parliamentary Under-Secretary of State for Scotland (David Cairns): The Government are working closely with industry to mitigate the impact of increased energy prices.

Michael Connarty: Is the Minister aware that, when I have met heavy energy users in my constituency such as BP, which has sold the Grangemouth refinery to Ineos, and KemFine, which will have heat and power plants, they tell me that they are counted as being in breach of the 1997 emission regulations for SO_2 every 15 minutes, whereas under the European directive, their competitors are in breach only once every hour? That means that they are four times more penalised—they cannot use fuel oil, which is a cheaper replacement for gas—than their competitors. In the forthcoming revision in the new directive, will the Government consider levelling the playing field and allowing heavy users in Britain with heat and power plants to use fuel oil in the same way as users can in the EU?

David Cairns: I am aware of the issue, not least because it is one that my hon. Friend has raised assiduously in the House on many occasions. He will be interested to know that the Minister for Energy is meeting industry bodies tomorrow to discuss a range of issues on the subject, including fuel switching, and I am sure that he will bear those representations in mind. It is true that we have more stringent environmental standards than many of our competitors. We also have tougher targets for carbon emissions, but we have to balance that with the need to protect jobs and industry. That is the point that my hon. Friend makes. While some parties pay lip service to the environment and some to the economy, we have to make sure that we manage both.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Will the Minister give us an update on the oil and gas pipeline being built between Norway and Scotland? Will it be built on time and to budget? As it is my 34th birthday today, can he give me a straight answer?

David Cairns: I wish the hon. Gentleman many happy returns. He does not look a day over 33. Since he has come to the House, he has aged well.

We welcome the increasingly close co-operation with Norway in developing efficient cross-boundary infrastructure for both oil and gas. It is an important source of energy for this country. We have to work closely on that and I am sure that we will.

CONSTITUTIONAL AFFAIRS

The Minister of State was asked—

Party Political Funding

16. **Barbara Keeley** (Worsley) (Lab): How much was paid from public funds to the Conservative, Liberal Democrat and Labour parties in 2004 and 2005. [44680]

The Minister of State, Department for Constitutional Affairs (Ms Harriet Harman): Over the past two years, out of public funds, the Conservative party received around £4.5 million, the Liberal Democrats received around £2 million and the Labour party received around £500,000.

Barbara Keeley: Many people do not trust the idea of multi-millionaires giving donations to political parties for their campaigns, yet in election campaigns, all the parties try to match campaign spending by the other parties. Obviously, that needs to be controlled. What chance does the Minister think there may be for some all-party proposals to tackle that funding issue?

Ms Harman: My hon. Friend makes a good point. I know that there is concern around the House that voters should be sure that what makes a difference is their vote on the ballot paper, not political parties, whatever side of the House they sit on, being pushed into the arms of millionaires or big companies. We have brought forward proposals at least to make the position more open and transparent with donations having to be declared, but paradoxically the more the public know about donations, the more concern grows. We need to consider and discuss that matter.

Mr. David Burrowes (Enfield, Southgate) (Con): Last Wednesday, *The Independent* reported that Labour is considering a big extension of state funding for political parties to combat allegations of sleaze. Surely, rather than inflicting more misery on the hard-pressed taxpayer, the answer is to cut out any suggestions of cash for favours such as would arise from the proposal for the Prime Minister's chief of staff also to be involved in Labour party fund raising. Should not a clear line be drawn to prevent party political appointees from being involved in fund raising and having Executive powers over career civil servants?

Ms Harman: I ask the hon. Gentleman to try to approach this matter in the way in which my hon. Friend the Member for Worsley (Barbara Keeley) and I have. This is not just a problem for one political party or just for this country, either. All democracies have to think about how political parties, which play such an important role in democracy, can obtain adequate funds and campaign effectively. This is something that the Conservative Front-Bench team, under its new leader is thinking about. It has been debated by the Liberal Democrats. We will be thinking and talking about it on a cross-party basis but there are no immediate proposals that I can tell the House about.

Dr. Tony Wright (Cannock Chase) (Lab): These are huge sums of public money and they are designed to enable Opposition parties to prepare policies to put to the people at general elections. When an Opposition party says that the policies that it developed were complete rubbish and that it now wants to reverse them, should there not be some sort of public refund?

Ms Harman: I can see the point that my hon. Friend is trying to make, but to get back to the main point, we must have the right funding for parties and we must have openness. We must ensure that individual voters know that it is their vote that counts, not donations from big business.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Is it not of even more concern that the Government are already spending more than £500 million every year in Whitehall on spin? Is the Minister really saying that Labour deserves more taxpayers' cash, which is what *The Independent* was suggesting, when the Government have trebled the cost to taxpayers of special advisers? Now there are double the numbers and they are costing £5 million a year. Advertising costs have also trebled—up to £200 million a year—and public relations costs have gone up to a massive £333 million a year. Can she justify troubling the taxpayer for even more money when the Government are already spending all that money on spinning their policies?

Ms Harman: The hon. Gentleman has not said whether he agrees with the public funds already being spent on the Conservative party to enable it, as my hon. Friend the Member for Cannock Chase (Dr. Wright) said, to develop policies in opposition. I hope that we can have a sensible discussion, rather than political point scoring. The hon. Gentleman has mixed up the issue of activity on behalf of the Government in public information campaigns and suchlike, which are subject to the scrutiny of this House but do not come under my Department, and the important issue of the infrastructure of political parties.

Fixed Penalty Notices

17. **Andrew Rosindell** (Romford) (Con): If she will make a statement on the proposed use of fixed penalty notices for disorderly behaviour as part of the Government's respect action plan. [44681]

The Minister of State, Department for Constitutional Affairs (Ms Harriet Harman): The respect action plan sets out the Government's intention to make more use of penalty notices as a swift response to those who accept that they are guilty of offences of disorder.

Andrew Rosindell: The Minister will be aware that the Prime Minister has said that an individual would be able to appeal against a fixed penalty. Will she confirm that in reality an individual could, if they chose, ask to be tried for the offence, and if not, the penalty would lapse, therefore tying up the courts or letting hooligans and yobs get off scot-free?

Ms Harman: I am not sure that the way in which the hon. Gentleman described the situation is right. If a fixed penalty notice is given for an offence of disorder, if the person who has been given the penalty accepts the conduct described in the notice and agrees that they did it, they can pay that fixed penalty. If they challenge that and do not accept that they did whatever it is, they can then go to court and have a trial.

Mr. David Kidney (Stafford) (Lab): Good use is already being made of fixed penalty notices, alongside court fines, but does my right hon. and learned Friend recall that, over the past few months, Her Majesty's Courts Service had a high-profile campaign for the collection of unpaid fines? Does she agree that, if the use of fixed penalty notices is to expand, it is important for the sake of public confidence that when penalties have been imposed, they are collected?

Ms Harman: Absolutely. For people to have confidence in the fixed penalty notice regime, enforcement will be a key issue, and obviously the courts will be very much part of that.

Anne Main (St. Albans) (Con): On collecting fines, are there any plans to march people to cash points, as was previously suggested?

Ms Harman: Fine enforcement is very important and it really concerns people if they think that the whole court process has been gone through, a fine has been awarded, yet the person just walks away without paying. That is why the courts have been increasing their emphasis on enforcement. One of the things that they have been doing is asking people to produce their credit cards in court, scraping the cards and taking the money off them before people leave court. So credit cards are now actually being used to pay fines.

Keith Vaz (Leicester, East) (Lab): Why have the Government lost faith in our judicial system? Surely such cases ought to be taken through the courts. Would my right hon. and learned Friend care to comment on the article in today's edition of *The Times*, which suggests that there are further discussions between the Lord Chancellor and the Solicitor-General about extending the number of offences to be covered? The Director of Public Prosecutions describes the people concerned as the

"surfeit of low-level criminality".

Can my right hon. and learned Friend tell the House what is happening, rather than allowing Members to rely on the writings of Frances Gibb?

Ms Harman: My hon. Friend is not right to say that we have lost faith in the courts—far from it. In fact, magistrates courts will have increased sentencing powers, which means that they will be able to deal with more serious cases. In cases where it is accepted that the person in question has committed the offence for which they received the fixed penalty notice, the issuing and paying of such a notice, instead of tying up the courts' time with a guilty plea, leaves the courts free to deal with more serious cases for which a trial is necessary. They are also free to deal with cases where, despite a guilty plea having been made, the offence is more serious and they therefore need to attend to the sentence.

Mr. Alan Beith (Berwick-upon-Tweed) (LD): Does the right hon. and learned Lady accept that the danger with fixed penalty notices is that the courts do not see a sufficient range of such cases to supervise the way in which they operate? In case the hon. Member for Romford (Andrew Rosindell) raised any doubt about the principle, can she affirm that so far as she is concerned—and, indeed, so far as I am concerned—a fixed penalty notice that cannot be challenged in the courts would not be acceptable?

Ms Harman: As I have said, if the person in question regards themselves as not guilty of the offence, they do not pay the fixed penalty notice and they go to court to explain why they are not guilty. Of course, the courts will have an opportunity indirectly to oversee the effect of fixed penalty notices, because those who do not pay them will go to court for enforcement proceedings.

Sentencing

18. **Vera Baird** (Redcar) (Lab): What steps she is taking to monitor the sentencing practices of individual judges in the Crown court to ensure that there is reasonable consistency in sentencing for similar offences. [44682]

The Minister of State, Department for Constitutional Affairs (Ms Harriet Harman): The Court of Appeal has a system for monitoring the sentencing of individual judges in the Crown court to ensure consistency. The Sentencing Guidelines Council publishes information by area and by court in order to allow areas to compare their sentences.

Vera Baird: I am very pleased to hear that there is monitoring of individual judges, because until fairly recently, there was not. Journalistic expertise, which I accept, has shown that there is a defined cohort whose sentences are appealed against far more frequently—10 to 20 times more—than others. As we systematically try to improve the criminal justice system, do we not need to monitor the situation and tackle incompetent judges? After all, there is no doctrine of judicial independence repeatedly to get it wrong.

Ms Harman: As my hon. and learned Friend knows, every case has to be dealt with according to the facts, and the courts must be independent of the Executive. It is true that the Court of Appeal takes the question of sentencing very seriously. It obviously wants to ensure that a sentence is right in respect not only of the offender, but of the victim and the local community, that it sends out the right message to society and that it puts the offender back on track. Formal monitoring by the Government would not be right, but we have established procedures through the Sentencing Guidelines Council whereby such monitoring can be carried out to ensure public confidence in the sentencing process.

Philip Davies (Shipley) (Con): Does the Minister agree that it is not the sentence handed out by the court that restores people's faith in the criminal justice system, but the sentence served? Because of the parole system, the latter can vary wildly from case to case. Does she agree that the way to restore people's faith is for prisoners to serve their sentences in full?

Ms Harman: The parole system is well established and is a matter for the Home Office, so if the hon. Gentleman wants to raise this issue in more detail, I suggest that he does so with my Home Office ministerial colleagues.

Andrew Mackinlay (Thurrock) (Lab): Does my right hon. and learned Friend agree that the apparent disparity and inconsistency in sentencing are not the monopoly of Crown Court judges, as the same problems are evident in the magistracy? Will she look in particular at the inconsistent approach to sentences for alcohol-related driving offences? Does not disparity begin because the Crown Prosecution Service is not consistent when it comes to charging?

Ms Harman: Magistrates have to deal with the charge that comes before them, which is based on the evidence available to the CPS, and on what the CPS thinks is in the public interest. It is not for magistrates to address the issue of charging by the back door, as it were, but I do not want the House to run away with the idea that there is rampant inconsistency in this area, that no overview is taken and that nothing is being done in this respect. If the Law Officers—the Attorney-General and Solicitor-General—think that there is a concern that a particular sentence is unduly lenient, that case can be referred to the Court of Appeal. The Court of Appeal can then decide to keep the sentence as it is, or to increase it.

Mr. David Heath (Somerton and Frome) (LD): To return to the point raised by the hon. Member for Shipley (Philip Davies), does not public confidence in the judicial system require both consistency and transparency in sentencing? The public are very often confused and dismayed when a person sentenced to imprisonment is released well short of the date handed down. Would not it be better to express the sentence as a fixed term of imprisonment that will be served, followed by a period of release under licence, or of further imprisonment in the case of bad behaviour?

Ms Harman: The hon. Gentleman should look at judges' comments on sentencing. I have read numerous transcripts of such comments, and they reveal that judges very often explain to the court what a sentence will mean in practice. That is important for the offender being sentenced, and for the victims and the wider community. That is good sentencing practice, and we hope that it will become more widespread.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): May I reinforce what the right hon. and learned Lady said about the importance of judicial independence? Does she agree that consistency will be best achieved through the intervention of the Court of Appeal in appropriate cases and the guidelines produced by the Sentencing Guidelines Council?

Ms Harman: I thank the right hon. and learned Gentleman for those comments, with which I agree wholeheartedly.

Legal Aid

19. **Miss Anne McIntosh** (Vale of York) (Con): What recent representations she has received on the availability of legal aid in criminal cases. [44683]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Bridget Prentice): I have regular and instructive contact about criminal legal aid with all stakeholders, including members of the legal profession, MPs and the general public. The hon. Lady will also be pleased to know that Lord Carter has had good and productive engagement from the legal profession since his independent review into legal aid procurement commenced.

Miss McIntosh: The Minister is tackling the problem of legal aid in criminal cases by reintroducing the means-testing that this Government scrapped, but at the same time there is also enormous pressure on the civil legal aid budget. The hon. Lady has said that many parts of the country are "legal aid deserts" when it comes to civil legal aid, so why is she not addressing both problems with the utmost priority?

Bridget Prentice: I can absolutely reassure the hon. Lady that we are addressing both matters with the utmost priority. The Criminal Defence Service Bill, which will come back to the House for Report stage and Third Reading on Thursday, deals with the payment of legal aid in certain criminal cases. If she wants to quote my words in respect of civil legal aid, she can repeat what I have said ad nauseam, both in this House and elsewhere—that we need to rebalance the legal aid budget, and that more money should go into civil legal aid. I assure her that the Department is working with all the stakeholders in this matter—the legal profession, law centres, the National Association of Citizens Advice Bureaux and others—to make sure that people everywhere in the country get the appropriate civil legal aid that they deserve.

Ms Sally Keeble (Northampton, North) (Lab): My constituency is one of the legal aid deserts to which the hon. Member for Vale of York (Miss McIntosh) referred. What is my hon. Friend the Minister doing to deal with the problem? In particular, what is she doing to attract more legal aid lawyers to work in areas where there is currently a real shortage?

Bridget Prentice: I can reassure my hon. Friend on two fronts. First, in some of the pilot schemes that we are introducing in urban areas, legal aid workers will work with other agencies to provide people with direct services in their immediate areas. We shall also have pilots in rural areas, where having one identifiable centre for people to go to is not as straightforward, and there we will have a network of support so that people can get advice that way.

My hon. Friend made another important point about encouraging young lawyers to take legal aid jobs as part of their professional career. We are supporting the Law Society and others in developing grants to foster that.

Mr. Jonathan Djanogly (Huntingdon) (Con): Many practitioners say that the proposals to reintroduce the means test for criminal legal aid under the Criminal Defence Service Bill will do little to resolve the legal aid crisis gripping this country. Does the Minister agree?

Bridget Prentice: Funnily enough, I do not. The hon. Gentleman supported us over the Criminal Defence Service Bill on Second Reading and in Committee, and I believe that he will support it again on Thursday. We are trying to redress the balance through the Bill. The budget is overspent, and we are addressing that. As I mentioned in my answer to the hon. Member for Vale of York (Miss McIntosh), Lord Carter of Coles is looking into legal aid procurement and will report shortly. I hope that his work with the professions and others will ensure that we have a long-term stable and proper legal aid structure that will serve this country well.

LEADER OF THE HOUSE

The Leader of the House was asked—

Programming of Legislation

32. **Sir Nicholas Winterton** (Macclesfield) (Con): What recent representations he has received on the programming of legislation. [44673]

The Deputy Leader of the House of Commons (Nigel Griffiths): My right hon. Friend the Leader of the House has not received specific representations on programming since the hon. Gentleman tabled an oral question in October last year, some three months ago.

Sir Nicholas Winterton: The Modernisation Committee, which is chaired by the Leader of the House, is currently undertaking an inquiry into the legislative process. It is considering, among other things, the Standing Committee, Report and Third Reading stages of Bills, and Lords amendments. Surely the Leader of the House is aware that some of the evidence already submitted to him is highly critical of the programming system that we have in the House, which prevents our adequately scrutinising important legislation. Is not it time that the programming procedure was looked at again in order to enable the House to do the job that it is here to do?

Nigel Griffiths: Obviously, the present system is not the most perfect, but it is clear from reviews of the system that any suggested changes have consequences that the House might not intend. There are, of course, strong political pressures on the Opposition to oppose any Government's proposals for timetabling, which affects all but the least controversial Bills. The system was looked at in 2003 by the Modernisation Committee, and the Procedure Committee re-examined it in 2004. Improvements have been brought forward. The hon. Gentleman is a long-standing and much respected Member, and he knows that under the previous guillotine procedures many clauses were never reached. But it is important to have a proper programming procedure that takes account, as far as possible, of one of the most common alleged abuses in the House, which is filibustering.

David Taylor (North-West Leicestershire) (Lab/Co-op): When the Modernisation Committee reviewed programming, it made two recommendations. It suggested having internal knives to allow Chairmen of Committees a little flexibility to postpone knives where discussions were advanced but not quite complete. Secondly, it suggested adding injury time when debates in Standing Committee, in particular, were seriously disrupted by Divisions in the House. The Government rejected both recommendations. As a Chairman of a Standing Committee, I recognise their value. Will there be a rethink on those two suggestions?

Nigel Griffiths: The Government do not intend to revisit those matters. They were looked at relatively recently and, as I have said, the volume of representations in recent months has not been particularly high on this issue, as others have focused on more important aspects of House procedures. However, my right hon. Friend and I have listened and we hear what my hon. Friend says; we keep an open mind on possible improvements. We have to be aware, however, as the House does, of unforeseen consequences, and the Government of the day have to get their business through in an orderly manner.

Mr. David Heath (Somerton and Frome) (LD): We all know that consideration of a Bill, especially on Report, is often restricted, and that important groups of amendments are not considered, to the detriment of Back-Bench Members who may wish to raise a particular issue. We also know that there are days and sometimes weeks in which we seem to spend an awful lot of time accomplishing very little in terms of parliamentary debate. Is not it time to look again at setting up an all-party business committee to look sanely at the business of the House not only in the immediate future but over the full parliamentary calendar year?

Nigel Griffiths: I would welcome nothing more than an all-party committee that looked sanely, to use the hon. Member's words, at the matter. Unfortunately, in my experience of 18 years in the House, the lack of sanity on such matters is all too much in evidence. I am sorry to say that one of the reasons why there does not appear to be progress, or that discussion seems to focus around arcane issues during proceedings on a Bill, is that some hon. Members want to delay progress. In turn, that avoids getting on to clauses that hon. Members on both sides would like to debate. We live in an imperfect world, Mr. Speaker.

EU Legislation (Scrutiny)

33. **Mr. David S. Borrow** (South Ribble) (Lab): What action he is taking to improve the scrutiny of EU legislation. [44674]

The Deputy Leader of the House of Commons (Nigel Griffiths): We have been considering closely the proposals the Modernisation Committee made in the previous Session on scrutiny of European business. We hope to bring forward ideas for taking this issue further.

Mr. Borrow: I thank my hon. Friend for those comments. May I put a suggestion to him for something that he could do straight away? On too many occasions, items referred by the European Scrutiny Committee to the European Standing Committee have been timed to coincide with a meeting of the European Scrutiny Committee. Will he ensure that that does not happen in future so that members of the European Scrutiny Committee who are interested in a particular item can be present for the debate in the European Standing Committee?

Nigel Griffiths: I have considerable sympathy with that point, which has also been raised by other hon. Members. I have considered the issue and I do not believe that there is an easy solution, which is why I cannot, I am sorry to say, give him the assurance that he seeks. I say that precisely because there are a substantial number of both Standing and Select Committees, but

only a finite number of sitting days and hours when it is convenient to meet. Occasionally, there will be the sort of unfortunate clash that my hon. Friend has highlighted. If that can be avoided, business managers do avoid it, and I will certainly draw my hon. Friend's remarks to their attention. I can promise to do no more than that.

Mrs. Theresa May (Maidenhead) (Con): The overall issue of the scrutiny of legislation referred to by the hon. Member for South Ribble (Mr. Borrow) is important. I note the comments made by the Deputy Leader of the House that the Government will bring forward proposals in due course, but I hope that he agrees that one of the key issues is the House's ability to scrutinise legislation at an early opportunity before Ministers make decisions in the Council of Ministers. Will he assure the House that that is one of the key issues that the Government will consider and that their proposals will address it?

Nigel Griffiths: Of course it is vital that as many hon. Members as possible consider legislation at as early a stage as possible. I remind the right hon. Member that MEPs also have a role to play in this. Given the chaos that there appears to be in Europe in her party, perhaps she can tell the House which group her MEPs are going to join so that they can inform this process. We on the Labour Benches will do our best to make sure that there is proper scrutiny by this House, but there cannot be proper scrutiny by Conservative MEPs as long as we do not know which group they are in or are allying themselves to.

HOUSE OF COMMONS COMMISSION

The hon. Member for North Devon, representing the House of Commons Commission, was asked—

Child Care Facilities

34. **Julie Morgan** (Cardiff, North) (Lab): What plans the Commission has to reconsider the provision of child care facilities in the House. [44675]

Nick Harvey (North Devon): The Commission has no plan to extend child care facilities, but if the Administration Committee wishes to make proposals, the Commission will of course consider them.

Julie Morgan: I thank the hon. Gentleman for that reply. May I urge him to take up the issue again and to make a special effort to see whether it is possible to provide child care facilities, perhaps in partnership with the local authority or with nearby neighbours? When I became a Member in 1997 I never imagined that nine years later, and after such an influx of women MPs, we would still have no child care facilities in this House. May I urge him to do all that he can to take that forward?

Nick Harvey: The Commission did consider the proposal for a child care facility based in the House two years ago, but considered that more flexibility would be provided by a child care voucher system. Many staff of the House come from outer-London boroughs or even beyond Greater London and receive greater benefit from a voucher system that enables them to use child care facilities nearer to home. The voucher system also benefits Members' staff working in constituencies. Nearly 150 people take advantage of the scheme, and the Commission felt that it offered more flexibility than something based here.

LEADER OF THE HOUSE

The Leader of the House was asked—

Pre-Legislative Scrutiny

35. **Mr. Graham Allen** (Nottingham, North) (Lab): If he will make it his policy to encourage the pre-legislative scrutiny of all Bills. [44676]

The Deputy Leader of the House of Commons (Nigel Griffiths): We are committed to encouraging the use of pre-legislative scrutiny for appropriate Bills. As hon. Members know, the publication of Bills in draft form for pre-legislative scrutiny will not be possible for all Bills, but in recent years there has been a significant increase compared to previous periods. We want to see as many Bills as practicable published in draft form.

Mr. Allen: I wonder whether Front Benchers on both sides have noticed that whenever Parliament is involved and pre-legislative scrutiny takes place in here and outside—be it on the Bill on higher education or the incapacity proposals we will hear about today—we end up with better law. I hope that Front Benchers will take that to heart and that my hon. Friend will formalise that arrangement so that the House may have pre-legislative scrutiny of every piece of legislation—which is, after all, the job that the electors put us here to do.

Nigel Griffiths: I am not entirely sure that Members would have the time for pre-legislative scrutiny of every piece of legislation. I recognise the value of pre-legislative scrutiny, which my hon. Friend has highlighted, but I cannot undertake that every piece of legislation will be subject to it. As I have said, there has been a considerable increase in the number of Bills that have received pre-legislative scrutiny, and I hope that we may undertake more, as the value of it is recognised on both sides of the House.

Welfare Reform Green Paper

3.32 pm

The Secretary of State for Work and Pensions (Mr. John Hutton): With permission, Mr. Speaker, I wish to make a statement on the Government's Green Paper, "A new deal for welfare: Empowering people to work". After eight years of a Labour Government, there are now 2.3 million more people in work. There are 1 million fewer people on benefits. Some 2 million children and almost 2 million pensioners no longer live in poverty.

Since 1997, we have worked to build a modern, active welfare state. Through the minimum wage and tax credits, we have made work pay. Through record investment in the new deal and Jobcentre Plus, we are creating an enabling welfare state that responds to the needs of individuals. All that contrasts with the record of the Conservative party. Eighteen years of economic mismanagement and welfare failure resulted in 3 million more people of working age on benefit. Unemployment went up 50 per cent. The numbers claiming incapacity benefit trebled as it was used to hide mass long-term unemployment, and 3 million more children were left to live in poverty. It is time now finally to bring that shameful legacy of Thatcherism to an end. That is why ensuring that people have the right to work must be a fundamental responsibility of any modern Government.

Work is good for people. Work can be the bedrock of personal responsibility, dignity and well-being. The challenge that we face today is how to build a modern welfare state that allows people to exercise the right to work when our national economy is changing more rapidly than at any time since the industrial revolution. It is not only our economy that is changing. We are confronted by a rapidly ageing society and a falling birth rate. Soon, and for the first time in our history, there will be more people over the age of 80 than under the age of five, so our welfare state must continue to adapt to meet those challenges.

We have set ourselves the ambitious goal of an 80 per cent. employment rate. Its achievement will be critical for our nation: for individuals, for families and communities, for the process of wealth creation, for economic competitiveness and for social justice. I do not underestimate the scale of meeting that challenge. It will mean a million fewer people claiming incapacity benefit, a million more older people in work and 300,000 lone parents off benefit.

The proposals that we are putting before the House today will make a significant contribution to realising those ambitions. Today's Green Paper builds on reforms that we have already introduced to remove the remaining barriers that hold people back from work. Our approach is based on a belief in an active welfare state that balances rights with responsibilities, and that provides work for those who can and support for those who cannot. Our proposals will be fair to claimants and fair to taxpayers.

We will reform incapacity benefit. Nine out of 10 people who come on to incapacity benefit expect to get back into work, but if people have been on incapacity benefit for more than two years, they are more likely to retire or to die than ever to get another job. That cannot be right. The circumstances of claimants are changing, too. No longer is incapacity benefit associated with only Britain's industrial heartlands. There are more people on incapacity benefits in the south-east than in the north-east, and there are at least 150,000 people on incapacity benefit in every region in the UK. A third of new claimants now cite mental health problems as the main reason for coming on to the benefit, compared with a fifth in 1997. The issue affects all the country, not just parts of it.

We have already made a start. The combination of increased support through the new deal for disabled people and the extension of rights through the Disability Discrimination Acts has started to improve the opportunities available to disabled people. Building on those reforms, our strategy is threefold. We will act to reduce the number of new claimants. We will provide greater help for those on the benefit to return to work. For the most severely sick and disabled, we will provide even more support.

The Green Paper sets out proposals to improve workplace health. General practitioners have an important role to play in helping to ensure that their patients are able to work, so we will test the impact of putting employment advisers in GP surgeries. The first of those will be in place within a month. We will work with GPs and primary care professionals to support individuals to remain in work or return to work, and we will reform statutory sick pay to simplify it and ensure that it helps people to stay in work.

We will reform the medical test, which acts as the gateway to incapacity benefit. We must ensure that the assessment process is focused on people's potential capability and capacity to engage in the labour market, rather than just their incapacity. Central to that will be the reform of the exempt category in the existing benefit structure. We must ensure that it no longer writes people off simply because they have a particular condition. For example, if people are blind, the current benefit structure assumes that they will always be incapable of work. That is wrong and unfair. We will correct it by reforming the criteria for exemptions.

In future, all claimants will be assessed to determine not just their eligibility for benefit, but also their capability to work. I recognise the sensitivity and, of course, importance of getting this crucial aspect of the reforms right, and we will consult on that and other issues to ensure that we take a fair and equitable approach. We will also review the mental health component of the test.

In addition to reforming the gateway, we will also reform the benefit itself. From 2008, new claimants will receive a new employment and support allowance, replacing the current system of incapacity benefits. The perverse incentives in the current system will be removed. Unlike today, no one will be eligible for the benefit until they have completed the proper medical assessments. Claimants will no longer receive more the longer they claim.

For those who are exempt, the new benefit will be paid at a rate higher than the long-term rate today. As now, they will be able to take up support if they want to, but it will not be a condition of their benefit. However, for the vast majority—those who will not be exempt—the new benefit will have a clear framework of rights and, yes, responsibilities. People will be required to attend

[Mr. John Hutton]

regular interviews, complete action plans and engage in work-related activity. The level of benefit they receive will be above the current long-term rate of incapacity benefit, but those refusing to engage in the help and support offered could see their benefit reduced progressively in stages, to the level of jobseeker's allowance.

Existing claimants will remain on their existing benefit, which will be protected. Over the next few years, we will ask existing claimants to attend a work-focused interview and agree an action plan to take steps to return to work. Those who do not engage will, as now, potentially see their benefit reduced. That process of re-engagement has already started, but we can only ask more of people if the help and support that they need is in place. Our pathways to work pilots—combining employment and health support—have already shown significant success in getting people off benefit and back into employment.

I can confirm that over the next two years we will be investing a further £360 million, from within my existing resources—from my own budget—to extend pathways to work to every part of Britain by 2008. For the first time, as a result of that investment, we will bring new hope and opportunity to some of the most disadvantaged communities.

I am confident that the reforms outlined today will move us significantly closer to our goal of an 80 per cent. employment rate and the realisation of that vision. I believe that if we take the measures that I have outlined, and work together with health professionals, local authorities and employers, we can get 1 million people off incapacity benefit within a decade. In doing so, we could ultimately save up to £7 billion a year for taxpayers. That should be the scale of our ambition.

We also need to do more to help lone parents to get back into work. Today, 56 per cent. of lone parents are back in work compared with only 45 per cent. eight years ago. We know that many lone parents want to work but face barriers to returning to the workplace. That is why we have extended support through the new deals and our 10-year child care strategy. Building on those reforms, we will increase the number of interviews lone parents are expected to attend. We will require those whose youngest child is at least 11 to attend interviews every three months, alongside piloting a new premium so that lone parents are better off if they take serious steps towards preparing for work. Those with younger children will have to attend twice a year, compared with once a year now. We will pilot more intensive support for lone parents during the first year of their claim and we will also simplify the rules so that lone parents are not penalised for joining work experience programmes.

A key part of our strategy is to ensure that many more older people are able to remain in work for longer. I have spoken about the challenges of an ageing society. The Green Paper sets out proposals to extend all aspects of the new deal 25-plus to the over 50s. We will improve the back-to-work support for JSA claimants and their partners who are over 50, and will work with employers to extend flexible working opportunities to older workers. The Green Paper also sets out our plans to simplify the existing housing benefit system to improve work incentives and encourage personal responsibility for housing choices.

The Green Paper sets out a challenging goal—one that central Government acting on their own cannot meet. Instead, we will need to engage those in the public, private and voluntary sectors in a new mission to improve employment opportunities in our disadvantaged areas. Moreover, there is a crucial role for local community leaders. Tackling worklessness can be achieved only if we work with partners in the local community—including the private and voluntary sectors—and harness their energy and commitment to deliver real progress. Some of our biggest cities in particular have a disproportionate number of benefit claimants.

I am committed to opening a new chapter in the evolution of our modern welfare state. Local leaders will be asked to bring together local employment, training and health providers to help tackle concentrations of worklessness. They will be able to ask for greater flexibilities over the use of existing funding. In return, I will ensure that local communities share in the rewards of reducing the number of benefit claimants. For successful bids, I will provide seedcorn funding, and provide outcome payments when they meet their goals.

The publication of our proposals today will start a three-month consultation process. We will engage with and listen carefully to all who respond—to everyone who shares our commitment to improving the employment prospects of those currently living on benefit. The proposals will help build a modern welfare state that responds to individual need, balances rights with responsibilities, tackles poverty and disadvantage, and invests for the long term.

The Government stand ready to make that investment in our people and our country. That is why I commend the Green Paper to the House.

Mr. Philip Hammond (Runnymede and Weybridge) (Con): I am grateful to the Secretary of State for letting me have an advance copy of his statement and the Green Paper.

We broadly welcome the thrust of what the Secretary of State has said and we will study with great care the detail of the Green Paper. The world of work and the global economy are changing rapidly, and Britain's future prosperity depends on harnessing the skills and abilities of all its people. We cannot afford, either in social or in economic terms, to leave 2.7 million people abandoned on long-term benefits.

Incapacity benefit has operated as a crude system that condemns hundreds of thousands of people who have something to offer to inactivity, deprivation and social exclusion. It creates and perpetuates dependency and squanders ability. It is failing individuals, it is failing our economy, and it is failing our society. It is no longer fit for purpose, so we welcome the Secretary of State's shift of emphasis to the abilities and skills that people have rather than the disabilities that they suffer.

Let me be clear where we stand: we believe that work works. For those who can work, it restores self-esteem, it re-includes them in the social fabric of everyday life and it rescues them from the trap of long-term benefit dependency. It is the job of policy makers to ensure that work also pays—that the perverse disincentives of a

bureaucratic benefits system are removed, so that the phenomenon of the benefit claimant who wants to work and who can work but who risks being worse off by doing so is consigned to history.

The Secretary of State has been in his post for only four months, but his Government have been there for nearly nine years. We like much of what we have heard today, but he will forgive me if I say that we have heard much of it before. Much of what he has said was trailed in the five-year plan; we were promised this Green Paper before the summer recess. Further back, at the 1997 general election, Labour proclaimed itself the party of welfare reform, but while the Labour Government have done "sweet nothing"—[HON. MEMBERS: "Oh!"] Those are not my words but the words of his own Minister for Employment and Welfare Reform. While the Labour Government have done "sweet nothing", total numbers claiming incapacity benefit have gone up, the numbers claiming for more than five years have gone up, the number of young people under 25 claiming has gone up by 70 per cent., and the number of people claiming on the grounds of mental and behavioural problems has doubled. So we will take no lectures on legacies from the right hon. Gentleman. The test of this Secretary of State will be whether he at last can start to deliver where his predecessors failed to do so.

Unfortunately for the Secretary of State, his plans are presented against a backdrop of a slowing economy, steadily rising unemployment and an unprecedented funding crisis in NHS trusts, all of which will make it much harder now than it would have been a couple of years ago to achieve the laudable objectives of rehabilitating people and then getting them back into work.

We have not yet had time to analyse the Green Paper in detail, but we have heard enough to identify some of the key areas where we will want to satisfy ourselves that the small print matches the headline rhetoric. Reform of the system so that it delivers a focus on what people can do, rather than what they cannot do, will require changes to the personal capability assessment, as the Secretary of State said. It will also require a change in the mindset of the tens of thousands of people who administer the system. Can the right hon. Gentleman tell the House how the personal capability assessment will be reformed, in particular, to make what is still primarily a physical capacity test more responsive to the high levels of mental illness among claimants?

Effective early intervention in respect of new claimants is the key to catching them before they become trapped in benefit dependency. Does the right hon. Gentleman agree that prompt and early medical assessment, coupled with the availability of rehabilitation resources, is the key? How will those resources be delivered, given the pressure that primary care trusts are under? Will he buy in NHS services with Department for Work and Pensions funding, or will he buy in rehabilitation services from providers in the private sector? Can he assure the House that he does have, somewhere in his locker, a more subtle approach to the vital question of engaging GPs in the early intervention process than that of offering them cash inducements?

We will study the way in which the proposals, as well as dealing with new claimants, address the needs of the 2.7 million people currently on incapacity benefit. The Secretary of State may be tempted to concentrate on new claimants, but if the new focus is the right one it would be a betrayal both of those who are already on incapacity benefit and of the taxpayers funding them not to apply the same work-oriented approach to them. Off-flow rates have decreased by a third since 1997; will he set himself a specific target for getting current incapacity benefit claimants back into work?

A couple of weeks ago, the right hon. Gentleman identified 100 constituencies with the highest concentration of incapacity benefit claimants, which we cross-correlated with job vacancy figures. Perhaps unsurprisingly, we found that those constituencies have very few job vacancies—in fact, there are only a quarter as many job vacancies as there are incapacity benefit claimants. Does he recognise that in those areas simply refocusing and retraining people to exploit the skills and abilities that they have will not necessarily result in their finding work? How will he deal with the geographical mismatch of work opportunities and incapacity benefit claimants?

Can the Secretary of State guarantee some concrete and effective measures that will ensure that private and voluntary sector organisations can compete on a level playing field with public sector organisations? The evidence for the contribution that they can make is clear in the results of the new deal for disabled people—a programme that has been substantially delivered by private and voluntary sector contractors—but the National Audit Office report shows that the playing field is still tilted against private and voluntary sector organisations when contracts are placed. Only if that bias is removed can such organisations play their full role—the role that the right hon. Gentleman says he wants them to play. What specifically is he doing to deal with that matter and is he willing to spend some of his political capital standing up to those who will no doubt fight tooth and nail to preserve the predominance of public sector provision in this area?

In the long run, reducing the number of people on incapacity benefit will save substantial sums of public money, but in the short term significant investment of resources will be required. Can the Secretary of State tell the House over what period the reforms that he is proposing will become self-financing?

The right hon. Gentleman referred in his statement to incapacity benefit as masking long-term unemployment figures. Can he confirm that claimants of his new benefit will be included in the unemployment count?

Finally, it has been reported in the press that the implementation of the proposals that the Secretary of State has outlined today will depend on the installation of a major new IT system. Is that true? If so, given the history of problems with IT systems in his Department, what reassurance can he give the House that the bold initiatives that he outlined will not be beset by the same kind of IT problems and delays as we have seen in the past?

The Secretary of State deserves credit for finally grasping the nettle of incapacity benefit reform, but the true test of his resolve is yet to come. Will he hold firm to the principles that he outlined today? Will he resist the temptation to tack and to trim in response to Labour Back-Bench demands? Will he take effective action to bring about the increase in private and voluntary sector involvement that he says he wants? If he performs on all

[Mr. Philip Hammond]

those issues, we will support his proposals and work towards a consensus that is not afraid to say that for all who are capable of work, work is the best option, for individuals, society and Britain's future prosperity.

Mr. Hutton: May I start by welcoming the hon. Gentleman's commitment to work with the Government to bring about these important reforms? I welcome his support and his recognition that incapacity benefit has failed millions of people. Most Labour Members would probably prefer the Conservatives to have done something about it when they had 18 years in government. *[Interruption.]* As many of us can testify, no such measures were taken.

The hon. Gentleman referred to the record of the present Government, and his hon. Friends have been shouting rudely about it. Incapacity benefit numbers fell last year for the first time ever in the history of incapacity benefit. The numbers coming on to incapacity benefit are down by a third, so the argument that no progress has been made is totally untrue. We are making progress. The reforms will allow us to make further progress still.

The hon. Gentleman spoke about the position in the labour market. I remind him that we have in the UK now the highest employment rate of all the countries in the G8, something never achieved under the Conservative Government. We remember their record on unemployment. I do not want to say any more about that.

The hon. Gentleman asked me how the personal capabilities assessment will be reformed. We say in the Green Paper, and I am sorry if I did not make it clear today, that we will be convening an expert group to work with the Department to undertake that reform of the medical procedures. It is important that we do that. We want to build consensus around the new system. That is very important for the success of the reforms, for various reasons. People must have confidence that the assessments are right, and we will work with the disability movement to make sure that that is true.

I agree with the hon. Gentleman that prevention is the best tactic that we should deploy to prevent people from coming on to benefits in the first place. The Green Paper contains a series of measures—I did not go through all of them this afternoon—which will make a significant difference, including supporting greater investment in occupational health. I hope the hon. Gentleman will welcome that.

Where will the health care providers come from? They will come from the NHS and some will come from the private sector. I was in Derby recently and saw at first hand a hugely successful strategy of involving cognitive behavioural therapists employed from the private sector to provide services for people on incapacity benefit.

I can confirm that existing incapacity benefit claimants will have access to the pathways to work extensions. The hon. Gentleman asked about the work that we were doing with existing IB claimants and said that the focus should be on them. Of course, all the work that we do between now and 2008—I think it will be 2008 when we have legislated for the new benefit and got the system in place—will, by definition, have to be with existing claimants under the existing IB system. There is no one else to focus on, so they will have plenty of opportunity to work with us and get back into work.

On the hon. Gentleman's point about vacancies, I saw his figures, as have hon. Members on both sides of the House. I make two comments about his figures and his analysis. First, Jobcentre Plus holds only about a third of the total number of vacancies in the country at any one moment in time. His figures were based on Jobcentre Plus vacancies. We need to bear that in mind. Secondly, as we all know, some of our constituents work in other constituencies where there might be more vacancies. It is true that that happens, but I do not think that the hon. Gentleman recognised that.

We envisage the private and voluntary sectors being very much involved in the pathways to work projects across the country, because we know that if we get the contractual frameworks right and choose our partners correctly, the voluntary sector will be able to make a hugely important contribution to improving the service that we offer. It is true that these reforms will require significant investment. It is equally true to say that we are the first Government ever who have been prepared to stand here and say that we will make that investment to get people with a disability back into work.

The hon. Gentleman's final question was about whether we would count people on the new employment and support allowance as unemployed. No, we will not, for one very obvious reason, which I am surprised that he did not recognise. To count as being unemployed, a person has to be available immediately to take up employment. The very notion here is that we are dealing with people with a measure of illness and incapacity, and we will work with them. We are not going to apply the full jobseeker's allowance conditionality regime to people on incapacity benefit; it would be wrong to do so.

The hon. Gentleman said that I had been in my post for four months. In fact, it is two months; it just feels like four months.

Mr. Terry Rooney (Bradford, North) (Lab): I congratulate my right hon. Friend on his very encouraging and positive statement. Does he agree that all those on incapacity benefit have a civil right to work, just as anybody else does? Does he also agree that the state's role should be to remove any barriers that are preventing those people from taking up employment and escaping from poverty? We still have a major problem in this country because too many employers discriminate against disabled people. Will my right hon. Friend tell us what the Government are going to do, collectively, on that issue?

Mr. Hutton: I am very grateful to my hon. Friend for raising those points. I agree that people with a disability should have the right to work, just like anyone else in our country. The reforms that I have outlined today will mark a significant step forward in that regard. We were the first Government to legislate for comprehensive civil rights for people with a disability, and we will do nothing in these reforms that will compromise or undermine the civil rights of people with a disability.

In relation to my hon. Friend's important point about employers, we have instigated and are continuing to support a very important programme—the access to

work programme—into which we are putting about £60 million. That programme helps people on incapacity benefit who are going back into the world of work to make the necessary adjustments. Sometimes that could involve adjustments to the physical environment in their workplace. We will continue to offer that help, and to emphasise that support. There are also provisions in disability discrimination legislation to require employers to make reasonable adjustments in the workplace. That will be very important. We are also working with a significant network of employers, through the employers coalitions. For example, many big, significant employers are working with Jobcentre Plus to ensure that there are vacancies for people with a disability, which is crucial. The proposals that I have outlined today will help in all these areas, and I hope that my hon. Friend will be able to support them.

Mr. David Laws (Yeovil) (LD): May I also thank the Secretary of State for giving me advance sight of his statement? We share with him the ambition of seeking to help people with disabilities back into work and ensuring that the benefit system and our training systems are designed to help them. The Secretary of State has rightly set a very ambitious target for the reduction of the number of people on incapacity benefit by 1 million over the next 10 years. Does he agree, however, that even if he achieves that, it will take the level of people on incapacity back down only to the 1991 level, which was itself double the level that was inherited in 1979? There is therefore a long way to go, even if the target of 1 million is achieved.

I want to ask the Secretary of State some specific questions about the reform of incapacity benefit. Does he accept that delivering tailored support for people with diverse medical conditions is going to be quite expensive? Is he confident that he has the resources to do that, against the background of a decline in Jobcentre Plus staff of some 20,000—almost one in four—employees between 2002 and 2008?

The Secretary of State spoke of an extra £360 million over the next two years. A quick look at the figures suggests to me that that is a good deal less per person than the amount that he has been spending on pathways to work. Has there been any contraction of expenditure per person to make this scheme possible?

May I ask about changes in the benefit system? Has there been any extension of means-testing that is implicit in the new employment and support allowance? That is not clear from the Green Paper, and it would be helpful to have it on the record.

Does the Secretary of State plan to take further action to make the benefit system more accessible to those who can work only for limited periods? Will he also tell us whether he has ruled out for good the suggestion of his right hon. Friend the Member for Birkenhead (Mr. Field)—a single working-age benefit with top-ups for people with disabilities?

Safeguards are vital for some of the groups whom we are discussing. The Secretary of State clearly indicated that he would undertake to complete the assessment relating to the new personal capability test within three months. That is important, because until people have passed the test they will be stuck on the jobseeker's allowance rate, which is considerably lower than the rate that they would obtain today. Can the Secretary of State offer us any reassurance about what will happen to people who are not seen within three months? Will they automatically move to a higher rate?

What protection will there be in terms of sanctions for people who might otherwise lose their employment and support allowance? Does the Secretary of State accept that there is real concern, particularly about people with mental health difficulties that cannot easily be detected? There is worry about whether there will be a proper process of scrutiny, with appeal rights.

We are willing to work constructively with the Secretary of State to find solutions to extremely important issues that have been neglected for too long. Does he accept that today's announcement and the target that he has set represent the easy part, and that the test will be whether he can deliver the improvements during the years ahead?

Mr. Hutton: I am grateful to the hon. Gentleman for his support for the direction of travel that we set out in the Green Paper. We look forward to working with him in the months ahead. I am confident that we can deliver the programmes of help and support that I have announced. As I confirmed to the hon. Member for Runnymede and Weybridge (Mr. Hammond), it will involve the use of private and voluntary providers as well, which I consider entirely sensible.

My proposals involve no extension of means-testing. Yes, we are considering making more part-time options available to people on incapacity benefit and lone parents, and we mentioned some in the Green Paper.

The hon. Member for Yeovil (Mr. Laws) asked about long-term reform. He has only had a few minutes in which to look at the Green Paper, but the final chapter sets out the options, and picks up some of the points that my right hon. Friend the Member for Birkenhead (Mr. Field) has been making. We have already announced changes in the linking rules, extending the 52-week period of grace allowing people leaving incapacity benefit to test whether a new job works for them to two years. They can return to the existing level of incapacity benefit without having to reapply. I hope that that gives the hon. Gentleman some reassurance. Of course there will be proper appeal mechanisms in relation to any benefit sanction initiated here.

The hon. Gentleman asked whether we could guarantee that we could complete the medical tests within 12 weeks. Yes, that is the commitment that we are making. His supplementary question, asking me to revise the benefits paid in the event of a failure, therefore does not arise.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): Given that last year the Secretary of State's Department closed the biggest employer in my constituency, an area of high unemployment, and is now busy closing the jobcentre in Walton, the right hon. Gentleman will forgive my scepticism about where and how these jobs will be delivered.

[Mr. Peter Kilfoyle]

I should be grateful if the Secretary of State would clarify one point. The figure of 2.7 million is constantly bandied about. Does it refer to claimants and recipients of incapacity benefit, or only to claimants? If it refers only to claimants, what is the true figure for recipients?

Mr. Hutton: My hon. Friend is right: the Department is currently undergoing a major reorganisation of its Jobcentre Plus services. It is also a major investment, however. We are spending more than £2 billion on trying to improve the service for his constituents and others. As he will know, it involves change. I entirely respect the position that he takes in relation to his constituency, but we are trying to improve the service nationally, and have set out a course of action that we think will achieve that.

In relation to my hon. Friend's specific point about the 2.7 million figure, 2.74 million people are currently in receipt of either the means-tested income support element, which supports those on incapacity benefit, or contributory incapacity benefit. I have made it clear today that we want to reduce that figure, and I hope that he will work with me to make sure that we do.

Sir George Young (North-West Hampshire) (Con): I welcome the Secretary of State's statement, but does he accept that on occasions there will be a genuine disagreement between his Department's medical assessment of an individual's ability to return to work and that individual's assessment with his or her GP? Does he have any plans to review the appeals system, which many people find slow, complex and bureaucratic, with a view to enhancing its efficiency and credibility?

Mr. Hutton: I am grateful to the right hon. Gentleman—yes, we do, and we set out three specific proposals in the Green Paper that will address that. I agree that it is not acceptable for 50 per cent. of such appeals to be subsequently overturned. We need to consider that fairly and reasonably. That will be part of the review of assessments that we have set in train today, and if we can work with a variety of different stakeholders to improve the efficiency and effectiveness of the medical assessment procedure, I hope that we can alleviate the need for so many appeals.

Mr. Frank Field (Birkenhead) (Lab): I congratulate the Secretary of State on the resolve that he has shown today, noting that he does so as the economic boom slows down and the welfare-to-work budget is fully spent. Does he accept that many of our constituents are anxious to go back to work but are worried that if they get a part-time job, the job might fold and they will lose housing benefit? In those 100 constituencies with the highest number of incapacity claimants, will he scrap all the restrictions on part-time work, provided that claimants tell their local office what they are doing? They could be reviewed within, say, six months, to see in what other ways we can build on the successes that they have made individually, without waiting for anyone at the centre or anywhere else to direct them.

Mr. Hutton: I am grateful to my right hon. Friend. Yes, we are prepared to consider the issues to which he has referred, particularly in relation to the permitted hours rule and the notional earnings rule. My right hon. Friend the Minister for Employment and Welfare Reform has indicated that we are examining those areas, and I am happy to talk to him and other right hon. and hon. Friends who have an interest in this matter. I remind him that one of the important parts of the pathways to work schemes, which have helped enormously, has been the £40 return-to-work credit, which has helped bridge the gap between benefits and work. It was entirely remiss of me—I should have paid proper tribute to my predecessors as Secretary of State, some of whom I can see in the Chamber. In particular, my right hon. Friend the Member for Oxford, East (Mr. Smith) made some of the important early decisions, which were right and proper. I want to pay tribute to their contribution, too.

Mrs. Iris Robinson (Strangford) (DUP): Does the Secretary of State agree that many people would love to be back at work, but the Government have a history of being mean with drugs such as Enbrel, Remicade and beta interferon? We could see many more people off benefits and back in the work force if they got those life-changing drugs.

Mr. Hutton: I respect the hon. Lady's argument and the point that she has made. The changes that we have made have been designed to speed up access to some of those latest medical interventions and drugs, and we have made significant progress in doing that. In relation to Northern Ireland specifically, she will be aware that these particular reforms are a matter for Northern Ireland, and I understand that my right hon. Friend the Secretary of State for Northern Ireland will be publishing these proposals for consultation in Northern Ireland shortly.

Mr. Andrew Smith (Oxford, East) (Lab): I thank my right hon. Friend for his kind remarks. I welcome the measured way in which he has brought forward this statement. In particular, I welcome the extension that he has announced of the successful pathways to work programme to the whole country. Does he agree that availability of good-quality rehabilitation and a continuing drive against discrimination in the workplace are crucial for the confidence of benefit recipients and for the prospects of success in helping more of them into jobs? Can he tell the House a bit more about rehabilitation and other support services that will reassure people that this is about helping them forward?

Mr. Hutton: I am grateful to my right hon. Friend, and his decision to roll out pathways has given us the opportunity to go further. We have had two years of experience with pathways. In relation to his point about condition management programmes, we know from the success of pathways schemes that it is important for benefit recipients to have access to good-quality rehabilitation. That may be physiotherapy, cognitive behavioural therapy or any other service that we can provide. The NHS has been a good partner in delivering those services as part of the pathways to work schemes, but I think that it will be necessary to broaden the range of providers who deliver those services to Jobcentre Plus and to benefit recipients. We will work in partnership

with organisations locally as well as nationally to ensure that there is the widest possible access to services that will help recipients to get off benefit and back into work. I am grateful for everything that my right hon. Friend has done.

Mr. Paul Goodman (Wycombe) (Con): The Secretary of State has set himself the admirable aim of getting 1 million people off IB in 10 years. Since he has been so specific, can he tell the House how many people he expects this package to get off IB by the end of this Parliament—by, say, June 2010?

Mr. Hutton: No, I am not going to set annual targets. We are not going to do that. This programme of investment and reform will take at least a decade to deliver. I think that all my hon. Friends will be slightly surprised to hear a Tory Member of Parliament asking for more targets. We are not going to do that.

Dr. Howard Stoate (Dartford) (Lab): May I tell my right hon. Friend as a GP that, by the time someone has been off work for six months, say, with a bad back, their chances of getting back to work are disappointingly low? Therefore, the real challenge is to prevent people needing incapacity benefit in the first place. I am particularly pleased by his statement that he wants to introduce employment advisers into primary care services, which is extremely welcome and overdue. Will he ensure that those advisers will be involved with the patient from the moment they are off sick, so that we can reduce the amount of time that they are off sick, and they go back to work before they get anywhere near incapacity benefit?

Mr. Hutton: I am grateful to my hon. Friend for his comments. We should wait to see what the employment advisers can do for patients in primary care trusts. I am confident that they will be able to make a significant difference and provide more choice for people, rather than people being presented just with the unpalatable prospect of being signed off and going on to benefit. We should be able to do more for people in that situation. I hope that the other potential spin-off benefit of putting employment advisers into GP practices will be to relieve some of the pressure and work load on GPs themselves.

Angela Browning (Tiverton and Honiton) (Con): The Secretary of State has repeatedly referred to getting people back into work, but how will he deal with the group of people in their 20s, 30s and 40s who have never been in paid employment? I am talking about people with lifelong disabilities such as autistic spectrum disorder, chronic mental health conditions and learning disabilities. Is he going to have a special package for them, because to put them through the same process as someone with a back injury would be wrong? They need much more specialised assistance. I would welcome it if some got the opportunity to get into work, but that will not be easy. It will require a lot of resources. Will he bear it in mind that many of them have undertaken independent living and that maintaining independent living and not being overburdened with paid employment will require a lot of flexible packages? Perhaps they can work part-time—even a quarter of a week, not necessarily half of it—in order that independent living remains viable.

Mr. Hutton: I pay tribute to the hon. Lady's extensive knowledge and experience in this area. I would be happy to discuss with her any of those ideas in more detail. That is right and proper. The whole point of the reforms is to try to personalise and individualise as much of the support and help that we provide to people on incapacity benefits as we can. I do not think that a one-size-fits-all approach would be right. I indicated in response to other questions that we are prepared to look at some of the alternatives to encourage part-time work. Nothing in the proposals affects the issue of disability living allowance. We are not proposing any changes to that. I understand that my right hon. Friend the Secretary of State for Health will outline shortly further proposals in relation to individual budgets, which I know that the hon. Lady follows with some interest. I hope that that will provide greater choice and flexibility, to which she has referred.

Mr. Michael Meacher (Oldham, West and Royton) (Lab): Does my right hon. Friend recognise that there are considerable differences between north and south? The percentage of working-age adults claiming incapacity benefit, for example, in Merseyside, south Wales and the north-east is six to 10 times higher than in the south-east. We all know that the previous Conservative Government shifted probably over 1 million people off unemployment benefit on to incapacity benefit to get the unemployment figures down. Does that not suggest that we cannot solve this problem purely by getting tough on incapacity benefit? It can be solved only in conjunction with a much tougher regional industrial strategy to increase employment opportunities in areas of persistent high unemployment.

Mr. Hutton: I largely agree with my right hon. Friend. This is not a punitive package of measures; I think that that is clear, and I hope that he is clear about it. The challenge for us on the Government side of the House is to develop proposals that are radical and have that far-reaching effect, but are not characterised by the label "punitive". I do not believe that that would work. I agree with my right hon. Friend that if we are to succeed in moving people from incapacity benefit towards the opportunity of taking up employment, we shall need a dynamic local labour market and a strong national economy—and I am confident that if the Labour Government continue with the way in which they have managed the economy, we shall achieve that goal as well.

Mr. Mike Weir (Angus) (SNP): The Secretary of State has mentioned rolling out pathways to work throughout the UK by 2008. Many disability groups have expressed concern about whether the scheme covering the whole country will be of the same quality as the undoubtedly successful pilot schemes. Can the right hon. Gentleman assure us that when the scheme is rolled out, it will have all the functions that the current pilots have enjoyed?

Mr. Hutton: The national roll-out of pathways to work will certainly be focused on ensuring quality, and outcomes for people who are disabled. I can give the hon. Gentleman that absolute assurance.

Mrs. Madeleine Moon (Bridgend) (Lab): I welcome the statement, as the pathways to work project in my constituency, organised largely through the Shaw Trust, has been incredibly successful. How will the changes to housing benefit affect young people who have had difficult relationships and family breakdown and have ended up in voluntary housing settings such as Ty Cornel in the Porthcawl area, and those in the constituency of my hon. Friend the Member for Ogmore (Huw Irranca-Davies), in the Yellow project in Maesteg? They need to get back into education so that they can move forward, but they cannot then access housing benefit, because they are past the statutory breakdown age. Will we allow young people to stay in education and still be able to access housing benefit?

Mr. Hutton: The education maintenance allowance has, I hope, been an important contribution to securing what my hon. Friend is concerned about. The chapter in the Green Paper dealing with the reform of housing benefit makes it clear that the local housing allowance that we propose to replace housing benefit in the private rented sector will be available for new claimants. People who are currently claiming housing benefit will stay under the existing rules.

Peter Law (Blaenau Gwent) (Ind): Coming from south Wales, from a very depressed constituency, as I do, I ask the Secretary of State how he can justify these proposals. How can a Labour Government justify proposals that will put poor people further down in the poverty trap? That is a disgrace, and something that the Labour party will feel very ashamed of.

Mr. Hutton: I can only assume that the hon. Gentleman has not read the Green Paper, because we are not cutting incapacity benefit for existing claimants. We will introduce a more generous employment and support allowance in 2008, and we are providing more help and support for his constituents. I am utterly astonished that he has not had the good grace to recognise that today.

Roger Berry (Kingswood) (Lab): Obviously, we shall all want to look at the details in the Green Paper, but in view of previous debates on incapacity benefits in this House and elsewhere, I warmly welcome my right hon. Friend's very positive statement, particularly the speedy national roll-out of pathways to work, which is about recognising the barriers that disabled people face and taking the actions necessary to remove those barriers. Does my right hon. Friend agree that one of the key essentials is to ensure that those responsible for giving support and advice to benefit claimants have the skills and the resources to do their job properly? Without that, there is a great danger that this magnificent way of dealing with the problem might not be as effective as would otherwise be the case.

Mr. Hutton: My hon. Friend is exactly right and I pay tribute to his work in this area. It is very important that we invest in our disability employment advisers to make sure that they have the skills and expertise and, yes, the resources to do the jobs that we want them to do. As he knows, as part of the changes that we are making to Jobcentre Plus, we are trying to shift more people from the back office into the front office, in order that they can do the front-of-house work that needs to be done with benefit claimants directly. I hope that that will make a difference and ensure that the quality of advice that people receive is as good as it should be.

Mr. David Heathcoat-Amory (Wells) (Con): This Green Paper has the very general title of "A new deal for welfare", so why does it not tackle the main feature of the Government's welfare policies in the past eight years, which is the vast extension of means-testing? Does the Secretary of State agree that the means-tested society that we have created is not only incredibly bureaucratic, but creates severe disincentives to long-term saving and self-reliance? When is he going to reform that aspect of his policies?

Mr. Hutton: In any welfare system, it is important—the right hon. Gentleman will not want to argue against this—to target specific and additional help on the poorest people in society. I make no apology for the fact that, through tax credits, the pension credit and other initiatives that we have introduced, we have lifted literally millions of our fellow citizens out of poverty altogether. That is a record of solid achievement that all Labour Members are proud of. These reforms are about incapacity benefit, older people and lone parents; that is the focus of the Green Paper, and I am sure that the right hon. Gentleman will benefit from a thoroughly good read of it.

Miss Anne Begg (Aberdeen, South) (Lab): There will perhaps be a collective sigh of relief following the Green Paper's publication today. At long last, we have something to discuss, and I am sure that disabled organisations will engage with the Secretary of State and his Department and debate these proposals. There will also be a sigh of relief at the fact that many of the scare stories running in the press about how punitive the Government were going to be seem not to have been fulfilled; that said, we shall have to look at the detail.

Will the Secretary of State assure me that any new benefit that he puts in place will not contain the structural barriers associated with incapacity benefit, which puts obstacles in the way of disabled people and makes it very difficult for them to get work? Will he also provide support for those who need help, particularly those with mental health problems, who need assistance in accessing all those aspects of society that the rest of us take for granted?

Mr. Hutton: Yes, I can give my hon. Friend that assurance. The reforms that we are making are designed to take out the perverse incentives in the current system, and to provide more help and support. We want to develop these proposals over the next few months in dialogue and consultation with the widest possible cross-section of organisations with an interest in these matters, in order to ensure that we can design out, at the beginning of this process, any change that might have the consequences referred to by my hon. Friend.

Mr. Philip Dunne (Ludlow) (Con): The Secretary of State said earlier that he acknowledges that the longer people are on incapacity benefit, the more support, help and training they often need to get off that benefit and

into work. Has he been able to discuss with representatives of the various training bodies—they are often voluntary groups—the contractual arrangements entered into by his Department, which were described to the Work and Pensions Committee last week as nothing less than a shambles?

Mr. Hutton: Yes, we are certainly talking to the training and employment providers about precisely that issue, which my right hon. Friend the Minister for Employment and Welfare Reform is looking into in particular.

Mr. Ronnie Campbell (Blyth Valley) (Lab): The one thing that worries me is the position of older people—particularly those who have worked all their life in heavy industry—who, when they reach the age of 62 or 63, go on to incapacity benefit. The last time that such a change was introduced, officers of the then Department of Health and Social Security were given targets, which they had to meet. Of course, the first people whom they went for were those who had worked all their life in heavy industry, who sustained many injuries in doing so. Will there be targets this time?

Mr. Hutton: No, there will be no targets. We are not going to follow that approach. It would be disreputable to go about reforming incapacity benefit in that way, but we are not going to write off people who happen to be of a certain age. We must look carefully at the support that we provide for older people. In many parts of the country, although perhaps not in my hon. Friend's area, people are choosing to work longer, if possible. A modern, proper welfare state must provide employment support for people, irrespective of their age. However, we are not going after people in the way that my hon. Friend described—

Mr. Campbell: So no targets?

Mr. Hutton: There will be no targets in the way that my hon. Friend suggested. I want to work with organisations, such as the training and employment providers, to give people on benefit the best possible help and support.

Paul Rowen (Rochdale) (LD): I welcome the statement that the Secretary of State has made, and he is right that unemployment, incapacity benefit claims and poverty occur in specific areas. He said that action would be taken on that: will he elaborate, and say what he has in mind?

Mr. Hutton: The Green Paper sets out the broad direction of travel that we intend to take, and already we have had some discussions with city leaders about what the proposal would look like. I want to mobilise resources outside the Department in this matter. I am looking to people in the private and voluntary sectors, and in local government and beyond, to put together a new approach to delivering welfare-to-work services in our big cities. We shall explore the details with city leaders over the next few weeks and months, and I hope to let the first contracts next year and begin the new way of delivering welfare.

Points of Order

4.31 pm

Mr. Alex Salmond (Banff and Buchan) (SNP): On a point of order, Mr. Speaker. Have you had any indication that the Government will deliver a considered statement on today's massive job losses at Lexmark in Rosyth? For obvious and tragic reasons, the Dunfermline and West Fife constituency does not have an MP at the moment. Does not that make it all the more important for the Government to make a considered response to issues as substantial as the Lexmark redundancies—as opposed to the cursory, complacent and useless remarks made by the Secretary of State at Scottish questions earlier today?

Mr. Speaker: I am always concerned at any loss of jobs anywhere in the UK, but the hon. Gentleman will understand that this is not a matter for the Chair. However, hon. Members can put down parliamentary questions or ask for meetings with the Minister concerned. That is all that I can say on the matter.

John Robertson (Glasgow, North-West) (Lab): On a point of order, Mr. Speaker. I seek your guidance. Is it right for a Member of Parliament to use a point of order for blatant electioneering purposes, as the hon. Member for Banff and Buchan (Mr. Salmond) just did?

Mr. Speaker: Points of order are used for many purposes.

Council Tax Benefit (Pensions Entitlement)

4.32 pm

Tony Baldry (Banbury) (Con): I beg to move,

That leave be given to bring in a Bill to provide that persons who own their own homes and are in receipt of State Pension should automatically receive Council Tax Benefit; to require local authorities to inform all such persons about their rights to Council Tax Benefit; and for connected purposes.

This Bill has all-party support. It is about an incredible Government IOU, and about giving money back to home-owning pensioners. It is not as though the Government do not want to give back the money involved, as they say that they have it and want to give it back. The people to whom it is owed—pensioners on pension credit—do not know that it is theirs or that it is owed to them, yet they are among the least able people in our communities to afford to lose out on it.

What is the problem? Specifically, it is the payment of council tax benefit, billions of pounds of which is going unclaimed. Pensioners deserve the benefits to which they are entitled and the tax relief to which they have contributed during their working lives.

The numbers are staggering. According to the most recent figures revealed by the Government, pensioners miss out each year on a cut to their council tax bill worth an average £426. Four pensioners out of 10 miss out on the total of £750 million in council tax benefit that goes unclaimed each year, and fewer than half of all home-owning pensioners claim the money that they should get. The money is like a lottery ticket that has fallen behind the sofa.

This weekend, there will be huge publicity for the EuroMillions lottery jackpot, in which the prize is more than £100 million. Many pensioners will probably buy a ticket, and the chances are that they will not win. Yet council tax benefit worth 750 times the value of the winning lottery ticket is unclaimed every week, every month, every year. Why? The money goes unclaimed because the onus is on pensioners to claim it. Yet most do not know they are owed it. The Government say that pensioners can call up the Department for Work and Pensions or visit it or go online. But why would they, if they do not know that they are owed almost £500 a year?

The onus should not be on pensioners to jump hurdles to make a claim. It should be the other way round. The Government should be obliged to make claiming as straightforward as possible to enable pensioners to claim the missing £750 million. If one owns one's own home, one qualifies, but there is no box on the council tax bill that one can tick. There should be. If one receives pension credit, one qualifies, but there is no box to tick on that paperwork for council tax relief. There should be. It is a scandal that some of the people who most need the Government's help are being left to second-guess the system. What makes it a scandal is not that the money is not there or that Ministers do not want to give it away, but simply that no one seems to agree on how it should be given back.

Even if pensioners know that they can get the benefit, how easy is it to claim? It is not easy at all. My research assistant and I tried to work through the process. We Googled council tax benefit, and the BBC website came up, promising that I could

"download claim forms for some benefits, obtain leaflets, publications and other information, including details of your social security office"

by going to the DWP website. Well, I went, and I searched for council tax benefit. There were no results.

I went to the section for pensioners. Council tax is not even listed. I went back to the part on professionals and advisers on the Department's home page. I got tantalisingly close but sadly got only the "Adjudication and Operations Circulars for Council Tax Benefit", dating back to 2001. I finally found the form by using the A to Z index. There is no clear explanation of council tax relief for pensioners, and only one mention:

"Unless you are aged 60 or over and receive the guarantee credit of Pension Credit, savings over £16,000 usually mean you cannot get Council Tax Benefit."

That hardly screams out to pensioners to come and claim their tax relief.

The form is 40 pages long. It is not written in plain English. It asks about self-employment, dependants and savings, none of which is relevant or specific to pensioners and council tax benefit. It would be easier to keep buying the lottery tickets.

Yet, frustratingly, Ministers are convinced that the system is working and that there is no need for a tick-box. Why are they convinced of that? I have no idea, because what has happened since I first raised the issue in the House almost two years ago is that the amount going unclaimed has remained almost the same. When I questioned the Prime Minster about why half of home-owning pensioners are failing to get council tax relief, he said:

"Of course we support the principle of getting as many people as possible the benefits to which they are entitled, and we have made certain changes both to the forms that people have and in relation to the information campaign . . . of course we want to ensure that . . . people . . . actually get to them."—[*Official Report*, 8 December 2004; Vol. 428, c. 1168.]

That echoed the concerns of the Secretary of State for Work and Pensions in discussions with me when I proposed a private Member's Bill on the matter, which ran out of parliamentary time.

I fully accept that the Government are concerned, but their solution is unimaginative and uninspiring. In March 2004, Ministers undertook a publicity campaign, with flyers being sent to 20,000 organisations. It did not work. A year later when my private Member's Bill came to the House, the unclaimed council tax relief stood at £750 million. In response to my Bill, the then Secretary of State told me that adverts would be placed in the regional press calling on pensioners to claim. I did not see the adverts; I did not hear about the adverts. Clearly large numbers of pensioners never saw them.

Publicity campaigns alone often do not work. They are ad hoc. They are a scattergun approach to get people the help they need. A pensioner who does not read a particular newspaper one day or pick up a particular leaflet one week or listen to a particular radio programme one weekend is unlikely to get the benefit to which he or she is entitled. Yet that is what was

happening to 1.4 million pensioners every year after the second publicity campaign in response to my private Member's Bill. Just before Christmas, when I decided to reintroduce this Bill, BBC News online was reporting Age Concern as highlighting that 1.4 million eligible older people miss out on council tax benefit, resulting in up to £750 million remaining unclaimed each year. It said that the average amount unclaimed was £7.50 a week. Those are not my sums or even the charity's sums. Apparently they are based on conversations with Department for Work and Pensions officials and they are the DWP's figures. But Ministers persist in saying that they will pursue yet more publicity campaigns. Why? Again, I have no idea, because clearly publicity campaigns alone are not the answer.

What is more astonishing is the press release that the DWP put out when it did the first publicity campaign. It said:

"Some pensioners are missing out on a 100 per cent. refund because they are tearing up their Council Tax Bills."

What a crazy statement. When this hits the most vulnerable in our community hardest, it is the responsibility of Ministers to ensure that money owed to groups such as pensioners is given back. The money belongs to the pensioners; end of story. It is not the Chancellor's; it is not any Government Department's; it is not the local authorities'; it is the pensioners'. Pensioners should not have to fill out 40-page forms of irrelevant questions to get what is owed to them. It should just be given back. Pensioners paid the money in; now the Government should give it back.

The 40-page forms should be scrapped. At the most there should be a tick box on the council tax form or on the pension credit paperwork, not 40 pages of paperwork. It should not be the responsibility of local authorities to do this. They have not got the money; the Chancellor has. They did not take the money; the Chancellor did. Publicity campaigns are not working. Too much council tax relief is going unclaimed.

This is the second time that I have put this Bill before Parliament. This is the second time that I have received cross-party support for the Bill. This is the second time that I have been told by the Government that they are dealing with the problem when the problem remains. Enough is enough. It is time that Ministers ended the lottery of council tax benefit. Pensioners are entitled to this money. It cannot be beyond the wit of the Government to ensure that this huge sum of unclaimed council tax benefit goes to those who need it—pensioners who are entitled to it. I have pleasure in introducing the Bill.

Question put and agreed to.

Bill ordered to be brought in by Tony Baldry, Tom Brake, Mr. Alistair Carmichael, Dr. Hywel Francis, Mr. Jeremy Hunt, Mr. Boris Johnson, Grant Shapps, and Mr. Edward Vaizey.

COUNCIL TAX BENEFIT (PENSIONS ENTITLEMENT)

Tony Baldry accordingly presented a Bill to provide that persons who own their own homes and are in receipt of state pension should automatically receive council tax benefit; to require local authorities to inform all such persons about their rights to council tax benefit; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 16 June, and to be printed [Bill 116].

Government of Wales Bill

[2ND ALLOTTED DAY]

Considered in Committee [Progress, 23 January].

[SIR ALAN HASELHURST *in the Chair*]

[Relevant documents: The First Report from the Welsh Affairs Committee, Session 2005–06, Government White Paper: Better Governance for Wales, HC 551, and the Government's response thereto, Third Special Report of the Committee, Session 2005–06, HC 839, are relevant.]

Clause 94

AMENDMENT OF SCHEDULE 5

Amendment proposed [23 January]: No. 180, in page 51, line 26, after 'Assembly', insert

'in which the number of Assembly members voting in favour of it is not less than two thirds of the total number of Assembly seats'.—*[Mr. Grieve.]*

4.43 pm

Question again proposed, That the amendment be made.

The Chairman of Ways and Means (Sir Alan Haselhurst): I remind the Committee that with this we are discussing the following: Amendment No. 154, in page 51, line 28, after 'approved', insert '(i)'.

Amendment No. 155, in page 51, line 29, at end insert

'or

(ii) has been laid before each House of Parliament and has been approved by a resolution of the House of Commons, but has been rejected by the House of Lords.

(5A) If subsection (5)(b)(ii) applies, the Order in Council shall not take affect until one year has elapsed since the date on which the House of Commons came to the resolution.'.

Amendment No. 27, in page 51, line 29, at end insert—

'(5A) In the event of approval of a draft statutory instrument by the Assembly, as specified in subsection (5)(a), but there not being within 60 days of that approval, an approval by a resolution of each House of Parliament as specified in subsection (5)(b), subsection (5) shall cease to have effect in the case of that draft statutory instrument, and the procedure specified in subsection (5B) will then apply to that draft statutory instrument.

(5B) The procedure which will apply in cases specified in subsection (5A) will be that no recommendation is to be made to Her Majesty in Council to make an Order in Council under this section unless a draft of the statutory instrument containing the Order in Council—

(a) has been laid before, and approved by a resolution of, the Assembly, and

(b) the resolution of the Assembly is passed on a vote in which the number of Assembly members voting in favour of it is not less than two-thirds of the total number of Assembly seats.'.

[Sir Alan Haselhurst]

Amendment No. 187, in page 51, line 29, at end insert—

'(5A) Any draft of an Order in Council laid before Parliament under this section must be accompanied by—

(a) a detailed memorandum setting out the scope of the proposal, its practical effects on Wales and the legislative authority that would pass to the National Assembly, and

(b) a draft of the proposed Assembly Measure.

(5B) Before an Order in Council is subject to a resolution of both Houses of Parliament, the Secretary of State must make a motion to refer the draft of the Order in Council, along with the draft Assembly Measure, to the Welsh Grand Committee for consideration.

(5C) A report of the debate in the Welsh Grand Committee on the draft Order in Council and Assembly Measure must have been available to both Houses of Parliament for a period of not less than 60 days before any Order in Council is made under this section.'.

Amendment No. 211, in page 51, line 29, at end insert—

'(5A) But subsection (5) is not satisfied unless the resolution of the Assembly is passed on a vote in which the number of Assembly members voting in favour of it is not less than two-thirds of the total number of Assembly seats.'.

Amendment No. 212, in page 51, line 29, at end insert—

'(5A) But subsection (5) is not satisfied unless, before the draft of the statutory instrument containing the Order in Council has been approved by a resolution of the House of Commons

(a) the Welsh Grand Committee has debated the draft, and

(b) the Welsh Affairs Committee has reported to the effect that it approves the draft.'.

Amendment No. 122, in page 51, line 38, leave out 'either'.

Amendment No. 123, in page 51, line 39, leave out from 'Parliament' to end of line 1 on page 52.

Amendment No. 181, in page 51, line 39, leave out from 'Parliament' to end of line 41.

Amendment No. 53, in page 51, line 40, at beginning insert 'if subsection (7A) applies,'.

Amendment No. 54, in page 51, line 41, at end insert—

'(7A) This subsection applies only if the Secretary of State has reason to believe that the Assembly Measure made under the order—

(a) would have an adverse effect no any matter which is not specified in Part 1 of Schedule 5,

(b) might have a serious adverse impact on water resources in England, water supply in England or the quality of water in England,

(c) would have an adverse impact on the law as it applies in England, or

(d) would be incompatible with any international obligation or the interests of defence or national security.'.

New clause 4—*Refusal to lay draft statutory instrument*—

'In the event of approval of a draft statutory instrument by the Assembly, as specified in section 94 (5) (a), followed by a refusal to lay that draft statutory instrument before each House of Parliament, as specified in section 94 (7) (b), the Counsel General or the Assembly may refer to the Supreme Court for decision the question whether the Secretary of State's decision to refuse to lay the draft statutory instrument was made reasonably in the circumstances and intra vires.'.

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): Sir Alan, as I was saying only at 10 o'clock last night—

Chris Ruane (Vale of Clwyd) (Lab): It seems like only yesterday.

Nick Ainger: Indeed it does. We were discussing the group of amendments beginning with No. 180, and I was talking about the proposal in the amendment that would require a two-thirds majority before any Order in Council process could begin. I was saying that the Order in Council process is one that is completely different from the Order in Council that would introduce a referendum on primary powers for the Assembly. It is a completely and utterly different order. An Order in Council, for example, that would have brought in the legislation that would have enabled the Assembly to consider the legislation on the public administration ombudsman or transport in Wales would be very different.

4.45 pm

I wish to remind the hon. Member for Beaconsfield (Mr. Grieve) of the situation when parties present their manifestos at election time. If the Welsh Assembly Government that is formed in 2007 is elected on the basis of a manifesto commitment and if that commitment needs new legislation to be delivered, it would be a clear basis for a proposed Order in Council to enable the Assembly to legislate on that matter. With the electoral arrangements that we have for the National Assembly for Wales, it is unlikely that the ruling group or party would have a two-thirds majority. The hon. Gentleman's proposal would mean that a party or group of parties, having fought an election on a proposal, would not be able to legislate for that proposal.

Even when no specific manifesto commitment is involved, such a request will not come out of the blue. To take the transport example that I mentioned earlier, I placed in the Library the Order in Council example with its explanatory memorandum. Before the draft Bill came before the House, we had a full report by the relevant Assembly subject Committee, which led to the conclusion that the Assembly needed further powers to enable it to play a more effective strategic role in transport in Wales. Opposition Members should recognise the fact that the Assembly, as a democratic institution, has an open process for debating and developing policy, as does the Welsh Assembly Government. The requirement for a two-thirds majority before an Order in Council could be introduced is wholly disproportionate.

Amendments Nos. 187 and 212 address an important issue that has been mentioned by right hon. and hon. Members, especially my right hon. Friend the Member for Torfaen (Mr. Murphy). On Second Reading and on several other occasions, he raised the issue of pre-legislative scrutiny and how it will be carried out. I recognise the importance of pre-legislative scrutiny in the proposal for Orders in Council. Several interventions have been made on that point and I am

grateful for the many suggestions that have been made as to how that process could be conducted, including the proposals in amendment No. 187.

I should say immediately that I do not think that it is right that the Government should prescribe in the Bill how such scrutiny must be conducted, but that is what amendment No. 187 suggests. That would not allow parliamentarians the proper discretion to determine the most appropriate arrangements. However, in my letter to the hon. Member for Chesham and Amersham (Mrs. Gillan) of 17 January, which was circulated and placed in the Library, and which covered the illustrative examples of Orders in Council, I outlined the normal procedure that I envisaged for scrutiny of such proposals. It may be helpful if I run through them again for the benefit of the Committee.

When the Assembly has a proposal, it will discuss it with the UK Government. If broad agreement were reached, the Assembly would produce a proposed draft Order in Council—this is the difference between what is set out in amendment No. 187 and what I propose in my letter. The proposed draft Order in Council would be accompanied by an explanatory memorandum, as is shown in the examples attached to the letter. It is worth pointing out that the proposed draft Order in Council could be amended, which would mean that more weight would be given to pre-legislative scrutiny than would be the case if the process of scrutiny did not allow amendments to be made, which I understand is what is set out in amendment No. 187.

Mr. Dominic Grieve (Beaconsfield) (Con): Who would be doing the amending, and in what setting?

Nick Ainger: Let me continue to go through the process.

The Secretary of State would forward the proposed Order in Council to the appropriate parliamentary body—for example, the Welsh Affairs Committee—in the same way as is the case when draft Bills receive pre-legislative scrutiny. It would be open for any other Select Committee to scrutinise the proposal. When draft Bills receive pre-legislative scrutiny, the Wales Office announces that the public may give their views and, if they wish, contact their Member of Parliament, who may wish to contribute to the process. Pre-legislative scrutiny would thus not be restricted to Members of the House because members of the public could contribute their views.

The practice of joint scrutiny between the Welsh Affairs Committee and Assembly Committees has worked well in the past. Depending on the type of Order in Council, the Welsh Affairs Committee could choose to continue with that arrangement, or decide to examine the proposal separately. That would be a matter for the Committee, but such a process would assist in gathering the widest possible input into the consideration of the proposal.

I did not mention this in my letter, but as part of the pre-legislative scrutiny of draft Bills, reports of the Welsh Affairs Committee have regularly been debated in the Welsh Grand Committee. I have noted the thoughts of my right hon. Friend the Member for Torfaen about that. We would encourage such debates on proposed Orders in Council. If it were felt that such a debate in the Welsh Grand Committee would help the process, we certainly would not put any obstacles in the way of that. I also agree that it is important that all hon. Members have the opportunity to comment on a proposed draft Order in Council, to ask questions about its scope and to propose ways in which amendments could be made.

Mr. Roger Williams (Brecon and Radnorshire) (LD): Has the Minister made any assessment of how many Orders in Council might have been brought forward in any specific year, such as during the previous year? We must consider not only Wales-only legislation, but the Welsh elements of England and Wales Bills. The Childcare Bill is going through the House at the moment. Would that require a separate Order in Council? If so, how many times would the Welsh Grand Committee need to meet to consider all the Orders in Council?

Nick Ainger: It is difficult to give a totally accurate prediction of how many Orders in Council will come through. Orders in Council would not be required for primary legislation because the arrangements under which primary legislation gives secondary legislative powers to the Assembly would continue. It would be for Parliament to decide whether it was happy for such powers to be passed on, as is the case at the moment. I do not envisage that the number of proposals for Assembly Measures would be much greater than the number of requests for primary legislation that come through at present. However, the First Minister said that he would be surprised if there were more than five or six a year. I hope that that is helpful.

On the scrutiny and involvement of all hon. Members, my right hon. Friend the Member for Torfaen asked whether it was possible for those who are not members of the Welsh Grand Committee to attend its debates. Again, we cannot dictate to the House what should happen. That is for the House to decide under its Standing Orders. However, I am sure that if a good case were made for an amendment to the Standing Orders—perhaps to consider a particular Order in Council or Orders in Council in general—the House could change its Standing Orders to widen the membership.

Mr. Alan Williams (Swansea, West) (Lab): Would the Minister support such an application?

Nick Ainger: I would have no problem with that. In addition, there is nothing to prevent a report by the Welsh Affairs Committee on a particular Order in Council from being debated in Westminster Hall. Again, hon. Members could make a contribution in that way, which would be open to everyone. That is an alternative to the Welsh Grand Committee.

The hon. Member for Beaconsfield asked how Orders in Council would be amended. Once pre-legislative scrutiny is complete, reports will have been produced by the Welsh Affairs Committee. The Welsh Assembly might also have produced a report, and there may well be minutes of the Welsh Affairs Committee or, perhaps, the debate in Westminster Hall. Those will be taken into account, along with changes or problems highlighted in

[Nick Ainger]

the pre-legislative scrutiny. Once that has been put together, the Secretary of State will liaise with the Welsh Assembly Government to produce a finalised draft Order in Council. Then, and only then, would the Secretary of State lay the draft Order in Council in an unamendable form for the 90-minute debates in both Houses of Parliament, inviting their approval. I would expect those debates to take place on the Floor of the House, certainly in the early days of the process. That process follows the successful model, developed over a number of years, for the pre-legislative scrutiny of draft Bills, which has helped to improve those Bills and ease their passage through the House. It represents a good model to apply to the Orders in Council.

The Government welcome and encourage pre-legislative scrutiny of proposals for enhanced legislative competence. At the same time, there should be flexibility in the system. I would not wish either the Welsh Affairs Committee or the Welsh Grand Committee to have their business dictated by statute, which is the implication of amendments Nos. 187 and 212.

Amendment No. 187 would also set fixed time scales for the draft Orders in Council. I am not talking about proposed draft Orders in Council; it clearly refers to draft Orders in Council that have been finalised by the Assembly after pre-legislative scrutiny. The amendment would require those to be laid before Parliament for 60 days—the so-called super-affirmative procedure. As I said, there will have been ample opportunity for hon. Members to have taken part in the pre-legislative scrutiny, so there is no need for a fixed period.

The hon. Gentleman did not put much emphasis on draft Measures that are attached to the draft Order in Council. I remind Members that, by their nature, the Orders in Council do not change the substance of the law. Substantive changes of law would be made by the Assembly Measures themselves. Assembly Measures will be subject to detailed scrutiny by the Assembly. That is what we term the enhanced legislative process, which part 3 is all about.

5 pm

Mr. Grieve: I suspect that I may not have spent as much time on this as I should have, in the hope that we would make some progress after yesterday's quite slow progress. There is an important issue, because it is far from clear—the Minister will appreciate this—to what extent the Order in Council will give an indication to Members of this House of what in reality will be in the Measure. I appreciate that there is a difficulty. The Measure has to be fleshed out by the Assembly and that cannot be done here, but how will reassurance be provided to Members of this House that they are not writing a blank cheque?

Nick Ainger: I am not sure whether the hon. Member for Chesham and Amersham gave the hon. Gentleman a copy of my letter of 17 January and the attachments thereto, but there will be a clear indication in the attached memorandums of what such Measures will cover, the reasons behind them, the policy development and so on. I am pretty certain that pre-legislative scrutiny will be able to tease out any other issues that may not have been fully explained in the explanatory memorandum. I am also pretty certain that the Welsh Affairs Committee, the Welsh Grand Committee or any other Committee of this House would be able to establish whether they were getting a pig in a poke. I hope that the hon. Gentleman is reassured on that point.

Amendments Nos. 122, 123, 181, 53 and 54 relate to the role of the Secretary of State. Much has been made of the fact that the Secretary of State has discretion whether to lay a draft legislative competence order—or an Order in Council—before both Houses, but that position is perfectly reasonable and rational. As I explained earlier, these proposals will not come out of the blue. Normally, the preliminary draft Orders in Council and the explanatory material that will accompany the draft would reflect the outcome of discussions between the Welsh Assembly Government and the UK Government, so that issues of scope, clarity and vires would have been thoroughly thought through before even the preliminary draft was laid before Parliament for pre-legislative scrutiny.

The Secretary of State should be cast not in the role of Napoleon, as the right hon. Member for Suffolk, Coastal (Mr. Gummer) implied, but genuinely as an honest broker. It would in any event be unreasonable to force the Secretary of State to lay before the House a draft order that he or she felt was defective, unworkable or premature. The provisions will ensure not only that the proposals that are put before Parliament are properly prepared but that the Government's view on them is clear.

In new clause 4, the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) proposes that the Assembly or Counsel General should be able to refer to the Supreme Court any decision by the Secretary of State to refuse to lay a draft Order in Council before each House of Parliament, so that the Supreme Court could decide whether such a decision was reasonable and intra vires. I do not believe that such a provision is necessary. The Bill already provides for the Secretary of State to give notice of his reasons for refusing to lay the draft Order in Council. That, in itself, is a powerful incentive to any Secretary of State to ensure that he or she has good reasons for any refusal to lay such a draft. The Assembly and the public at large would know the Secretary of State's reasons for refusing.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I hear what the Under-Secretary says, but the only reference in the White Paper to the Secretary of State's duty to provide reasons is a statement that the reasons he gives should not be trivial. That does not take us very far. Can the Under-Secretary provide examples of why the Secretary of State should refuse to lay a draft Order in Council?

Nick Ainger: Pre-legislative scrutiny might have failed to tease out an issue relating to whether the Measure fits correctly within one of the fields. The Secretary of State would therefore query whether the proposal is workable and firmly grounded. In such a case, he would say, "There is something wrong with this proposal—I cannot support it. The Assembly should consider the matter again." That is the type of case that we have in mind. Understandably, some have argued that the Secretary of State might block an Order in Council for

purely political reasons—because he did not like the contents of the Measure—but we do not expect the process to work in that way. I hope that the hon. Gentleman is satisfied with that answer.

David T.C. Davies (Monmouth) (Con): I appreciate that the Minister is attempting to reassure us that the Secretary of State would never turn down an application for political reasons, but although that might be the present intention, the Bill as drafted allows the Secretary of State for Wales, now or in future, to turn down a Measure for political reasons, if he or she wishes to. I cast no aspersions on the present Secretary of State when I say that, although that might be the present intention, if the wording of the Bill is not amended, it might not necessarily be what happens in future.

Nick Ainger: The political reality is that if the Secretary of State's reasons were weak or unconvincing, he would come under considerable public pressure. In addition, the Bill provides powers for the Counsel General to refer questions to the Supreme Court—for example, whether a matter relates to a field listed in part 1 of schedule 5. However, careful thought must be given to when those powers are required. In general, we have provided such powers where the question is clearly one of legal interpretation and requires a decision of the senior judiciary, given the constitutional significance of the matter in question. In such a case, judicial review is available to anyone who thinks that the Secretary of State's decision is unreasonable. An additional power for the Assembly or the Counsel General to refer the Secretary of State's decision to the Supreme Court is not necessary. Furthermore, the Secretary of State's decision is an Executive decision and is therefore qualitatively different from matters in respect of which the Bill provides a power for the Counsel General and the Attorney-General to refer questions to the Supreme Court.

I have taken some time to respond to an important debate, which started last night. I hope that what I have said persuades Opposition Members that our proposal is reasonable and that we expect to have rigorous and effective pre-legislative scrutiny. I urge the hon. Member for Beaconsfield to withdraw the amendment.

Mr. Grieve: I thank the Minister for the way in which he has presented the Government's case, both yesterday and today.

I said at the outset that amendment No. 180 was probing in nature. It was designed to highlight the difference of approach in the part 4 and part 3 procedures. The Minister is right, and I accept that if the amendment were to be accepted, it would have a sclerotic effect on the way in which the Assembly functions. Although I may have serious reservations about the operation of part 3 in principle, as the Minister no doubt realises, it is not my purpose to scupper it by making it ineffective if Parliament decides it wants part 3 in place. For those reasons, I shall not press amendment No. 180 to a Division.

I hope that in due course it will be possible to press amendment No. 187. I continue to have serious reservations about the scrutiny procedure. I am grateful to the Minister for the letter that he wrote to my hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) on 17 January and the two memorandums attached to it, which I had an opportunity to read before they were put in the Library. They make interesting reading. I can see how the Government seek to involve the House and the Welsh Grand Committee in the formulation of policy in Wales and in taking a decision whether the Welsh Assembly should be allowed to pass an Assembly Measure.

However, as I am sure the Minister recognises, the word "amendable" in the context of what goes on in this House usually suggests that it is possible to table an amendment and carry it by some vote or other or with the agreement of all concerned, so that the text can be varied. That, of course, is not possible under the proposed procedure, which envisages a consultation mechanism by which a draft order can be scrutinised. If individuals in the House or elsewhere—the various public bodies that the Government intend to consult—succeed in raising sufficient objection to make the Government consider that there may be a mistake in the drafting of the scope of the order, or that they may have difficulty getting the order in its present form through the House, they can redraft it and present a new order. That, as I am sure the Minister acknowledges, is not the same as an amendable order. It is an entirely different creature.

In those circumstances, the House faces a possible difficulty. I shall not revisit the debate that we had yesterday on my first amendment, No. 161. That suggested to the Government that one possible way of proceeding was to hold a further vote after the Assembly Measure was drawn up and before it was submitted to Her Majesty in Council for ratification. In terms of the House having scrutiny of what is passed in Wales, that to my mind remains a better mechanism, but if that is not to be the course of action, we need to set out formally a procedure that will allow the House to undertake pre-scrutiny.

The Minister worried me a little in the course of his comments, because he made it clear, rightly, that the system could be short-circuited. We will be relying on the Standing Orders of the House. No formal mechanism will be prescribed. That is not adequate. The Government need to consider what mechanism they want for the proper scrutiny process to take place. If amendment No. 187 is not a suitable vehicle for that, I look forward to a Government alternative being tabled on Report.

As we are dealing with a novel area—I cannot think of previous legislation of this kind—I am not persuaded that the existing informal systems, which are enshrined only in convention and Standing Orders, are adequate. If the House is to have a proper role in deciding whether the Welsh Assembly should legislate, there is no reason why the scrutiny procedure should not be laid down in primary legislation. For those reasons, I seek to put amendment No. 187 to the vote. Even if it is not carried, it may be an inducement to the Government to consider the matter further. Subject to that, I seek leave to withdraw amendment No. 180, and to press amendment No. 187 to the vote.

Amendment, by leave, withdrawn.

[Mr. Grieve]

Amendment proposed: No. 187, in page 51, line 29, at end insert—

'(5A) Any draft of an Order in Council laid before Parliament under this section must be accompanied by—

(a) a detailed memorandum setting out the scope of the proposal, its practical effects on Wales and the legislative authority that would pass to the National Assembly, and

(b) a draft of the proposed Assembly Measure.

(5B) Before an Order in Council is subject to a resolution of both Houses of Parliament, the Secretary of State must make a motion to refer the draft of the Order in Council, along with the draft Assembly Measure, to the Welsh Grand Committee for consideration.

(5C) A report of the debate in the Welsh Grand Committee on the draft Order in Council and Assembly Measure must have been available to both Houses of Parliament for a period of not less than 60 days before any Order in Council is made under this section.'.—*[Mr. Grieve.]*

Question put, That the amendment be made:--

The Committee divided: Ayes 172, Noes 328.

Division No. 138] **[5.15pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Barker, Gregory
Baron, Mr. John
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butterfill, Sir John
Cameron, rh Mr. David
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Fox, Dr. Liam
Francois, Mr. Mark
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Grayling, Chris
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Howard, rh Mr. Michael
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Main, Anne
Maples, Mr. John
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Milton, Anne
Moss, Mr. Malcolm
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rosindell, Andrew
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, Mr. Keith
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Wilson, Sammy
Winterton, Ann
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Mr. Henry Bellingham and
Mr. David Evennett

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Baker, Norman
Balls, Ed
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Beith, rh Mr. Alan
Bell, Sir Stuart
Benn, rh Hilary
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brake, Tom
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browne, Mr. Jeremy
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clegg, Mr. Nick
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie

Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Farron, Tim
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gardiner, Barry
George, Andrew
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harris, Dr. Evan
Harris, Mr. Tom
Harvey, Nick
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hemming, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hoey, Kate
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, David
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hunter, Mark
Iddon, Dr. Brian
Iranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, Mr. David
Law, Peter
Laws, Mr. David
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Levitt, Tom
Linton, Martin
Llwyd, Mr. Elfyn
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCarthy-Fry, Sarah
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mulholland, Greg
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Öpik, Lembit
Palmer, Dr. Nick
Plaskitt, Mr. James
Prentice, Bridget
Prentice, Mr. Gordon
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Raynsford, rh Mr. Nick
Read, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, Angus
Robertson, John
Robinson, Mr. Geoffrey
Rogerson, Mr. Dan
Rowen, Paul
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salmond, Mr. Alex
Salter, Martin
Sanders, Mr. Adrian
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, rh Jacqui
Smith, John
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Speller, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thornberry, Emily
Thurso, John
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Weir, Mr. Mike
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wishart, Pete
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Vernon Coaker and Mr. Dave Watts

Question accordingly negatived.

Amendment proposed: No. 123, in page 51, line 39, leave out from 'Parliament' to end of line 1 on page 52.—*[Mr. Llwyd.]*

Question put, That the amendment be made:—

The Committee divided: Ayes 206, Noes 275.

Division No. 139] **[5.30 pm**

AYES

Afriyie, Adam
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Barker, Gregory
Baron, Mr. John

Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dories, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Hayes, Mr. John
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Hermon, Lady
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
MacNeil, Mr. Angus
Main, Anne
Maples, Mr. John
Mates, rh Mr. Michael
McCrea, Dr. William
McIntosh, Miss Anne
Mercer, Patrick
Milton, Anne
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Spicer, Sir Michael
Spink, Bob
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swinson, Jo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Williams, Mark
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Sammy
Winterton, Ann
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Hywel Williams and
Mr. Roger Williams

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clelland, Mr. David
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel

Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hoey, Kate
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
McAvoy, rh Mr. Thomas
McCarthy-Fry, Sarah
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Serwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Vernon Coaker and
Mr. Dave Watts

Question accordingly negatived.

Motion made, and Question put, That the clause stand part of the Bill:—

The Committee divided: Ayes 277, Noes 62.

Division No. 140] **[5.45 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike

Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCarthy-Fry, Sarah
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Mr. Dave Watts and
Mr. Vernon Coaker

NOES

Alexander, Danny
Baker, Norman
Barrett, John
Beith, rh Mr. Alan
Brake, Tom
Brooke, Annette
Browne, Mr. Jeremy
Burstow, Mr. Paul
Clegg, Mr. Nick
Davey, Mr. Edward
Davies, Mr. Quentin
Farron, Tim
Foster, Mr. Don
George, Andrew
Gidley, Sandra
Gummer, rh Mr. John
Harris, Dr. Evan
Heath, Mr. David
Hemming, John
Holmes, Paul
Howarth, David
Hunter, Mark
Kramer, Susan
Lamb, Norman
Laws, Mr. David
Leech, Mr. John
Llwyd, Mr. Elfyn
Luff, Peter
MacNeil, Mr. Angus
McCrea, Dr. William
Moore, Mr. Michael
Mulholland, Greg
Öpik, Lembit
Paisley, rh Rev. Ian
Price, Adam
Pugh, Dr. John
Robertson, Angus
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rowen, Paul
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Stunell, Andrew
Swinson, Jo
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Webb, Steve
Weir, Mr. Mike
Williams, Hywel
Williams, Mark
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Sammy
Wishart, Pete

Tellers for the Noes:
Lorely Burt and
Mr. Roger Williams

Question accordingly agreed to.

Clause 95

Scrutiny of proposed Orders in Council by Supreme Court

Hywel Williams (Caernarfon) (PC): I beg to move amendment No. 28, in clause 95, page 52, line 11, after 'Counsel General', insert 'or the Assembly'.

The Temporary Chairman (Mr. Joe Benton): With this it will be convenient to discuss the following amendments: No. 29, in clause 98, page 53, line 44, after 'Counsel-General', insert 'or the Assembly'.

No. 41, in schedule 9, page 136, line 33, at end insert 'or the Assembly'.

No. 42, in schedule 9, page 140, line 14, after 'Counsel-General', insert 'or the Assembly'.

Hywel Williams: The amendments would enable not just the Counsel-General and the Attorney-General but the Assembly itself to appeal to the Supreme Court on

disputes about whether the Assembly has acted within its powers. It seems entirely reasonable for the elected Assembly to have that power, and unreasonable that it should not. The Bill proposes a separation of the Assembly from the Government, which is very welcome, of course. But the two are being treated differently, with the elected body coming off worse.

The Counsel-General, as I understand it, is deemed to be a Minister. While the power of referral to the Supreme Court is appropriate as a ministerial power, why is it not so for the elected body? However much the Assembly might wish to do so, as things are it cannot appeal to the Supreme Court. In certain circumstances, it might be appropriate to confer on an elected body, because of its standing as an elected body, powers that it would be inappropriate to confer on an individual appointed Minister. However, in spite of that excellent principle, the elected body is coming off worse here. Furthermore, what recourse would there be for the Assembly if the Counsel-General refused to refer the matter to the Supreme Court for reasons that the Assembly might not accept? What recourse would there be for the Assembly and the Counsel-General if the Attorney-General refused to refer a matter to the Supreme Court for reasons that they might not accept?

We can speculate about disagreements on referral to the Supreme Court between the Counsel-General and the Attorney-General, but that probably goes beyond the scope of the amendment. Given the Assembly's status as the elected body and as something separate from the Executive, and given those potential problems, we think that there is reason for the Assembly to have direct recourse to the Supreme Court.

Mr. Grieve: I am not minded to support the amendment, but it raises a pertinent issue. It might be helpful if the Minister took the opportunity to explain the nature of the relationship that will exist between the Counsel-General and the Assembly. There is some lack of clarity in the Bill's text about whether the Counsel-General is the servant of the Executive and the Ministers or of the Assembly, or of both.

Of course, in this House, the Attorney-General fulfils a function both as the Government's adviser and, in theory, an adviser to the House, although because he is not a Member of the House, it is difficult for him to discharge that responsibility. I have not seen the Solicitor-General fulfil that function since he was appointed. It is an issue on which there needs to be some clarity.

On the face of it, I can see why the Government have restricted the right to make a reference to the Counsel-General or the Attorney-General, but it raises the question of what the Counsel-General's duties will be and how he should discharge them. I assume that by virtue of his office he has to cast a wholly impartial eye over legislation and, if he thinks that there is an issue of controversy or difficulty, to make the reference. However, that raises a question about the extent to which he should be seen to act and will act independently and the extent to which he will be seen as a creature of the Executive.

The standard problem that could arise, I suppose, is an issue on which there is disagreement between the Assembly and Ministers. We should like some reassurance from the Government as to how they see this working in practice.

Mr. John Gummer (Suffolk, Coastal) (Con): Could we have a clear explanation of this, for another reason? I am rather minded to support the amendment, which seems merely to point out the nonsense of so much of the interior tergiversations that are going on in this clause. The thing that concerns me is the role of the Counsel-General. If he can be shown to be an independent figure able to take a proper legal view of what the Assembly wants, there may be an argument for saying that the Assembly, separate from the Counsel-General, should not have an application to the Supreme Court. The Minister must convince us that the Counsel-General will not be a creature of the Government but a proper servant of the Assembly. If he can so convince us, it would be perfectly proper to leave the Counsel-General that access, because of his legal position, but the Minister would have to be significantly more convincing than either the explanatory notes or what we have heard so far from him. I hope that he will help me.

6 pm

Nick Ainger: Clause 95 gives a specific power to the Counsel-General and the Attorney-General to make a reference to the Supreme Court, where they would like a decision on whether a particular matter specified in a proposed Order in Council actually relates to a field listed in part 1 of schedule 5.

We think that this should be a power for the Counsel-General or Attorney-General to exercise, because it is all about legal interpretation. Does the matter, as described in the proposed Order in Council, actually relate to a field as set out in part 1 of schedule 5? In most cases, it should be clear whether a matter relates to a specified field or not, so in most cases it will not be necessary to use this power. However, in the less clear-cut cases, the Counsel-General or Attorney-General will need to make a judgment as to whether a decision is required from the Supreme Court so that there is clarity on whether a matter is relevant or not.

On a technical point, the Assembly will be an unincorporated association of 60 members. As such the Assembly itself could not institute proceedings in court, but it is possible that the Assembly Commission could act on its behalf. However, that is just a technical point. On the principle that I think the hon. Member for Caernarfon (Hywel Williams) is proposing, I still believe that it is inappropriate and unnecessary for a legal representative of the Assembly, as a legislature, to have such a role. The Counsel-General would be acting to represent Welsh devolution interests in proceedings involving devolution issues. It would seem odd to have two people able to carry out this role.

The position of Counsel-General means that there is someone with status similar to that of Attorney-General—this touches on the points that the hon. Member for Beaconsfield (Mr. Grieve) and the right hon. Member for Suffolk, Coastal (Mr. Gummer) made—to represent devolution interests in proceedings.

[Nick Ainger]

Opposition Members should welcome the fact that the Bill creates a post that can represent Welsh devolution interests in proceedings. But the provisions in the Bill correspond with provisions made with respect to Scotland and Northern Ireland.

The Counsel-General's appointment will have to meet with the approval of the Assembly, which should also enable the Assembly to signal that it has confidence in that person's ability to represent Welsh interests.

Mr. Gummer: Would the Counsel-General be required to give advice to the Assembly? In other words, if the Assembly were to say to the Counsel-General, "We think this is a matter you ought to look at," will he be required to give the reasons for his decision not to refer it to the Supreme Court or would he be like the Attorney-General, who never gives the reasons for his advice?

Nick Ainger: I assume, bearing it in mind that the Counsel-General is a member of the Welsh Assembly Government, that when he is approached—we are talking about whether an Order in Council fits in with part 1 of schedule 5—he will be open in giving his opinion as to whether he thought that it did or did not fit in.

I hope that I have answered the point that the hon. Member raised in his amendment. I hope that I have been able to reassure him that the amendments are not necessary, that the Counsel-General will be able to ensure that advice is given to the Assembly and that if there is a question as to whether the issue relates to part 1 of schedule 5, he will refer the matter to the Supreme Court.

Mr. Grieve: The Counsel-General may be a Member of the Assembly, but then again he may not. The option is open. We know from clause 49 that his appointment has to be ratified by the Assembly, but it is not clear how the Assembly would apply pressure, for instance, for his removal. Indeed, this applies to all the Welsh Ministers. I do not know whether it would be possible for the Welsh Assembly to move a motion for someone's salary to be reduced or, indeed, extinguished, which is the way we in this House normally go around these things if we wish to register our displeasure with a Minister's conduct.

There are some issues of procedure. I accept that, ultimately, if the First Minister stands by a Counsel-General who is not performing adequately, that will lead to a crisis in which the Executive might be overturned by the Assembly. Nevertheless, that is a bit of a nuclear button option. In this House, we have other ways of showing clearly that someone has lost our confidence.

David T.C. Davies: Will my hon. Friend give way?

Mr. Grieve: No, I cannot. I was intervening on the Minister.

6 pm

Nick Ainger: It was a long intervention, but not that long. I think that it was an intervention rather than a speech. Perhaps I should have been urging the hon. Gentleman to give way.

Mr. Benton, I do not wish to go out of order. Strictly speaking, we are starting to discuss the issues set out in clause 49. The Assembly would have the power to vote for a reduction in salary. As clause 49 makes clear, proceedings are laid out in the Bill that would have to be followed either to appoint or to remove the Counsel-General.

I think that I have responded to the points raised adequately. I am conscious that we need to make progress, and I urge the hon. Gentleman to withdraw his amendment.

Hywel Williams: I thank the Minister for that response. We welcome the creation of the post and, given his reassurance to me and to the right hon. Member for Suffolk, Coastal (Mr. Gummer) on the Counsel-General's role in advising the Assembly as well as the Government—notwithstanding that he is counted as a Minister—I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): I beg to move amendment No. 188, in page 52, line 11, leave out 'may' and insert 'must'.

This is a probing amendment. I accept, before the Minister tells me, that "must" would be overly prescriptive, but the explanatory notes are, unfortunately, simply a replication of the clause and it would therefore be helpful if the Minister set out the criteria that would define "may" as it currently appears in the clause.

Nick Ainger: I am glad that the hon. Gentleman said that this is a probing amendment, because if accepted it would mean that every Order in Council would have to be referred to the Supreme Court. Clearly, he does not propose that. Occasionally, it will be necessary to obtain the opinion of the Supreme Court and the Bill provides for that. That is why the clause contains the word "may" and I invite the hon. Gentleman to withdraw his amendment.

David Mundell: I am disappointed that we did not get an example, or a definition of the criteria that would cause the process to be used. On other occasions on which the provisions in the Bill have not been entirely clear, the Minister has helpfully set out examples. Given where we are in our proceedings, I shall not press the matter further, but it would be helpful if the Minister could identify more fully the circumstances in which the process would be used. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 95 ordered to stand part of the Bill.

Clause 96

INTRODUCTION OF PROPOSED ASSEMBLY MEASURES

Hywel Williams: I beg to move amendment No. 30, in page 52, line 21, at end insert

', or

(c) by any committee of the Assembly established under section 28 or section 30.'.

Clause 96(1)(a) and (b) provide that an Assembly Measure may be introduced to the Assembly

"by the First Minister, any ... Minister ... any Deputy ... Minister or the Counsel General, or ... by any other Assembly member."

The amendment would add to that list any Committee of the Assembly. It is a probing amendment, but I hope that the Minister will respond to a couple of points.

Committees fulfil an important function in the Assembly. They are potentially a resource of great expertise and, in fulfilling their scrutiny function, they will be familiar with the detail of issues and in a good position to be innovative in their thinking. Any Measure proposed by a Committee would still be subject to all the scrutiny procedures that would apply to Measures proposed by Ministers or Back Benchers, but such a Measure would have all the advantages of having been scrutinised in detail beforehand by Members from all parties who would have reached a consensus. The Measure would be all the better for it. I hardly need remind the Committee that cross-party consensus is a prized commodity when promoting legislation. If, for some reason, a consensus had not been reached, the Assembly and, I dare say, this place and the other place could draw their own conclusions when giving the Measure further consideration.

It may be argued that the role of Committees is to hold the Government to account, but it is also their role to contribute to policy development. Committees will need to be reactive to the Government's legislative priorities, but it has been said that it is necessary

"to strike a proper balance between doing things that are the Government's agenda and setting your own agenda."

That quotation comes from evidence given to the National Assembly's Committee on the Better Governance of Wales White Paper—its report was published in September last year—by the Clerk to the House of Commons. I am sure that hon. Members will agree that it is an excellent recommendation.

6.15 pm

As Professor McAllister said, also in that report, we should see

"policy development and scrutiny as part of the same linear equation".

Hon. Members' grasp of algebra might be as variable as mine, but her point is clear. This amendment is based on solid experience. There have been several Scottish examples of Committees being successful in generating legislation, as was shown in the report. That was also the case in respect of the Northern Ireland Assembly in the past. The process works and has proven useful. That is one reason why the National Assembly Committee recommended that Committees should be able to propose Measures. We endorse that view and invite other hon. Members to support us.

David T.C. Davies: I offer my support for the amendment. It would appear to be anomalous that Assembly Committees cannot bring forward Measures. However, I wish to add a word of warning. In my experience of six years in the Welsh Assembly and my more limited experience in the House of Commons, I have noticed that the Committee system here works far better. I am not certain what the problem is, but it is probably to do with the number of Assembly Members and the fact that everyone knows everyone else so well. Also, most of the Committees are chaired by members of the governing party. Whatever the reason, the culture in this place is that Committees act independently and impartially and that, to some extent, people leave behind their political allegiances. That is certainly not the case in Assembly Committees, and I would therefore be cautious about suggestions that they function as well and as impartially as Committees in this place.

Hywel Williams: They might do so some day.

David T.C. Davies: My hon. Friend—if I may call him that—says that they may do so in the future, and I suggest that we wait and see. At the moment, the Assembly Committees are not as impartial and too many of their members are in the thrall of the party Whips.

Nick Ainger: It may assist Opposition Members if I say that I agree that it may in some circumstances be appropriate for an Assembly Committee to propose an Assembly Measure. For that reason, the Bill does not prevent Committees from doing so. Clause 96 ensures that Ministers and individual Members have the right to propose Measures, subject to the provision of standing orders. However, there is nothing to prevent standing orders from providing that Committees may also propose Measures. It is appropriate for the Assembly's Standing Orders to make any provision relating to the proposal of Measures that is additional to the minimum provision in clause 96. The amendment is not therefore necessary and I invite the hon. Gentleman to withdraw it.

Hywel Williams: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 96 ordered to stand part of the Bill.

Clause 97

PROCEEDINGS ON PROPOSED ASSEMBLY MEASURES

Mr. Grieve: I beg to move amendment No. 170, in page 53, line 5, leave out subsection (2).

The Temporary Chairman: With this it will be convenient to discuss the following amendments: No. 172, in page 53, line 11, at end insert 'and'.

No. 173, in page 53, line 13, leave out 'and'.

No. 171, in page 53, line 14, leave out paragraph (c).

No. 174, in page 53, line 22, leave out from 'Welsh' to end of line 24.

Mr. Grieve: Clause 97 will regulate proceedings on proposed Assembly Measures. Subsection (1) provides that there should be a threefold procedure in the Assembly: a vote on general principles, an opportunity for the Assembly to consider Assembly Measures in detail—I take that to be a Committee or Report stage, adapted, obviously, due to the number of Members of

[Mr. Grieve]

the Assembly—and a final stage at which a proposed Assembly Measure can be passed or rejected. However, I am worried about subsection (2), which states:

"Subsection (1) does not prevent the standing orders making provision to enable the Assembly to expedite proceedings in relation to a particular proposed Assembly Measure."

There is a meeting of minds to the extent that part 3 of the Bill is not the same as part 4. Part 4 would, after a referendum, give the Assembly the legislative power to get on with it, for better or worse, but part 3 allows the Assembly to undertake detailed scrutiny of legislation in a procedure under which we retain, by virtue of the Order in Council, overall responsibility for the process. If that is indeed what we are doing, I have considerable anxiety about whether subsection (2) is appropriate because it provides a mechanism whereby the Assembly, having been given power by the Order in Council that we had enacted, could enact the Assembly Measure without giving it the consideration that is the very justification for granting the power in the first place.

The situation is quite different from that under part 4. I have tabled an amendment that is similar to amendment No. 170 to part 4, but that is a probing amendment because my attitude to part 4 is rather different. I understand that, if we are transferring legislative functions to an independent body, it is not for us to start telling it how to carry out its business. However, the Government are announcing to the people of Wales that part 3 offers a hybrid procedure under which the House retains control, but detailed scrutiny is carried out by the Assembly so that the minutiae can be thrashed out in a way that provides better legislation for the Welsh people. It is thus astonishing that subsection (2) provides a loophole under which the Assembly could decide not to carry out adequate scrutiny.

Mr. Gummer: Can my hon. Friend imagine a circumstance in which the House decided that it was suitable for the Welsh Assembly to consider a matter, yet the Assembly thought that the importance of the matter was such that it had to rush the process through? I think that those two things are utterly contradictory.

Mr. Grieve: I agree with my right hon. Friend and cannot imagine such a circumstance. The process under part 3 that must be followed to get the Order in Council, including the delay periods, shows that Assembly Measures are hardly the material of urgent business, so it is difficult to understand why subsection (2) is needed at all.

I hope that the Minister will accept that I say sincerely that subsection (2) is an invitation to possible conflict. Someone could decide to short-circuit the process, and the difficulty would be that the poor old Secretary of State would have to decide whether to apply his veto because hon. Members would make representations to suggest that the whole matter had not been considered by the Welsh Assembly and that full scrutiny had thus not been carried out.

I look forward to hearing the explanation for subsection (2) from the Minister. There is justification for including such a provision in part 4, if it is ever to be implemented, but I do not understand the justification for including it in part 3. If I understand the Government's position correctly—let me leave aside the question of whether I agree with the principle of the process—they are offering the reassurance that the people of Wales will get better governance because the Welsh Assembly will have more time to flesh out the details of a principle that has been approved by the House. However, subsection (2) is a mechanism by which the Government say that if the Welsh Assembly wishes to circumvent that principle, it may do so.

I look forward to hearing the Minister's response because unless it is adequate, we might well wish to pursue this important matter on Report, if not now. However, I do not want to provoke a conflict at this stage because even though I am not wildly happy with part 3 of the Bill, I want to improve it.

Amendments Nos. 171 to 173 are probing amendments that relate largely to the same point: the Standing Orders for private proposed Assembly Measures. The House has different procedures and Standing Orders for its consideration of private measures, so I understand that the Welsh Assembly would need different procedures, too. However, private proposed Assembly Measures would still need to be considered fully. We must not have a situation in which that process can be short-circuited. Although I accept that there must be a mechanism for a separate system, the amendments reinforce the point that I am making about subsection (2).

Mr. Llwyd: I support amendment No. 174. The hon. Member for Beaconsfield (Mr. Grieve) is on to a good point. I cannot imagine any circumstances in which an Assembly Measure should not be produced bilingually. It would be frankly unreasonable to expect all the paperwork generated by the Assembly to be bilingual, but an Assembly Measure, which will be akin to a parliamentary Bill, should be published in both languages. I fully support the hon. Gentleman and add my voice to his call for an explanation of the circumstances that would justify such an exemption.

Mr. Grieve: I regret that I failed to speak to amendment No. 174, but the hon. Gentleman gives me the opportunity to set out the precise explanation that I want from the Minister. Bilingualism appears to be absolutely embedded in the Assembly, so surely the idea of an Assembly Measure that is not bilingual is very odd indeed.

Mr. Gummer: I owe a filial duty to my Welsh-speaking father to support amendment No. 174 and the need for bilingual provision. I have always held it against him that we did not learn Welsh in the household, and I am pleased that the Welsh language is now much more widely spoken. I support the general idea that the Welsh Assembly should be bilingual in its entirety, although I understand that complex legal tomes or scientific articles could be excluded. There should be no possibility of the two languages being thought of as anything other than equal.

David T.C. Davies: I am happy to agree entirely with my right hon. Friend, but sometimes things can go too far. For example, the emergency signs for lifts in the Welsh Assembly were written in English and Welsh and

also set out in both English and Welsh Braille. I am given to understand that during the first six months that the Assembly was in place, the Welsh Braille sign was upside down, so the only way in which people would have been able to use it would have been if they had stood on their heads.

Mr. Gummer: We can find the absurd in many such situations. It is the very nature of a law, although I do not know what to call it because one word that can be used is impolite in the House and the use of the phrase Murphy's law is now illegal because it is racist. Whatever the law is called, these things just happen.

The matter is crucial. It is crucial the other way round, too, because it is also important that English-speaking Assembly Members are not put in a position in which an important document is not available in English. Wales has done remarkably well in returning to a choice of languages. The fact that a great language was not lost is a rare and encouraging example. It would be odd if the Committee decided not to do everything it could to encourage that further.

6.30 pm

Nick Ainger: This has been an interesting and, hopefully, brief debate. Clause 97(2) enables the Assembly, in its Standing Orders, to provide for the circumstances in which a particular proposed Measure can come before the Assembly and be taken through a procedure that is different from that set out in clause 97(1). As the hon. Member for Beaconsfield (Mr Grieve) said, there is an equivalent provision in clause 110(2), as regards Bills in the Assembly.

I am sympathetic to the concern that we ensure that all Assembly Measures receive proper scrutiny, but clause 97(2) does not circumvent that. Instead, it recognises that there may be circumstances in which the Assembly's standard scrutiny procedures would not be appropriate because the Measure concerned deals with a matter that requires urgent attention. Animal health, such as foot and mouth, is an example of that. The circumstances would arise when the Assembly has already been given powers to legislate by this place. If a foot and mouth outbreak, or another animal health issue, required it to legislate quickly, clause 97(2) would allow it to truncate the process, as we have done on occasion.

I imagine that the Assembly's standing orders set out the time between its equivalent of our Second Reading, Committee stage, and Report and Third Reading—the same stages as we go through. The standing orders could be amended to allow the scrutiny process to take place over one or two days. That is sensible. I am sure that the hon. Gentleman accepts that we have included the provision for those purposes. It will be used on rare occasions, but it would be wrong for the standing orders not to set out proceedings in which the Assembly can address urgent issues.

Mr. Grieve: I understand the force of what the Minister says, but the difficulty is that the expression "Assembly Measure" will cover the enactment of what we consider to be statutory instruments and secondary legislation, and the enactment of a form of primary legislation, for which we have given permission. The two things have been rolled together, something that we touched on yesterday. In those circumstances, should we not at least make an attempt to bring back a distinction, because the two are rather different?

Nick Ainger: I understand the hon. Gentleman's point, but there may well be a need for the Assembly to take advantage of the permission, given by this place, to legislate not just in secondary legislation but, in effect, through its Measures system. I would be surprised—it would be illogical and, possibly, irresponsible—if those standing orders did not allow for emergency legislation to be enacted by the Assembly.

Mr. Llwyd: Given that the Minister is unable to give an example, apart from animal health, why not leave it to the Assembly to create its own standing orders? Why do we need to tell it what to do? The clause says "must include" so and so. It is prescriptive and tells the Assembly what to do. *[Interruption.]* On any reading, that is what it says.

Nick Ainger: Subsection (2) states:

"Subsection (1) does not prevent the standing orders making provision to enable the Assembly to expedite proceedings in relation to a particular proposed Assembly Measure."

We are not telling it how to do it; we are just giving it permission to change its standing orders, in whatever way it wants, so that it can expedite a Measure. We are not being prescriptive in that respect. We are allowing the Assembly, under its standing orders, to address the problem that I set out. We are putting in the Bill the provision for the Assembly to come up with its own solution, through its standing orders, to the need to introduce urgent legislation.

Mr. Llwyd: I am talking about subsection (5), which is the subject of amendment No. 174. It states:

"The standing orders must include provision for securing that the Assembly may only pass a proposed Assembly Measure if the text of the proposed Assembly Measure is in both English and Welsh"—

Nick Ainger: I am not there yet.

Mr. Llwyd: I thought that the Minister had addressed that amendment. I will hold my fire.

Nick Ainger: For clarification, I was still addressing my remarks to amendment No. 170. I had not moved on to amendment No. 174.

Mr. Peter Bone (Wellingborough) (Con): On subsection (2), the Minister said that the provision will be used rarely. Will he give a rough figure of how many times that might happen in a year?

Nick Ainger: I would imagine that it would not happen every year. It would be a rare occurrence, for something like a major animal health problem, such as an outbreak of foot and mouth. It is rare for us to truncate our scrutiny of a particular problem.

Amendments Nos. 172, 173 and 171 relate to private Assembly Measures, and I recognise the comments made by the hon. Member for Beaconsfield. The

[Nick Ainger]

provisions are similar to those that apply in this place to private and hybrid Bills, by which a special Committee is set up to take evidence. That is the thought behind them.

On amendment No. 174, we would be amazed if the Assembly did not produce its Measures in both languages. We have a simple reason for resisting the amendment. The Assembly may, on occasion, want to introduce a Measure on public health, for example, which lists dozens of micro-organisms known only by their Latin names. Would hon. Members want us to convert those into English and Welsh? Let me give the assurance, however, that we would expect any Measure to be produced in English and Welsh.

Mr. Grieve: At the risk of being pernickety, the wording of subsection (5), and the use of the expression "the text need not be in both languages",

does not cover the possibility of the text being in Latin, because it is not one of the two languages specified? In those circumstances, the Minister would have to amend the legislation to say that the text does not have to be in either language, but some other.

Nick Ainger: All I can say to the hon. Gentleman on that point is that both he and the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) are seeking an assurance that the Measures would be published in both English and Welsh, as was the right hon. Member for Suffolk, Coastal (Mr. Gummer), and I can give that assurance.

Bearing in mind what I have said previously and the assurances that I have given on amendment No. 174, I hope that the hon. Gentleman will withdraw his amendment.

Mr. Grieve: Short debates can often be the most interesting. The Minister has persuaded me completely—indeed, I do not think that I needed much persuasion—on amendments Nos. 171, 172, and 173 about the proposed private Assembly Measures. Clearly, the Standing Orders of the Welsh Assembly will have to make provision for dealing with private business.

The Minister has also persuaded me, so far as amendment No. 174 is concerned, that there are good reasons for not fettering the Assembly by requiring that it can produce texts only in English and Welsh. However, I recommend that he and his legal advisers look again at the provision, because I wonder whether it has the effect of requiring that texts can be in English or Welsh but nothing else. Perhaps I am wrong about that, and I should be greatly reassured if that were so, but my reading of the provision is that texts normally have to be in English and Welsh or in English or Welsh. That might create a problem if Latin terms are to be included.

The Minister has only half persuaded me on amendment No. 170. This debate has highlighted the odd situation that we are creating: defining as an Assembly Measure that which in this House we would consider to be either primary legislation or statutory instruments. The Minister makes a persuasive case for urgency if the Assembly is enacting what we would normally call a statutory instrument. After all, we sometimes have to enact them urgently, and by their very nature a statutory instrument can in this House be passed rapidly. By virtue of the way in which the Welsh Assembly operates, however, statutory instruments are normally mulled over at considerably greater length, which was one argument for the original devolution proposals given to the Welsh.

Of course, if urgency is required, something can always be enacted by a statutory instrument in this place. It is clear that it is unacceptable that there should be short-circuiting of the primary legislative functions which could be transferred under the Order in Council procedure, as I think the Minister has acknowledged, but, as the Bill stands, there is a risk that that is exactly what could happen, which would defeat the entire object of the exercise of going through and enacting part 3.

Therefore, given the difficulty with the way in which we define Assembly Measures, I propose to consider the matter further, but I cannot rule out on Report our suggesting that some distinction must be drawn between different sorts of Assembly Measures. I urge the Government to consider that, because within the term "Assembly Measure" we are lumping together forms of legislation which in this House we treat very differently, both in their significance and in the way in which we proceed. With that in mind, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 97 ordered to stand part of the Bill.

Clauses 98 and 99 ordered to stand part of the Bill.

Clause 100

POWER TO INTERVENE IN CERTAIN CASES

Mr. Llwyd: I beg to move amendment No. 125, in page 54, line 39, leave out paragraph (a).

The Temporary Chairman: With this it will be convenient to discuss the following amendments: No. 158, in page 54, line 41, leave out paragraph (b).

No. 126, in page 54, line 43, leave out paragraph (c).

No. 175, in page 54, line 44, after 'England', insert 'and Wales'.

No. 176, in page 55, line 22, leave out subsection (8) and insert—

'(8) No order under this Section may be made unless a draft of the statutory instrument containing the order has been laid before, and approved by a resolution of, each House of Parliament.'.

6.45 pm

Mr. Llwyd: I rise to speak to amendments Nos. 125, 158 and 126, which stand in my name and those of my hon. Friends.

The reason why the amendments have been tabled is very simple. The first amendment would deal with subsection (1)(a), which says:

"if a proposed Assembly Measure contains provisions which the Secretary of State has reasonable grounds to believe—

(a) would have an adverse effect on any matter which is not specified in Part 1 of Schedule 5".

That is terrifically broad to a point that it is almost nonsense. I hope that in responding the Minister will give us some detail, because in the hands of an

unsympathetic Secretary of State it could be a tool to stamp on the Assembly and prevent it from proceeding in its normal democratic way. The notes on clauses are more obtuse than usual, so there is no help there. I press the Minister for as much detail as possible on that paragraph. I am sure that he will do his best to enlighten us in due course.

Amendment No. 126 relates to paragraph (c), which effectively gives the Secretary of State the same veto. It refers to whether a Measure

"would have an adverse effect on the operation of the law as it applies in England".

Again, my objection is that that is nebulous. We would like to know more. In all the various reports and the notes on clauses that I have read, I have seen nothing of any great help. The provision is extremely broad and, again, an unsympathetic holder of the office could easily pray in aid such a power to prevent any legislation.

By far the most concerning is paragraph (b), which is the subject of amendment No. 158. For the record, I shall read the paragraph. It also provides for a veto and would come into effect where any Measure might have

"a serious adverse impact on water resources in England, water supply in England or the quality of water in England".

I remember as a young boy going with my father to Tryweryn. I have the honour to represent that area now, and I shall deal briefly with the history of the drowning of the valley. I know some of the displaced people from the Tryweryn valley, and I know that never again will the people of Wales stand for such undemocratic, Mugabe-type dealings. Every single Member of Parliament from Wales was against the drowning of the valley, but it went ahead. I hope that we will never see such an event again, because I do not know what would happen, but this clause would enable it, and that is my concern.

The provision has touched a raw nerve, not just among people such as myself who support Plaid Cymru but among others, because once more they can see potential for conflict. The paragraph clearly refers to water resources in England, and I can easily envisage that in some years from now somebody might consider that there is a need to drown another valley in Wales. As that would be such a large planning operation, it would come under the Office of the Deputy Prime Minister and then bypass the planning procedures in the Assembly. The Government could rely on that paragraph, among others, to ensure that the plan went ahead, whatever the view of the Welsh Assembly, which would be expressing the view of the Welsh people.

We have experienced that once already. I know families who were displaced and who still live in the Bala area. Most of the elderly people have now passed away, but some remain; their wounds are still open and they still feel a great deal of hurt. Subsection (1)(b) therefore touches a very raw nerve.

Jenny Willott (Cardiff, Central) (LD): My reading of the clause is that it applies only to Measures proposed by the Assembly, so the paragraph refers to the Secretary of State's decision, not on legislation that is coming from Parliament to the Assembly, but on a Measure proposed by the Assembly that would have an effect on the water supply. Will the hon. Gentleman clarify?

Mr. Llwyd: By all means. If the Assembly of its own volition, through one of its Measures, wished to signal that it opposed any such thing happening, the paragraph would enable the Secretary of State to overrule it. Now that the hon. Lady is taking an interest, perhaps she will tell me how she squares what she has just said with what the Liberal Democrat leader in Wales said. His response to the clause, which has been described as "bizarre" and "patronising", was:

"We're not children. Does anyone seriously think that a future Welsh Government would turn off the taps to England? Or that we would poison the water in our reservoirs? If we are to be trusted with making our own laws, then surely we can be trusted not to damage the supply of water to homes in the neighbouring country. This clause is insulting, and we will be seeking to get it removed as the Bill goes through Parliament and the Assembly."

I emphasise the last sentence. Is the hon. Lady disobeying her Welsh leader?

Jenny Willott: I was actually asking a question, not stating a fact. The hon. Gentleman has not answered my question, but has merely quoted words back at me.

Mr. Llwyd: While I am at it, I shall quote the Conservative leader in Wales. He said:

"I find this clause odd. Things like this show the Secretary of State for Wales has the powers of a colonial governor and we are not being treated as grown-ups."

Plaid Cymru's Assembly deputy leader said:

"We don't want a Secretary of State telling us what we should do with our water. I thought the whole point of devolution was to transfer power from London to the democratically elected 60 Members of the National Assembly."

If the hon. Lady's reading of paragraph (b) is correct, her colleagues in the National Assembly and hon. Members here—myself included—will take some comfort from that; but my ordinary reading of it suggests that it goes far broader than she has implied. It seems to me that a future Welsh Government could say, for whatever reason, that they were not willing to accept further valley drownings, and be overruled. My reading of the provision might not be correct, but that is my understanding.

When the Government were asked to comment on the provision in *Wales on Sunday*, the Wales Office spokesman said only:

"It is a fallback provision, and would only ever be used in extreme circumstances."

That being so, may I ask the Minister what he means by "extreme circumstances"? If they include closing off the water supply or, worse still, fouling the water supply, does not the Civil Contingencies Act 2004 deal with them? We are owed a better explanation. I ask the Minister to give us examples of extreme circumstances and to tell the Committee that my reading of the clause is wrong and that it would not allow Parliament to override the democratic view of the National Assembly if it decided against another valley being drowned.

Mr. Gummer: The hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) has understated his case. The three amendments are most important. Paragraphs (a) and (c) in subsection (1) differ from paragraph (b) because paragraph (b) contains the word "serious". I find that peculiar, because it means that the provisions that are the least precise may be activated when the consequence or effect of the Measure is not serious, but merely adverse.

It is extremely difficult to envisage how paragraphs (a) or (c) would be used. They can be used even in circumstances where the Minister would not have to show that the "adverse effect" was serious. Even the word "effect", used in paragraphs (a) and (c), is less powerful than "impact", which is used in paragraph (b); an effect is a passing matter. I imagine that the phrase "adverse effect" refers to a range of issues—the list of fields specified in part 1 of schedule 5 is considerable, encompassing a huge number of areas. Under the clause, a Secretary of State, by diktat, would be able to say that a Measure that has a passing or glancing effect on some matter of importance—sufficiently important for the Assembly to feel that a Measure is needed—should be stopped because he has "reasonable grounds to believe" that it would have an "adverse effect". It is difficult to imagine that a Secretary of State would not be able to stop anything that he did not like. The condition of having "reasonable grounds" does not help, so vague is the wording used in the following paragraphs.

In my opinion, paragraphs (a) and (c) are entirely otiose. Their presence suggests that the Bill will not do what it is supposed to. I have all sorts of doubts about the processes set out in the Bill—they are far too opaque. However, if we are to proceed, we must not pretend that the Bill is a means of enhancing the powers of the Assembly, when, just in case the Assembly does something of which we do not approve, we have put in a few get-out clauses to keep power in the hands, not of Parliament, but of the Secretary of State. That is the second reason why I feel so strongly about this matter: I do not like Ministers having such powers without reference back to Parliament. Through the Bill, in effect, Parliament is delegating further legislative powers to the Assembly, but the Government are ensuring that Ministers will still have power, even though Parliament has delegated it. Both paragraphs (a) and (c) are unacceptable.

On subsection (1)(b), I agree with the hon. Member for Meirionnydd Nant Conwy. Either we trust the Welsh people or we do not. It is extremely difficult for me to accept that the Welsh people have to be singled out and measures taken to ensure that, where water is concerned, they should not in any way or in any circumstances be able to do anything that might upset the plans of English Ministers.

I have another reason to object. These days, when even some of our less educated newspapers are beginning to understand the importance of climate change, the issues relating to water have become more important, not less. I do not want to give the impression to the Welsh people—or to the English people—that if we are short of water, our first response will be to extend the resource, rather than to improve retention and reduce use. The clause is very old fashioned. It suggests that Wales is a provider of water for England. It does not say that England and Wales together must deal with the problems of the shortage of water, the effect of climate change, the need to restrain our use of water, and the like.

The clause comes from a civil servant. Having been a Minister for 16 years, I know the sort of civil servant who would have drafted it.

Chris Ruane (Vale of Clwyd) (Lab): Name him.

7 pm

Mr. Gummer: It is for the Government to name him or her. I suspect that somebody came out of the woodwork one day and said to the Minister, "Ah, Minister, better not." That is a very dangerous part of the civil servant's language. "Better not give the Welsh the possible power to do something about water. Better remind them that it's not their water. It is, in effect, our water and we're going to decide what is done with it. Better not, Minister. Let's keep the powers that really matter."

That is offensive to Welsh people. One would not have said that about any other community in the United Kingdom, either historic communities or newly found communities. I invite the House to substitute the names of a range of newly found communities in the clause and see how well that goes down. The quality of the drafting is below even the low standard of the Bill.

I suggest that we use the Civil Contingencies Act to cover the problem of a revolutionary party in the Assembly bent on stopping people having water. There is no need for the clause. It is an unnecessary attempt to remind the Welsh where they really are—under the control not of the House, but of Ministers. If I were living in Wales, I would find the clause unacceptable, as the leader of the Conservative party in Wales suggested, and I hope very much that it is removed.

David Mundell: My right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) raised a number of interesting issues, which I look forward to hearing the Minister address. As I said in relation to an earlier amendment, the confusion derives from the explanatory notes that accompany the Bill and the lack of clarity about the meaning of nebulous phrases such as "adverse effect" and "serious adverse effect". It is incumbent on the Minister to define for us the difference between the two, and to explain the reason for two definitions in the same clause.

As there is a conjoined English and Welsh jurisdiction, subsection (1)(c) should refer to that, and not just to the law in England, which does not exist as a jurisdiction. That is the purpose of amendment No. 175. If the Minister is able to satisfy the House as regards the terminology in subsection (1), we propose in amendment No. 176 an affirmative procedure for orders brought before the House.

The Minister can hardly expect anything other than the reaction in the Chamber this evening to the clause, given that the definition is so nebulous and the potential impact of the clause is so serious. If the clause had been proposed as an amendment by the Opposition, the Minister and others would have called it a wrecking amendment tabled by people determined to ensure that the Bill and the procedures would not work. It is

incumbent on the Minister to answer the questions that have been raised, and further questions that my hon. Friend the Member for Clwyd, West (Mr. Jones) intends to raise.

Mr. David Jones (Clwyd, West) (Con): I am concerned about clause 100(1)(c). As my hon. Friend the Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) observed, we occupy a conjoined jurisdiction of England and Wales, yet the clause provides that the Secretary of State can effectively put a stop to an Assembly Measure only if it has an adverse impact on the operation of the law as it applies in England. We have a large body of law that may well be affected by an Assembly Measure not only in England, but in Wales. It is extraordinary that the Secretary of State has no power of intervention if an Assembly Measure has an adverse effect on the operation of the law as it applies in Wales also. The explanatory notes are silent on that point, so will the Minister expand on it?

Nick Ainger: The measures set out in subsection (1) replicate schedule 3, paragraph 6 of the Government of Wales Act 1998. There is nothing new in subsection (1). The provisions were discussed in this place and passed in 1998. That provides some context for the measure.

Mr. Llwyd: Is the Minister saying that paragraph (b), about water resources was in the 1998 Act?

Nick Ainger: I am assured that that is the case. Perhaps that will lower the temperature of the debate so that we can address the detail.

Clause 100 contains powers for the Secretary of State, by order, to prevent a proposed Assembly Measure from being submitted for approval by Her Majesty in Council. These powers are rightly constrained. The Secretary of State would be able to block a proposed measure only in certain prescribed circumstances. Moreover, the Secretary of State must have reasonable grounds to believe that those circumstances exist.

Hon. Members asked about the difference between paragraph (a), which refers to adverse effects beyond the Assembly's legislative competence, and paragraph (b), which refers to

"a serious adverse impact on water resources".

An adverse effect on matters beyond the Assembly's legislative competence is an issue that we have already discussed. That could be addressed through the Counsel-General or the Attorney-General. I emphasise to the hon. Member for Meirionnydd Nant Conwy that the clause relates to Assembly Measures and their possible effect, not to a UK Department imposing some measure on Wales. There is a remote possibility that these circumstances may occur and as in the 1998 Act, we need to deal with that possibility.

The clause refers to an adverse effect on matters outside the Assembly's legislative competence. If the process already exists whereby such an issue may be referred to the Supreme Court in the Order in Council process, the provision in the Bill would mean that if, after a Measure had been completed, a problem—possibly purely technical—emerged in relation to whether the Measure would have an impact in an area for which the Assembly did not have legislative competence, the Secretary of State could prevent it from going forward, or perhaps suggest to the Assembly that it look again at the Measure and amend it.

Mr. Llwyd: May I take the Minister back to clause 100(1)(b), which deals with water resources? What would happen if the National Assembly wanted to pass a measure to outlaw any further drownings of valleys because it believed that water needed to be conserved and that a certain percentage of water was being wasted through leaking pipes every day of the year? Could the Secretary of State say, "No, we are not having that, because we might need compulsorily to acquire land to drown in the future." I believe that Parliament would prevail in those circumstances and that the voice of the Assembly would be drowned.

Nick Ainger: Let us examine the hypothetical case that the hon. Gentleman has raised, in which the Assembly said that there would be no increase in the amount of water available. As I read clause 100(1)(b), such a proposal would have a serious adverse impact on water resources, water supply or the quality of water in England. The proposal does not specify an increase; it describes the current situation and states that it should not be made any worse. Hon. Members were seeking an example of an Assembly Measure that would have such an impact, but I cannot think of one. However, there might be a measure affecting a major forestry issue, for example, that would have an impact on the water resources that are supplied to England. The provision might apply in that kind of area.

I repeat that this does not involve something being done to Wales. It would involve an Assembly Measure that was being introduced. The hon. Member for Meirionnydd Nant Conwy referred to the drowning of valleys, but I just cannot see how that would relate to the circumstances to which these requirements refer.

Mr. Gummer: I ask the Minister to look again at his explanation of clause 100(1)(b). It seems clear to me that the provision could be used by a Minister against an Assembly Measure that related to the increase of water resources. If England thought that there was a need for such an increase, any such Measure could have a serious adverse impact on water resources. The provision does not mention present or previous water resources; it simply mentions water resources. The Minister is giving that opportunity; he might want to. I think that we ought to know.

Nick Ainger: We are starting to get into the realms of fantasy now. This provision has been on the statute book since 1998, and there has never been a problem with it. I simply cannot accept some of the arguments that have been put forward. These are perfectly reasonable proposals that were originally set out in schedule 3(6) of the Government of Wales Act 1998.

Mr. David Jones: I note that the word "effect" is used in clause 100(1)(a) and (c), while the word "impact" is used in paragraph (b). Will the Minister please explain—*[Interruption.]* Clearly, an Act of Parliament uses words in a particular manner in order to convey a particular meaning; at least, one hopes that it does. Can

[Mr. David Jones]

the Minister explain why the word "impact" is used in paragraph (b), and the word "effect" in paragraphs (a) and (c)?

Nick Ainger: No, I cannot. We are trying to scrutinise a very large Bill, and I think that we are now moving into an area in which our proceedings might fall into disrepute. We really need to move on.

Lembit Öpik (Montgomeryshire) (LD): Will the Minister give way?

Nick Ainger: I will give way to the hon. Gentleman, but I hope that he is going to make a sensible intervention.

Lembit Öpik: I only make sensible interventions. I have been listening very closely to the arguments put forward by the hon. Member for Meirionnydd Nant Conwy and to the Minister's response to them, and I must take issue with what the Minister has just said. As the hon. Member for Clwyd, West (Mr. Jones) has just pointed out, the wording of these provisions is very important, and it is our duty to get this right. If different terminology is used in paragraph (b) from that in paragraphs (a) and (c), one has to assume that there is some logic behind that. I know that this argument is taking a bit of time, but I hope that the Minister is about to receive some clarification on this, because for me at least, his answer will be salient to what we should do if there were a vote on the amendment.

Nick Ainger: This will really enlighten the Committee. The reason that the word "effect" is used is because it relates to the legislative environment. The reason that the word "impact" is used is because it relates to the physical environment. I hope that everyone is happy with that explanation.

As I was saying, the intervention powers are extremely limited, but they are important. It is absolutely right that the Secretary of State should be able to prevent proposed Assembly legislation from having adverse consequences of the kind set out in clause 100(1). It is unlikely that that would be necessary, but it is important that that power should exist.

Amendment No. 175 would give the Secretary of State the power to override proposed Assembly legislation just because he or she thought that it would have a bad effect. That would be completely unacceptable. We must strictly constrain the powers of the Secretary of State, and I would urge hon. Members not to support that amendment.

Amendment No. 176 would provide that an order preventing an Assembly Measure from being submitted for approval by Her Majesty should be subject to the affirmative rather than the negative resolution procedure. I suspect that it has been tabled in this way because the previous amendment, amendment No. 175, is so powerful. The reason that we have proposed to use the negative procedure, which could be implemented by either House of Parliament, is that the Secretary of State must make an order within four weeks. It would not be possible to do that, or to be properly accountable, if we were to use the affirmative order procedure.

In conclusion, the Conservative amendments and the Plaid Cymru amendments are poles apart, in that they seek to do completely opposite things. Any of them would unbalance devolution in one direction or another. The position that we have outlined in the Bill strikes a perfect balance, and I would therefore ask the hon. Member for Meirionnydd Nant Conwy not to press his amendment to a vote.

Mr. Llwyd: Perhaps unsurprisingly, I am far from satisfied. The Minister has not assisted us very much on amendment No. 158. We have had a discussion, and he has said certain things about it, but I am still unclear. From my reading of paragraph (b), I still believe that, were the Assembly to decide to introduce a measure to prevent the creation of any more dams or the drowning of any more valleys in Wales for any purpose, Parliament could lawfully override that measure via the Secretary of State. That is quite plain, because the provision does not use words such as "current" or "historical". It does not relate to the here and now; it is for the future. Let us be straight about this; all legislation is about the present and the future, not the present alone. We do not legislate for tomorrow alone; we legislate for 10 years from tomorrow, and for 20 and 30 years from tomorrow if the Bill is reasonable.

Unfortunately, I am dissatisfied. I know that time is short for our debate generally, but I wish to put amendment No. 158 to the vote.

The Second Deputy Chairman of Ways and Means (Sir Michael Lord): Does the hon. Gentleman wish to withdraw amendment No. 125?

Mr. Llwyd: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Amendment proposed: No. 158, in clause 100, page 54, line 41, leave out paragraph 9(b).—*[Mr. Llwyd.]*

Question put, That the amendment be made:—

The Committee divided: Ayes 7, Noes 317.

Division No. 141] **[7.20 pm**

AYES

Gummer, rh Mr. John
Llwyd, Mr. Elfyn
Luff, Peter
Robertson, Angus
Salmond, Mr. Alex
Weir, Mr. Mike
Wishart, Pete

Tellers for the Ayes:
Hywel Williams and
Adam Price

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Bayley, Hugh
Begg, Miss Anne
Beith, rh Mr. Alan
Bell, Sir Stuart
Benn, rh Hilary
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell

Browne, rh Mr. Des
Browne, Mr. Jeremy
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Carmichael, Mr. Alistair
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Farron, Tim
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gardiner, Barry
George, Andrew
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harris, Dr. Evan
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hemming, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Hermon, Lady
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howarth, David
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laws, Mr. David
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Levitt, Tom
Linton, Martin
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCarthy-Fry, Sarah
McCrea, Dr. William
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mulholland, Greg
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Öpik, Lembit
Paisley, rh Rev. Ian
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rooney, Mr. Terry
Rowen, Paul
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, David
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Thornberry, Emily
Thurso, John
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Twigg, Derek
Usher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watts, Mr. Dave
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wills, Mr. Michael
Wilson, Sammy
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. John Heppell and Mr. Parmjit Dhanda

Question accordingly negatived.

Clauses 100 and 101 ordered to stand part of the Bill.

Clause 102

REFERENDUM ABOUT COMMENCEMENT OF ASSEMBLY ACT PROVISIONS

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I beg to move amendment No. 189, in clause 102, page 56, line 24, leave out subsection (3).

The Second Deputy Chairman: With this it will be convenient to discuss the following amendments: No. 184, in clause 102, page 56, line 24, leave out

'that does not prevent the making of'.

No. 185, in clause 102, page 56, line 25, at end insert

'may not be made in advance of two further Assembly general elections.'.

Mrs. Gillan: We move on to part 4 of the Bill. In the spirit of the welcome that I accord to this section of the Bill, we thoroughly approve of the provision for a referendum. As we have argued previously, we believe in asking the people of Wales for their views. Although the provision comes late in relation to the legislative devices encompassed in the Bill, certainly in part 3, we would not be so curmudgeonly as to fail to welcome the referendum should the Assembly receive full law-making powers.

I want to express an element of scepticism, however, on behalf of many who read that the Secretary of State does not envisage the provision being enacted before 2011—which, I understand, he has said on many occasions—and who believe that offering a referendum in such circumstances is merely a diversionary tactic. Certainly, by ostensibly offering a referendum in the Bill, the Secretary of State can point out that the Bill contains a provision that arranges to consult the people of Wales on a future occasion. In truth, however, it is so far into the future that it seems strange that we should be discussing it now. Therefore, while many continue to believe that the Secretary of Sate can achieve virtually full law-making powers through the convoluted Order in Council process contained in part 3, they remain to be convinced that the Secretary of State has any intention of ever holding this referendum.

I am a pleasant person, however—

Lembit Öpik: Hear, hear.

Mrs. Gillan: I thank the hon. Gentleman. I would like to give the Secretary of State the benefit of the doubt, and I will therefore assume that at some time in the future the provision will be put into operation. If it is put into operation, however, it would be inequitable to allow what is contained in the provisions—the ability for referendums to be repeated over and over again. Certainly, I am not the only person who is worried about that phenomenon in relation to the way in which clause 102 is drafted.

I am sure that the Father of the House, the right hon. Member for Swansea, West (Mr. Williams), whom I am delighted to see in his place, will want to make his contribution. As it happens, he tabled an amendment identical to mine, and I am slightly embarrassed that my amendment was selected first, as I would certainly have given way to the Father of the House if his amendment had been selected and he had wanted to move it. On Second Reading he made a great deal of sense, and he was particularly concerned that the Secretary of State had not even taken into account the First Minister's views, or, indeed, his own views, that a no vote would take the matter off the agenda for a long time.

The Government only issued their response to the Welsh Affairs Committee on 18 January, but that Committee had also been concerned about the chances of a referendum being repeated over and over again following a no vote. I refer in particular to the "Better Governance for Wales" scrutiny by that Committee, and to paragraph 135. I am sure that the Secretary of State is pretty intimate with its wording, because he must have examined it carefully to respond to the conclusion. It is worth repeating:

"The Secretary of State confirmed that there would not be specific provision in the Bill to outlaw repeated referenda, as that would be a 'matter for politics'."

There we have it—the consideration is not about the effect on the people of Wales, or the effect on the morale of people facing repeated referendums, but a "matter for politics" . The paragraph continued:

"Rhodri Morgan"—

the First Minister—

"believed that should a referendum fail 'everybody will have to take a deep breath and decide when they want to do this again' but was of the strong belief that a 'No' vote would put the issue 'off the agenda for a very long time', probably lasting a generation."

That is not what the Bill allows for, however. Even Professors Miers and Rawlings, in giving evidence,

"suggested that there was a case for 'a moratorium on further referendum initiatives for a specified period, for example, two Assembly terms'. In that event, the effect of a 'No' vote would be 'simply that the Assembly carried on as it was'."

I should have thought that that was the Secretary of State's exit route, and that the clause could have allowed for a referendum to be held, say, after two further Assembly terms, which might have been more reasonable and have found favour in the House and certainly in another place. However, the Government's response stated:

"The Government agrees that there should not be a cycle of essentially redundant or capricious referendums—not least reflecting voter confidence and the significant cost involved. However, the Government does not consider that explicit provision is needed to bar repeated referendums. The provisions within the Bill to ensure consensus, i.e., approval of any referendum Order in Council by both Houses of Parliament and by a two thirds majority of all Assembly Members, together with the role of the Secretary of State, should prevent this."

I beg to differ. Despite that response, I ask the Government to think again. If they are going to rely on the provisions that are retained in the Bill, if they believe that a no vote would put a referendum off for a long time, and if, as the Secretary of State confirmed, it should be a matter for politics, I ask him to practise good politics. He is capable of accepting the amendment and improving the Bill for and on behalf of the people of Wales.

The Secretary of State said that this piece of legislation would settle the question of devolution in Wales "for a generation". If the Government are allowing in the Bill the possibility for repeat referendums, how can the Bill be about settling the debate? It is quite the reverse. It is about prolonging the

debate and achieving an end by a process of attrition. I am sure that that is not what he would want as a testimony to his stewardship of Wales: the prospect of a running sore in the history of devolution.

This is not an ambitious amendment. It is not a monumental change that is being requested. It is a sensible measure that would rule out using the referendum process improperly. I hope that the Secretary of State will consider the amendments and accept them in the spirit in which they were tabled.

Mr. Alan Williams (Swansea, West) (Lab): I share the embarrassment of the hon. Member for Chesham and Amersham (Mrs. Gillan) at finding that our minds work alike and that we both tabled the same amendment. I hope that her colleagues will not hold that against her. I remind my right hon. Friend the Secretary of State that, when he first came to the Dispatch Box to announce what he had in mind, I welcomed the referendum, and he welcomed the fact that I supported what he said at that time. A week ago, I welcomed the referendum because I thought that a referendum meant that the people of Wales would make a choice. I did not realise that it was to be an ongoing saga until the people of Wales made the right choice, the choice that the Secretary of State wants and the only choice and decision that he is willing to accept, I have become disenchanted, to put it mildly.

I asked the Under-Secretary of State for Wales last week to confirm my reading of the Bill that we could get full devolution without a referendum just by the use of the order process. In fairness to him, he came back to me during the week and confirmed what I said: it would be slow but—this is the important point—inexorable. The people of Wales cannot escape that while Ministers who share the view of the Secretary of State are making the decisions. Full powers can be achieved by the order-making process alone. Yes, it is slow but virtually nothing can stop it while Ministers are so determined.

The Bill is clear. That consequence has already been described. A majority of one and we jump right through to full devolution. A defeat by 100,000 or 250,000 and we will come back again and again and again. Ministers have not even been willing to put in the safeguard of a time limit. They go to the Select Committee and indicate the time that they think would pass before anything different could be introduced, but they are not willing to put any time limit in the Bill.

Lembit Öpik: The right hon. Gentleman makes an interesting point. Cannot one argue that there is a presumption in favour of devolution on the basis that we had a referendum on the principle of devolution? Therefore, the Assembly having been set up, one can assume that there is a progression. As Ron Davies used to say, devolution is a process, not an outcome. I think that he had a lot of wise words to say about devolution. Does not the right hon. Gentleman accept that the principle of devolution was established in 1997 in the referendum and now we are discussing the pace at which it progresses? That is why one would establish the criteria that he described.

Mr. Williams: We can go forward, but we cannot go back. That is astonishing. It is a somewhat interesting perspective on what constitutes democracy. I will come to that in a moment.

7.45 pm

Despite the Select Committee's recommendation that there should be a minimum of two full Assembly terms before there is a second referendum, the Government have not accepted that. Despite the First Minister's indication that a generation would be needed before there could be a second referendum, the Secretary of State has not accepted that. Despite his own declaration that it would be a very long time before there was a second referendum, he has not even been willing to incorporate a very long time in the Bill. Why? I have not seen the quotation that the hon. Member for Chesham and Amersham read out, but a time limit is not included in the Bill because he is waiting for a moment of political opportunism. That is what it is about. He will not put a time limit in. He will just wait for the opportunity, if there is one. If that opportunity arises, he will jump while he can to get the vote that he wants. Meanwhile, we shall still have the drip, drip, drip of the order-making process. For that reason, I welcome the amendment that was tabled by my hon. Friends; I apologise for jumping in before them. I wish that the interval had been substantially longer, but at least I agree with the principle.

I tabled my amendment not in the expectation that it would be accepted but because I want to alert the people of Wales to the fact that, as the hon. Member for Montgomeryshire (Lembit Öpik) has just revealed, the people of Wales are trapped—they were trapped by the original Bill. I described it then as a constitutional mystery tour, but the mystery has gone. We are now on a one-way escalator with two buttons: slow and fast. There is no stop and certainly no reverse, as we heard from the hon. Gentleman. The devo-zealots will not contemplate the fact that the people of Wales have as much right to think of going back as they have of going forward. They are not willing to offer them that option. They could put it at nil cost on the ballot paper to resolve once and for all perhaps the issue of whether the people of Wales want devolution, but we can rest assured that that choice will not be offered.

The Secretary of State—I am not knocking him for this—is a self-declared enthusiast for full legislative power. I am as sceptical as he is enthusiastic. I respect his position, although I do not agree with it, and I hope that he respects the sincerity of my position and what I am saying. What worries me is the determination that he shows. He showed it in his evidence to the Select Committee. I quoted this last time but it is worth repeating. He was asked by my hon. Friend the Member for Clwyd, South (Mr. Jones):

"Have the people of Wales ever been consulted over the Order in Council procedure?"

He replied:

"There was a widespread process of consultation following the Richard Commission, in which both Rhodri and I were in exactly the same position, that we wanted to see the Assembly get on with its task of having greater powers following 2007 and did not want to wait".

He and Rhodri did not want to wait. That sounds like a great consultative process. He says that he consulted on the Richard commission. He consulted, and then he ditched it, because he and Rhodri did not want to wait.

There is something even more revealing, and I asked about it in my speech last week. When I was talking about consultation, I asked Ministers to put in the

[Mr. Williams]

Library the consultative papers that had been issued before the election. The White Paper and the Bill came afterwards, but what papers had been issued for the people of Wales, to consult them about this switch to the salami-slicing of the order-making process? In fairness, I must tell the House that the Secretary of State and the Under-Secretary gave me a firm answer: there were no papers to go in the Library.

There had been no consultative process—with one exception: there had been consultation within the party. That worries me even more. Of course the Minister should consult the party; that is right—but I am talking about what happened before the election. He knew his intentions before the election. He knew his intentions after the election as well—but he decided that he did not want to bother the people of Wales with them. Well, I think that the people of Wales deserve better than that.

Lembit Öpik: I have considerable issues with amendment No. 189, and I suspect that, on reflection, those on the Conservative Front Bench ought to feel the same. That is because there is a simple precedent for mechanisms with regard to holding referendums on constitutional issues affecting nations within the United Kingdom.

I am, of course, referring to Northern Ireland, where we have a clear structure that determines when and how often referendums can be held on the reunification of the north and south of Ireland. As far as I know, when that legislation was framed, the Conservatives did not object to the framework allowing a referendum to be held more than once. I certainly do not recall any Conservative spokesperson on the referendum provisions for Northern Ireland saying at any point that they thought that there should be only one referendum, and that if the idea were defeated, the question of reunifying the north and the south of Ireland would have to be shelved forever.

David T.C. Davies: As the hon. Gentleman will be aware, I was not in the House at that time, but surely he recognises that the situation in Northern Ireland is unique, and that Governments, particularly the last Conservative Government and the present Labour Government, had been trying to overcome a very difficult situation to bring peace there. It is unfair for the hon. Gentleman to use that as an example of a referendum framework that could be repeated elsewhere. A better example would be something like entry into the European Union, where there is scope for a further referendum that might change the direction of our European policy at some point in the future.

Lembit Öpik: The only reason why my example may seem unfair to the hon. Gentleman is that it utterly contradicts his party's position. The principle is the same: significant constitutional change to a nation state of the United Kingdom. The question is whether a referendum of this type can be held more than once, or whether one single referendum is binding. I am in no doubt that the comparison is entirely valid, so for the Conservatives to say, as they do in amendment No. 189, that we have the referendum once, and if the idea is defeated, never again, suggests that they feel that we could have a referendum once only in the north of Ireland, and if that idea were defeated, never again.

Mrs. Gillan: Will the hon. Gentleman give way?

Lembit Öpik: I will; just let me finish this point. Obviously, I am willing to hear any clarification that the hon. Lady can give me. I feel that we need joined-up thinking in such important constitutional debates, rather than having one argument in one debate about Wales, and a different argument in a different debate about Northern Ireland.

Mrs. Gillan: To equate Northern Ireland with Wales or Scotland is to misunderstand the situation entirely. I have a question for the hon. Gentleman: do he and his party, believe that there should be the same voting system and the same constitutional arrangements in Ireland, Wales and Scotland? That is where his argument is leading.

Lembit Öpik: The hon. Lady says that I am making a false equation between the two situations, and that I do not fully understand them. I humbly suggest that in the nine years that I have been speaking on Northern Ireland matters on behalf of the Liberal Democrats, in the various debates that I have had on exactly this point I may have picked up one or two salient points regarding the comparisons that I make. In fairness, I must recognise that the hon. Lady did not take part in those debates, but the Secretary of State for Wales, coincidentally—and, on this occasion, helpfully, I think—can provide his own perspective, if he is the Minister who will respond to the amendments. I suspect that he will agree with me that there is no fundamental difference in having a significant referendum on constitutional arrangements in Northern Ireland and having a significant referendum on constitutional arrangements in Wales.

As for the hon. Lady's second point, the issue at stake is not whether there is a difference of principle, but whether in Wales—I shall focus on Wales for the moment—it is acceptable to give the Welsh people one chance, and if the answer is no, to terminate any prospect of developing the devolution process further.

I was not sympathetic to the idea of having a referendum in the first place. However, that is not the main point with this string of amendments, so notwithstanding that, I shall turn to the comments made by the Father of the House, who paraphrased me and suggested that I had said, "We can go forward, but we can't go back." Actually, that is not far from what I said. More to the point, it is exactly what the leader of his party, the Prime Minister, has said; he said that he had no reverse gear. He has also said that every time that he has initiated a reform, he wishes that he had gone further. *[Interruption.]*

I hear howls of woe from the Government Benches, suggesting a rebellion among the Labour MPs from Wales who are here. I understand that they may not be happy with this. Nevertheless, my understanding is that if we initiate some constitutional changes, we must make the assumption that, the principle having been set, there will be an evolutionary process that goes with it.

The Father of the House is entirely justified in taking a different view. It is a difference of judgment. However, on behalf of myself and the Liberal Democrats, I would summarise the situation by saying that once the devolution process has been set in motion, there will be a momentum within it that will militate in favour of giving more powers to the Welsh Assembly, rather than stalling at some fairly arbitrary point by putting a cap on the number of referendums that can take place.

I understand the case for having some kind of structure and timetable governing the frequency of referendums. I am less unsympathetic to the attempt, rudimentary as it may be, in a couple of the amendments that have been tabled on that basis, because that more closely reflects the situation in Northern Ireland. However, the Liberal Democrats are not very keen on having a referendum on this matter at all, because we think that it is acceptable and appropriate for us to assume that the Welsh Assembly should have the same kind of powers as Scotland. I do not need to dwell on that, because we had a fairly significant debate on that subject yesterday in the context of changing the name from the Welsh Assembly to the Welsh Senedd.

In conclusion, I understand that there is a genuine difference of view. I believe that there is a contradiction between the way in which the Conservatives are approaching this piece of legislation and their approach to Northern Ireland legislation. I believe that that comparison is valid, and I look forward to hearing what the Minister has to say about it.

Mr. Grieve: The hon. Gentleman keeps on making comparisons with Northern Ireland legislation, but unless I am mistaken, the mechanism there limits referendums to once in a decade. Is he therefore suggesting that such a provision should be introduced into this Bill?

8 pm

Lembit Öpik: I feel that I am almost negotiating with the Conservatives on this issue. If the hon. Gentleman is saying that he is so moved by my argument that he accepts the case for a structured revisiting of the referendum process on a limited time scale, that is progress. *[Interruption.]* The hon. Member for Chesham and Amersham (Mrs. Gillan) says that I did not listen to what she said earlier, but let me remind her of what I said. I said that we Liberal Democrats are not keen on holding a referendum at all, so for us, including this element in the Bill is otiose. I am suggesting to those who seek a referendum that it is inappropriate to hold one just once, and then to prevent one from being held ever again.

As I said, I look forward to hearing what the Government have to say about this issue. But I counsel those who seek to discuss the question of referendums, and other elements of such Bills, that it is vital that we learn lessons from other aspects of the United Kingdom devolution programme. In order to remain consistent, one must make sure that one does not introduce inconsistencies through amendments.

Dr. Hywel Francis (Aberavon) (Lab): The amendments tabled by my hon. Friend the Member for Clwyd, South (Mr. Jones) and I arise out of recommendations made by the Welsh Affairs Committee, which I chair, and they enjoy broad cross-party support. The amendments deal with the possibility of subsequent referendums on the granting of primary legislative powers to the National Assembly. The Bill allows for a final stage of devolution, whereby the Assembly would become a fully functioning Parliament with primary legislative powers. I agree with the Government that a referendum of the people of Wales is necessary before that stage is reached, in order to achieve proper democratic legitimacy. However, should a referendum not deliver a decision in favour of giving such powers, it would be wrong for a series of subsequent referendums to be held until one of them delivered the desired yes result. I, along with many other Members, believe that such an exercise would diminish the democratic process.

Lembit Öpik: I shall resist intervening frequently on the hon. Gentleman, but I simply want to ask him this. Would he apply that same principle to Northern Ireland and the question of reunification?

Dr. Francis: We are discussing Wales, not Northern Ireland, which is another matter.

My Committee highlighted the concern to which I just referred and it recommended that, should a first referendum return a no vote, a subsequent one should not be held for a further two National Assembly terms. We believe that that is perfectly reasonable. Unlike my right hon. Friend the Member for Swansea, West (Mr. Williams), I approach this issue as an enthusiast for devolution. That may sound contradictory, but I believe that we have to show respect for the decisions taken by the people of Wales, and to give some time for reflection. I shall develop that point in a moment.

Both the Secretary of State and the First Minister acknowledge that, if a first referendum failed to deliver a yes result, a period of reflection would be necessary. Similarly, they are both of the view that a no result would put the issue off the agenda in Wales for a very long time. I agree with that view, as did my Committee, but I do not agree with the Government that the provisions already contained in the Bill are sufficient to prevent short-term repeated referendums, even if undertaken only as a political exercise. My amendment, which was inspired by the Welsh Affairs Committee's recommendations, would ensure that short-term repeated referendums could not happen. It would set a time limit within which a subsequent referendum could not be held—a further two Assembly general elections.

My amendments have two benefits. First, those in favour of granting primary powers, those against doing so, and the Welsh public at large—be they indifferent or undecided—would be clear about the implications of a no result. Such information is important if an informed decision is to be made.

Mr. Philip Hollobone (Kettering) (Con): I am listening carefully to what the hon. Gentleman has to say, but is it not possible that his envisaged timetable might not be as long as he thinks? His amendment uses the phrase

"in advance of two further Assembly general elections",

[Mr. Philip Hollobone]

which does not rule out the possibility of a referendum being held at the same time as an Assembly general election. The time scale could therefore be shorter than he perhaps has in mind.

Dr. Francis: I hear what the hon. Gentleman says and I have noted it. I may deal with it in a moment, through the other points that I am about to make.

Secondly, my amendment would provide a defined time period, during which thoughts about, and plans for, a subsequent referendum would be unnecessary. That would avoid the potential for doing needless work and—dare I say it?—indulging in political posturing. In his response to my Committee's report, the Secretary of State argued that a subsequent referendum would need the approval of the National Assembly and both Houses of Parliament, and that that was a "sufficient safeguard". He is correct to say that that safeguard would prevent a subsequent referendum from going ahead, but it would not prevent the National Assembly from making premature requests for subsequent referendums. My amendment would prevent that problem from arising and avoid the need for making judgment calls on the appropriateness of the timing of subsequent requests for referendums.

Adam Price (Carmarthen, East and Dinefwr) (PC): Does the hon. Gentleman not agree that, in addition to repeated capricious requests for referendums, it would also be unacceptable to have a long delay such as we experienced between 1979 and 1997? The timetable that he describes would prevent repeated referendums, but it would also prevent—hopefully—an unacceptably long delay until another referendum.

Dr. Francis: Indeed, and that is a very important point. Those of us who experienced the wait to which the hon. Gentleman refers recall that it was a very long wait, whereas eight years is a relatively short time.

My amendment would provide the clarity and certainty in respect of referendum procedures that my Committee emphasised is necessary. I ask Members to support it, and I urge the Secretary of State, as a supporter of democratic devolution, to reflect on these issues.

Mr. Gummer: Not for the first time, I found the most surprising intervention in a debate to be one from a Liberal Democrat spokesman. On two different grounds, the hon. Member for Montgomeryshire (Lembit Öpik) totally missed the point. First, he made the amazing suggestion that, having had a referendum of the people of Wales on the question of whether they wanted a very restricted form of devolution—many of the Members representing Plaid Cymru, along with others, were unhappy about that—no further reference to referendums should be allowed. This is a new constitutional concept, and evidently it is one that the Liberal Democrats might spread to other matters. The idea is that one makes a tiny decision and thereafter no movement from it should ever be allowed, whatever the circumstances, because one has signed up for ever to a rolling programme. The only question is whether it rolls fast or slow. This amazing and unusual proposal should have appeared in the Liberal Democrat manifesto. It took some doing, but I read that document. As far as I understand, it was never likely to contain such a proposal.

Lembit Öpik: The right hon. Gentleman has described my feelings about being in the Liberal Democrats over the past two weeks. His general point is correct, but it is not right to say that we would allow no further reference to the public. Manifestos for elections to the Welsh Assembly and to this House offer an authoritative way to consult the public.

Mr. Gummer: The hon. Gentleman's use of words allows me to explain my deep opposition to all referendums. When Parliament makes a decision such as this, it does so on behalf of the whole nation. People who are affected by it can vote on it, whether or not they are in Wales or Scotland. That would not happen with a referendum, even though UK citizens who live in England also have a part to play. A parliamentary democracy offers a much more sensible way to proceed.

The unfortunate thing for the hon. Gentleman is that we chose to proceed by referendum. When people are asked in a referendum to accept one form of devolution, it is very peculiar then to ask them to move to a different form of devolution that has been decided on in an entirely different manner. Indeed, that decision would be neither parliamentary nor derived from a referendum.

The Bill proposes a mechanism for devolution by salami slices. As the Father of the House pointed out, at the end of the process a referendum will be proposed, even though by that stage all the matters that could be decided by referendum will have been devolved. That is a unique and dangerous parliamentary concept—although no more so than the Liberal Democrat proposition that people are never asked at all.

Mr. Roger Williams: The right hon. Gentleman will accept that the Liberal Democrats, and various other parties, have always favoured devolution as a way of giving the Welsh Assembly primary legislative powers. As he said, a referendum would consult only the Welsh people and not the English, even though the outcome affects them as much as the Welsh. That is why we believe that there should not be a referendum.

Mr. Gummer: I have various problems with that observation. First, it is not true that the Liberal Democrats have always been in favour of devolution. When they managed to win an election in Britain as a whole, they were against it. They were happy not to have devolution when they thought that they could have power in the country as a whole. They became keen on devolution when they lost power, as devolution offered a different opportunity.

Lembit Öpik: The right hon. Gentleman is going back to 1922.

8.15 pm

Mr. Gummer: The hon. Gentleman says that I am going back to 1922, but that is how far one has to go back to find the last time that the Liberals played an active part in British politics.

We have decided that decisions on these matters will be made at a referendum. I oppose referendums, which I consider to be inimical to the British system. However, if the referendum mechanism is to be used, it is vital to ensure that major decisions are arrived at as a result. The affair in question must be settled, at least for a reasonable period of time.

We can argue about how long is reasonable, and I agree that a referendum cannot be held whose result is that no other referendum can ever be held. On the other hand, it cannot be desirable to have a system under which referendums are held so often that people become so fed up with voting that only a few zealots turn out. If those zealots should win by two votes, they would call it a remarkable victory. That is what the Father of the House is worried about, and any democrat should share his concern. The Select Committee was of the same opinion, even though its Chairman holds a view about devolution that is the complete opposite of the one held by the Father of the House.

That shows that serious people with different views can come to the same conclusion on the question of referendums. They agree that a proper timetable is needed to prevent referendums from being used for what may be called "partial" purposes.

The Secretary of State may say that we should not worry about what he and his Ministers do, as they will behave perfectly properly, but that is not my experience of the referendum process in England. The Government wanted to hold three referendums about the governance of the English regions, but when it became clear that they would lose at least two of them, they were not held.

The parallel that I am making is related to the amendment under discussion, as a referendum was held in the north-east. The Government thought that they would win it, but they lost so heavily that the result looked like a vote in an African dictatorship, only in reverse. The Government lost appallingly badly in an area where Ministers were very active and indeed represented parliamentary seats.

My point is that, although the Government failed to win the planned referendums, they nevertheless carried on implementing their regional policy, come what may. That is what could happen in Wales: a referendum is not held because it cannot be won, but the policy that would have followed a victory is implemented anyway.

I should point out that, under this Government, "regionalism" means taking away powers from local government and giving them to a regional assembly. The Government's failure in the first referendum of the proposed three was so bad that the other two were never held but, even so, they were determined to go ahead with the process that they had decided on. That is the problem with this Bill, and it is emphasised in this clause.

The Father of the House made the same point. On no other occasion over many years have he and I agreed on so much. I want to celebrate that: it does not embarrass me, even though it may embarrass him. His reverence for Parliament and his longevity—which I hope to emulate—

Ian Lucas (Wrexham) (Lab): This speech is longer than his.

Mr. Gummer: It is a pleasure for me to say that the observations of the Father of the House contain a very important truth—that the Bill, if it is not dishonest, is deeply flawed. The Bill pretends to have two parts. One part gives some additional powers to the Welsh Assembly, in accordance with the Labour party's manifesto. The other part gives full devolution to Wales, after a referendum.

Unlike many Conservative Members, I am not especially opposed to a devolved structure. However, I do oppose a devolved structure that disfranchises my constituents and renders English Members of Parliament second rate, at least in terms of the powers available to them. I am not opposed to the nature and principle of devolution. I do not stand on the same side as the Father of the House on that. I do think, however, that we ought to face all the issues at once instead of having the system we have, which is a dog's breakfast that fails to recognise the problems of the West Lothian question.

We are being asked to have a referendum on a new basis—that the referendum will be part of normal governmental activity until the Government have managed to achieve devolution. That is what the Bill means. My hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) made that very clear, and I believe her to be right.

The parallel with Northern Ireland is manifest nonsense. In the north of Ireland, we have had a continuing situation of violence and disorder. The six counties are constantly upset by two powerful tribal issues: unity and independence from the south. Those battles are unique to that part of the United Kingdom, and, happily, pretty unusual in the world as a whole. The House has always accepted that dealing with the six counties is a matter of total difference from what we do elsewhere because its history is totally different. It would be ridiculous to say that because we have to do X, Y or Z in the north of Ireland, we have to do the same elsewhere, or, indeed, to say that because we want to do something different elsewhere we have for some reason or other to do it in Northern Ireland.

If the hon. Member for Montgomeryshire does not remember what an 8th century pope said, it would be a good idea for him to do so now. In the 8th century, a pope very properly said that Ireland is different and has to be treated differently. It would have been wise of the House to have thought that in the 19th century and to have followed the views of Cardinal Manning instead of those of Lord Salisbury.

The referendum is being presented as a continuous part of governmental life. We shall have it again and again until the people of Wales make the choice that the Secretary of State wants them to make. That seems to me to be the opposite of democracy. It is an example, again, from the Government of Louis Napoleon—Napoleon III. It is how he used referendums. Whenever he found the Government a little difficult or whenever the structure that he had invented produced a result that he did not like, he had a referendum. He even had a particularly nasty and unpleasant one that he called "crowning the edifice". It was held to make sure that what he wanted was voted for, because he arranged for it to work like that. That is one of the reasons why I so deeply object to referendums.

[Mr. Gummer]

All referendums actually do is ask people the question we want to ask them in the way most calculated to get the answer we want and which is an answer that happens to be true on the day the referendum is held. It is often an answer that has nothing to do with the question, being about what people feel about the Government or whoever asked it. It is a load of nonsense and we should never have joined up to it. I am sorry that my party has agreed to referendums on a whole range of situations in which they are wholly unsuitable.

Having had a referendum in Wales, however, we cannot go for the Liberal concept of slipping a whole matter through because the electorate have made their bed and must lie in it. Nor can we go for the socialist concept of creating a part 3 of the Bill that makes sure that we deliver the whole thing by salami slicing it. Nor, if they do not get it that way, can we allow part 4 to let them have as many referendums as it takes for the Secretary of State for Wales to be able to say to his grandchildren that he was the one who forced devolution on the Welsh. Given the right hon. Gentleman's background, I am not sure that I think he is suitable to do that.

We ought to have a change to this part of the Bill for democratic reasons. We should change it because it makes referendums even more silly than they were in the first place. Above all, we should have a change to remind the people of Wales just how devious the Bill is and how much it is using time in the House of Commons to sew together the divisions in the Labour party.

Mr. Dai Havard (Merthyr Tydfil and Rhymney) (Lab): I have a particular view on referendums. I have some sympathy with the right hon. Member for Suffolk, Coastal (Mr. Gummer) on them. I do not really like them as a basic idea, but we are in the historical situation that, since Harold Wilson's day, on constitutional issues we have devised the mechanism of referendums. Sometimes we have done so for reasons of political expediency, but they have become part of the fabric.

Interestingly enough, there were thresholds in the referendums that were held in the 1970s. Some say that referendums should not be provided for in the Bill. I say that it is important that the Bill contains a measure that institutionalises the fact that if we are to have primary powers, we will have to have a referendum. There are those who would not want to have one even at that stage. That was part of the discussion that surrounded the Richard commission and so on. There were people who wanted to proceed without such a mechanism. We have to go back to the people.

Those who forget where the last referendums were would do well to go and revisit them. Let us be clear. Only half of the electorate turned out, and only half of those who did voted yes. So, in the words of Antonio Gramsci, we have to temper our enthusiasm with the pessimism of the intellect. We had better not run too far ahead of the people on these questions.

Interestingly enough, I remember the report of the Welsh Affairs Committee, of which my hon. Friend the Member for Aberavon (Dr. Francis) is a member. It was a unanimous report. It was certainly no minority report.

Adam Price: The full quote from Gramsci referred not just to the pessimism of the intellect but to the optimism of the will. How about some of the latter in the hon. Gentleman's remarks?

Mr. Havard: Perhaps I can help the hon. Gentleman. It will not happen very often, but perhaps on this occasion I will help him. What has happened here is that those people have gone away and looked at the reality of where we are now against the historical process that we have come through with regard to referendums in Wales and they have determined that what is more sensible is the sort of proposition that has come from my hon. Friend. It does not debar the process from being revisited within sensible periods of time, but it does stop—I dread to say this because I do not want to start the hon. Member for Montgomeryshire (Lembit Öpik) off again about Northern Ireland. It is a strange twist on the "Vote early, vote often" theory that we have had from the Liberal Democrats.

There ought to be a great deal of support for the argument that has come from the Select Committee. It recognises that the mechanism needs to be enshrined in the Bill, but there is a tempered process that provides proper periods for reflection not only by the Houses of Parliament and the Assembly but by the people of Wales so that processes that have been put in place have the opportunity to mature.

The Assembly is a new institution. I forget when it was set up, but it has not had much of a life yet to mature. I differ from the right hon. Member for Suffolk, Coastal in that I struggle with this question. Is the process that we are putting in place sufficient to justify a referendum now? I come down in a different position to him, but if we are going to look for primary powers we have to have a referendum. This seems to me the sensible process that follows that.

David T.C. Davies: I was one of the people who was involved in that last referendum, very much on the "anti" side. It is my experience that a significant number of people in Wales then and now want primary legislative powers. It is also fair to say, and I hope that everyone recognises, that a large number of people in Wales preferred the status quo and believed that Wales best played out its destiny as an integral part of the United Kingdom. I was one of those people; I was proud to be Welsh and proud to be British; proud to be a Welsh Unionist, if you like.

Many people in my situation are disappointed that the door effectively has been slammed shut on any change in the constitutional direction. The hon. Member for Montgomeryshire (Mr. Öpik)seems to think that we should never change direction constitutionally; that we can never make mistakes. Perhaps I may remind my two Liberal Democrat colleagues that one of the biggest constitutional changes this country has ever made was to get rid of the monarchy. The experiment lasted only 11 years. We recognised that we had made a mistake and we went back in the other direction. It is a shame that we slammed the door on doing that in Wales.

Mr. Roger Williams: Does the hon. Gentleman accept that the option of full primary legislative powers was never offered to the Welsh people? Is he saying now that he would be happy for the Assembly to be got rid of altogether?

8.30 pm

David T.C. Davies: I would be happy to see another referendum that included that question, but that is my preference, not my party's. There is a slight difference between us on that. I have never made any secret of my view and I shall not pretend that I have changed my mind in the past few weeks. As the hon. Gentleman says, the referendum was on whether to have an Assembly, not a Parliament with primary legislative powers. If we are to have such a Parliament, we should have a full referendum on it.

I do not accept the implication that perhaps more people would have voted in favour of a Welsh Assembly had they been offered a Parliament. Had the Government thought that there was any support for having primary legislative powers in Wales, that would have been on offer in the first place, not the model we have now. Indeed, that would have been a far more coherent way to go about the project.

Lembit Öpik: The hon. Gentleman wrote on 30 June 2005:

"The Government are in the process of giving extra powers to the Welsh Assembly at present. Given the dreadful lack of competence in the areas in which the Assembly has got powers this is something I will be opposing."

There is an enormous difference between what he and his Welsh Conservative colleagues say and what their Front Benchers say. Does he regard a referendum as a potential way to fulfil his own goal of reducing the level of devolution, rather than increasing it or maintaining it at its current level?

David T.C. Davies: Time is short and I shall not go over my views again and again. Suffice it to say that I have not changed my mind. I am one of many people in Wales who did not want the Welsh Assembly, but unlike those who want a Parliament, I accept the situation as it is. I accept that we have an Assembly and I want to see it work, but I cannot accept a situation in which those who want primary legislative powers can come back over and over again, with one referendum after another, until they get the result that they want. That is why I support the amendments.

The Secretary of State for Wales (Mr. Peter Hain): We have had some interesting contributions, and some tantalising bait was dangled before me by the right hon. Member for Suffolk, Coastal (Mr. Gummer), my hon. Friend the Member for Merthyr Tydfil and Rhymney (Mr. Havard) and the hon. Member for Monmouth (David T.C. Davies). I shall not bite at that bait because I am concerned about meeting the terms of the programme motion that was unanimously agreed.

I am grateful to the hon. Member for Montgomeryshire (Lembit Öpik) for his general support for the Bill, but a Liberal Democrat source was reported in *The Times* recently as saying that

"the last thing anyone wants is for him to declare for them. They're calling it the curse of Lemsip."

I shall luxuriate in the fact that he does not support me on this occasion.

There is widespread agreement across the House, including the hon. Member for Chesham and Amersham (Mrs. Gillan), that there should be a referendum if we move to primary powers. I also agree with the spirit of amendment No. 189 in the sense that we cannot keep calling referendums until the voters, exhausted, simply say yes. That point was also made by my right hon. Friend the Member for Swansea, West (Mr. Williams). The very idea that we should have an "everendum" that just kept going in the way that was described is completely unacceptable and I think that the people of Wales would revolt against it. We need to come down to earth politically on that point.

The hon. Member for Chesham and Amersham asked about my motives. My view on the time frame is straightforward. In the end, the question of a referendum is not up to me because it is for the Assembly to initiate the process with a two-thirds majority. If she was asking for my view, I do not think that there is a case for considering holding a referendum in the next term of the Assembly, which will run from 2007 to 2011, because there will be a new political architecture in the Assembly if the Bill is passed and the new streamlined process of powers will be bedding down. I do not think that the issue will arise until at least the following Assembly term. We can all agree that the additional procedures provided under part 3 will need to establish themselves. We will then be able to determine whether that process has provided the streamlined process of decision making for which the Assembly has asked, whether there is a need to call a referendum, or whether a period of conflict has existed between Westminster and Wales that has provoked conditions such as those in the late 1990s that resulted in a turnaround of opinion from that in 1979 and produced the yes vote in 1997.

Mr. Alan Williams: I am impressed that the Secretary of State finds distasteful what we find so distasteful. In that case, why does he not legislate against it?

Mr. Hain: For the reasons that I am about to explain to my right hon. Friend and the House.

The amendments are an attempt to address the perceived risk that repeat referendums could be held on the commencement of Assembly Act provisions. I do not think that an explicit provision is required to stop repeat referendums, whether that is of the type proposed by my hon. Friend the Member for Aberavon (Dr. Francis), or that proposed by the Conservative party, because the Bill provides for an environment of consensus. Hon. Members who have spoken do not seem to have recognised that a two-thirds majority of the Assembly would be required. I have been criticised for insisting on a two-thirds majority, and ardent advocates of primary powers say that it will create an obstacle. I make no apology for the proposal because I do not consider it to be an obstacle.

If we are going to go for a referendum, it makes elementary political sense to say that we must be satisfied that the conditions are at least those that existed in 1997, with Welsh Labour, the Liberal Democrats and Plaid Cymru—and probably sections of the Welsh Conservatives—being in favour of a referendum and full primary law-making powers. The two-thirds majority is an essential check on whether there is consensus. In addition, a vote in the House and

[Mr. Hain]

the House of Lords will be required, so Parliament will have to endorse that position. The idea that a series of referendums could be called one year after another—Quebec-style—is not realistic given the need for a two-thirds majority in the Assembly and a vote in the House of Commons and House of Lords. My answer to the fair question asked by my right hon. Friend the Member for Swansea, West is thus that a process of caution is built into the Bill.

A further point, albeit not a decisive one, would be in the background and could figure in public debate. Referendums are costly. It is estimated that a referendum would cost about £7 million, which is another reason why the people of Wales would revolt at the idea of continual referendums. History teaches us the political reality. When the referendum was lost in 1979, it took until 1997 to create the conditions in which it was felt that there was consensus to move again. We do not need legislation on the matter because it would put rigid barriers in the way of the politics. We and the people of Wales want politics to reflect the centre of gravity of Welsh politics, which is where I humbly believe that the Bill is situated.

The problem with amendment No. 189 is that it would throw away the key for the future. In that spirit, I hope that the hon. Lady withdraws it and that my hon. Friend the Member for Aberavon will not push his amendments to a vote. There are sufficient locks to require political consensus to be created, through a two-thirds vote in the Assembly initially, and then with this House and the House of Lords having the final say. I do not think that Parliament would stand for continuous referendums to bully people into voting yes, even if the Assembly repeatedly requested them. There is no support for that in the House and I, as the Secretary of State responsible for introducing the Bill, would have no truck with it.

Mrs. Gillan: We have had an interesting debate, which has gone on longer than I anticipated because of the significant contributions by some hon. Members. To defer to the Father of the House, the right hon. Member for Swansea, West (Mr. Williams) summed up the situation well. The Secretary of State is a man in a hurry. He does not want to wait. In a devastating critique, the right hon. Member for Swansea, West outlined that there is an element of political opportunism. What came through was that the Secretary of State is not showing any duty of care to the people of Wales by allowing the Bill to stand in the form that is before us. What I derived from the Father of the House's contribution is that this is an experiment with the constitutional position of Wales, which is not advisable and will do no good.

The fact that the Secretary of State was invited to place papers in the Library and papers were there none is also fairly significant. The consultation appeared to be only within the party and not with the public. That also goes some way to revealing the mindset behind the Bill.

I shall touch only briefly on the comments by the hon. Member for Montgomeryshire (Lembit Öpik), because his contribution was not one of his best. However, I want to defend him. The Secretary of State was unnecessarily cruel in his taunting. It is understandable that his arguments were not as comprehensive as usual in the circumstances.

Lembit Öpik: I thank the hon. Lady for her support. I have had a lot on my mind recently, and I give her my unequivocal backing in her career.

Mrs. Gillan: I am happy to receive it because fortunately I am not running for the leadership of the Liberal Democrats, although I might make a better job of it than some other people.

As Chairman of the Select Committee, the hon. Member for Aberavon (Dr. Francis) has done a sterling job in difficult circumstances. I do not think that his Committee was fully consulted by the Secretary of State. I certainly do not think that it has been taken along in the process. He approaches the problem from a different dimension. Whereas the right hon. Member for Swansea, West may not be a great enthusiast for devolution, the hon. Gentleman is, but even he has problems with the way in which the Bill stands.

My right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer), in the bravura performance that we have come to expect, made the points in his inimitable fashion. It was interesting that the hon. Member for Merthyr Tydfil and Rhymney (Mr. Havard) was tempted to participate in the debate. He said that we must not run too far ahead of the people. I agree entirely. I was delighted that he participated because we have not been treated to many contributions by the Labour Members who represent Welsh constituencies. It was good to see the hon. Gentleman making a contribution. My hon. Friend the Member for Monmouth (David T.C. Davies) said that the proposals would make Wales a political football, and he was quite right.

I have listened carefully to the Secretary of State. He says that nothing will happen until 2011—it might be some time after that—but he is trying to legislate today. He also said that there might be a period when Westminster was in conflict with Cardiff; I am not entirely sure that Westminster is not in conflict with Cardiff at the moment, but I do not want to intrude on the private agonies of the Labour party. But that is no excuse for bringing forward this legislation. I do not accept his arguments.

I see, rather, a strange consensus. He said that he wanted consensus, and he has it; from Swansea, West, from Suffolk, Coastal, from Aberavon, from, I think, Merthyr Tydfil, and from Chesham and Amersham. Therefore, I have no choice but to put my amendment to the vote in order to place on record our belief that the Bill should not provide the opportunity for repeat referendums and for turning Wales into a political football. By not acceding to any of the amendments that I or the hon. Member for Aberavon have tabled, the Secretary of State has brought this vote on himself.

Question put, That the amendment be made:—

The Committee divided: Ayes 152, Noes 313.

Division No. 142] **[8.46 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Barker, Gregory
Baron, Mr. John
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butterfill, Sir John
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Ellwood, Mr. Tobias
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Forth, rh Mr. Eric
Fox, Dr. Liam
Garnier, Mr. Edward
Gauke, Mr. David.
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodwill, Mr. Robert
Gove, Michael
Grayling, Chris
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hermon, Lady
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Maclean, rh David
Main, Anne
Mates, rh Mr. Michael
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Milton, Anne
Moss, Mr. Malcolm
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rosindell, Andrew
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spicer, Sir Michael
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Syms, Mr. Robert
Taylor, Mr. Ian
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, rh Mr. Alan
Wilson, Sammy
Winterton, Ann
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Mr. David Evennett and
Mr. Henry Bellingham

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Beith, rh Mr. Alan
Bell, Sir Stuart
Benn, rh Hilary
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browne, Mr. Jeremy
Bruce, Malcolm
Buck, Ms Karen
Burgon, Colin
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Carmichael, Mr. Alistair
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Maria
Efford, Clive
Elman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goldsworthy, Julia
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hemming, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley

Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, Mr. David
Laws, Mr. David
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Levitt, Tom
Linton, Martin
Llwyd, Mr. Elfyn
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCarthy-Fry, Sarah
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mulholland, Greg
Mullin, Mr. Chris
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Öpik, Lembit
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, Angus
Robertson, John
Robinson, Mr. Geoffrey
Rogerson, Mr. Dan
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salmond, Mr. Alex
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watts, Mr. Dave
Weir, Mr. Mike
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wishart, Pete
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Noes:
Tony Cunningham and
Mr. Alan Campbell

Question accordingly negatived.

Adam Price: I beg to move amendment No. 31, in page 56, line 25, at end insert—

'(3A) If a resolution passed by the Assembly under section 103 includes the text of the question which the Assembly proposes should be included on the ballot paper at the referendum, that text shall be included in any recommendation made to Her Majesty in Council to make an Order in Council under subsection (1).'.

The Chairman: With this it will be convenient to discuss amendment No. 194, in schedule 6, page 112, line 32, at end insert—

'1A Both the question to be included on the ballot paper and any statement to precede the question must first have been approved by each House of Parliament in a procedure where the question and statement shall have been capable of amendment by each House.'.

Adam Price: Amendment No. 31 seeks to give the National Assembly for Wales the right and responsibility of setting the wording on any future referendum under the provisions of clause 102. As the Library has pointed out, it is unusual for the wording of a referendum question not to be set out in a Bill. Indeed, there is only one other example of this not happening. We had a lengthy discussion recently on the uniqueness of Wales vis-à-vis Northern Ireland. Only in the Northern Ireland Act 1998 is there another example of the wording not being set out in the legislation.

The Conservative amendment, which we do not support, would provide the opposite solution to ours, namely that the wording should be set out by Parliament. We believe that the people of Wales should decide on these matters, and that their representatives should decide on the wording of the question in a referendum on the extension of the principle of democratic sovereignty. As we know, timing is a key parameter of success when it comes to calling a referendum. We had a lengthy discussion on such issues in our debate on the last few amendments.

9 pm

The other key parameter is the wording on the referendum ballot paper, which can influence the likelihood of success. As opinion pollsters know, the wording of a question can affect the level of support that a proposal attracts. We have seen that in relation to questions of devolution over the years. I suggest that a question asking the people of Wales whether the National Assembly for Wales should have law-making powers would be more likely to succeed than a question

asking whether it should have more power, in an open-ended way. These are subtle differences, but they can affect the likelihood of success.

The referendum question, as with every other referendum, will be subject to the provisions of the Political Parties, Elections and Referendums Act 2000, which will mean that the Electoral Commission will pronounce on the intelligibility of the question and produce a report, according to its guidelines, to ensure that the question is clear, concise and impartial. Nevertheless, the power to set the wording of the referendum question is an important one, and it should properly reside with the elected representatives in the national representative institution of the people of Wales—the National Assembly—which is what our amendment seeks to achieve.

The Welsh Affairs Committee's report suggested that the wording should be set out in the Bill in the interests of clarity. However, the Government's response rejected that proposal, saying, rather mysteriously, that the wording should reflect the circumstances and the timing of the question's being put. That almost suggests that the referendum might happen in some future century, when the English and Welsh languages might have evolved in some way. The Government's response proves my point that subtle differences can be introduced into the wording of a question. The power to set the wording is therefore an important one.

The other issue that the Welsh Affairs Committee was trying to resolve in its way, and that we are trying to resolve in ours, is that of the lack of clarity as to how the wording will be decided. This could become a major political issue. As we have seen, the issue of where the power to decide the wording lies became a major issue in Quebec following the 1995 referendum there. Even now, we can see the jostling between Ottawa and Quebec for the proper constitutional authority over that issue. Ottawa has passed the Clarity Act to give itself the constitutional authority over the wording of any future referendum question, but the Quebec Government insist that they still have that power. We, too, need clarity, because we do not have it at present in this regard.

Mr. Llwyd: My hon. Friend is making a powerful point, and I fully agree with him. Let me take him back a few sentences to when he said that the procedure proposed in the Bill would mean that the Government here would decide on the wording, and that that would be overseen by the Electoral Commission. Does he agree that this Government's track record of listening to the Electoral Commission is not all that good, given that the commission has said that there is no case whatever for banning dual candidacy?

Adam Price: As ever, my hon. Friend has made a strong point, which constitutes a trenchant criticism of the governing party. Presumably the Electoral Commission could produce a report criticising the wording, and its independent advice could be ignored again.

Mr. Alex Salmond (Banff and Buchan) (SNP): As the hon. Gentleman knows, the Arbuthnott commission, appointed by the Secretary of State for Scotland, considered this very subject. It decided that the attempt to ban dual candidacy was undemocratic, and the work of a political party that did not understand the process.

Adam Price: The hon. Gentleman has made another excellent point. The Government do not have a very good record of listening to independent commissions when the results of their inquiries do not accord with their own narrow party advantage. That is why we do not propose that the wording should be decided by an independent commission. We should remember that the Government did not listen to the Richard commission.

The solution is clear: if the Secretary of State wants the referendum to work on the basis of party consensus, he should take account of the consensus that would have triggered the referendum in the first place. The National Assembly should decide this important matter—not this House or the other place, not English, Scottish or Northern Irish Members of Parliament, but directly elected Assembly Members in Wales.

Mrs. Gillan: My amendment No. 194 is straightforward, so I shall not detain the Committee for long. The amendment requires both the question on the ballot paper and the statements preceding it to be amendable and approved by both Houses of Parliament.

It seems only right to me for Parliament, when preparing to devolve primary powers, to have the right to approve and/or amend the essence of questions about the process being put to the public. That would help to ensure scrutiny of what is a bit of a political hot potato, and I do not believe that the Government have provided for it in the Bill.

I heard what was said by the hon. Member for Carmarthen, East and Dinefwr (Adam Price) and I admit that I have some sympathy with it. Like him, I hope that the spirit of consensus that the Secretary of State keeps dangling before us will come home to roost one day—that he may agree with something that Opposition Members say, and incorporate it in the Bill. I doubt it very much, but we live in hope. I shall listen carefully to what the Secretary of State has to say.

Mr. Hain: Despite the honourable and valiant attempt of the hon. Member for Chesham and Amersham (Mrs. Gillan) to build consensus with Plaid Cymru, there are two separate points here. The first is that Parliament is ultimately in charge, and has to be. I do not think that amendment No. 31—under which the Assembly would be in charge, and Parliament would simply rubber-stamp the wording on which it had decided—is acceptable.

Clause 102(6) requires the Secretary of State to consult widely, and those consulted will obviously include the Assembly. The Secretary of State will also have to consult the Electoral Commission on the referendum question in the draft Order in Council. That procedure was established by section 104 of the Political Parties, Elections and Referendums Act 2000. As the draft Order in Council will have to be approved by at least two thirds of Assembly Members, I put it to the hon. Member for Carmarthen, East and Dinefwr (Adam Price) that the Assembly's support will be needed. Consensus will be built into the whole process. I think that the Bill would handle the matter much better than either amendment No. 31 or amendment No. 194.

[Mr. Hain]

It is not in the interests of the Government, when about to embark on a referendum to trigger primary powers for the Assembly, to create controversy around the question. There will be enough controversy around the issue at the time. Through the consultation requirements with the Electoral Commission built into the Bill, the requirements of the Political Parties, Elections and Referendums Act 2000 and consultation with the Assembly, a consensus will emerge that it is in no one's interest to disturb.

Mrs. Gillan: The Secretary of State appears to have a crystal ball that is not available to the rest of us. He has already said that the provision will probably not come anywhere near us until 2011 plus plus. He has just said, however, that it will be a controversial matter when it does come before us. I contend that it might not be. What does he know that we do not know, and how can he be sure, looking so far into the future, that he knows what will happen? I think that that is slightly arrogant.

Mr. Hain: I will not rise to that accusation. All I am saying is that the issue before the people of Wales should be the question on the ballot paper—do they wish to proceed to primary powers for the Assembly or not? That will undoubtedly be controversial—I would be surprised if it were unanimous. That is the point.

In respect of amendment No. 194 tabled by the hon. Member for Chesham and Amersham, the problem with the procedure that she suggests is that it could be a recipe for endless ping-pong if the House of Lords amended an Order in Council, which would be an unusual procedure—half of the argument of the hon. Member for Beaconsfield (Mr. Grieve) was, quite properly, that Orders in Council are not amendable—or if the House of Commons amended it and then the Assembly amended it. The truth is that we can all agree with the procedure laid down in the 2000 Act, and that is exactly what the Bill does. I ask the hon. Member for Carmarthen, East and Dinefwr to withdraw the amendment.

Adam Price: I am sorry that the Secretary of State believes that Parliament is in charge and not the Welsh people, because it was on the latter basis that we worked together to win the referendum in 1997. Nevertheless, I do not want to detain the Committee further. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Adam Price: I beg to move amendment No. 156, in page 56, line 28, after 'Council', insert '(a)'.

The First Deputy Chairman of Ways and Means (Sylvia Heal): With this it will be convenient to discuss the following amendments: No. 157, in clause 102, page 56, line 29, at end insert

'or

(b) has been laid before each House of Parliament and the Assembly, has been approved by a resolution of the House of Commons and of the Assembly, but has been rejected by the House of Lords.

(4A) If subsection (4)(b) applies, the referendum shall not be held until one year has elapsed since the date on which the House of Commons came to the resolution.'.

No. 186, in clause 102, page 56, line 33, leave out subsection (6).

No. 195, in clause 102, page 56, line 36, at end insert—

'(6A) The draft of any statutory instrument containing an Order in Council under subsection (1) laid before each House of Parliament shall be amendable by either House during its consideration and approval.'.

Adam Price: Amendments Nos. 156 and 157 would remove the absolute veto enjoyed by the other place over the Order in Council setting up the referendum and replace it with a suspensory veto, similar to that which it enjoys over primary legislation under the Parliament Act 1949. There is an important point of principle involved for our party. It would be entirely wrong for an unelected institution to frustrate the will of the Welsh people, as expressed through their directly elected National Assembly, to hold a referendum on the matters contained in the Bill. I hope that some Labour Members agree with that basic principle and will support the idea of democratic sovereignty in that regard.

The royal commission on reform of the House of Lords proposed replacing the absolute veto over statutory instruments, which is what we are discussing in this instance, with the suspensory veto. It is important to remember that the other place has used its power to reject statutory instruments on a number of occasions. The Secretary of State will remember the famous case involving sanctions against southern Rhodesia in 1968. The House of Lords struck down that order because it supported the white minority Administration in southern Rhodesia. That caused something of a constitutional crisis at the time. However, it has used the power more recently too, during the passage of the Greater London Authority (Election Expenses) Order 2000, on the issue of freepost. The other place has shown that it is willing to use its power to strike down statutory instruments in the case of elections. Our fear is that, unless the amendment is accepted, the other place, which is not representative of anything in particular—it is certainly not representative of Wales—will use its power in the Bill to frustrate the aspirations of the Welsh people and their representatives to move on to the next phase of democratic devolution. That cannot be right.

9.15 pm

The Under-Secretary said in the Second Reading debate that the Parliament Act would not apply to the legislation, so that cannot be used to protect us against the House of Lords striking down an Order in Council in this context. The Salisbury convention will not apply. All we are left with is the First Minister saying in his evidence that new conventions will develop over time, as is the practice in the British constitution. That provides us with no crumb of comfort as we face the possibility that, having achieved the two thirds bar in the National Assembly that has been set down in the Bill, having achieved the political consensus that the Secretary of State refers to constantly, and having achieved an affirmative vote in this House of directly elected Members, we will be frustrated by the unelected Chamber down the corridor. That would be entirely unacceptable and against every honourable radical tradition in Welsh politics.

We appeal to the Government and to hon. Members to think again about giving the House of Lords an absolute veto in this regard. If a suspensory veto is good enough as regards every other piece of primary legislation, surely it is good enough when we are talking about the historic decision and proposal emanating from elected representatives of the people of Wales to move on to the next phase of democratic devolution.

The First Minister in his speech in the National Assembly for Wales said that he did not believe that there would be any circumstances where the Order in Council procedure, whether in relation to the referendum or to other aspects of the Bill, would be used to frustrate the will of the Assembly, because to do that would be to

"expose yourself to ridicule, and you would pay the penalty at the next election."

That argument may apply to the Secretary of State and to the Commons, but it expressly does not apply to the unelected, unaccountable and often unpredictable House of Lords. We cannot expect the House of Lords simply to accede to the demands of this place and the National Assembly in that regard. As Lord Morgan pointed out in his evidence to the National Assembly Committee on Better Governance for Wales White Paper, the House of Lords came very close to throwing out, purely adventitiously, the Health (Wales) Bill. Heeding the clarion call—the bugle call—all the Tory peers appeared just before the vote on the hunting ban was taken. They were there and they came very close to striking down the Wales legislation. Surely everything in our political traditions in Wales should tell us that we cannot trust the other place to have the final say on whether we can move on to the next phase in democratic devolution.

In closing, I shall quote the Secretary of State. This is what he called the House of Lords, which in this Bill he is giving the final say over democratic devolution:

"a rather fey survivor from the pre-democracy days; it is a constitutional dinosaur . . . Unelected peers reflect an elitist state, which is one of the most unaccountable and secretive in the democratic world. It wields power by a combination of the royal prerogative, massive patronage and centralisation, with only a nod towards democracy".—[*Official Report*, 31 March 1993; Vol. 222, c. 357–59.]

The right hon. Gentleman must have had better speech writers in those days, but surely the principles that he enunciated in that speech are the same today. The House of Lords should not have a veto over whether Wales moves forward to democratic devolution.

Dr. Francis: Amendment No. 186, in my name and that of my hon. Friend the Member for Clwyd, South (Mr. Jones), would limit the role of the Secretary of State to laying a draft order for a referendum, which reflects the recommendation in the Welsh Affairs Committee's report on the White Paper. As things stand, the Secretary of State could refuse to lay the draft order for a referendum even if the National Assembly had voted by a two-thirds majority in favour of holding the referendum. I believe that Parliament alone, not the Government of the day, should accept or reject a request for a referendum.

I was impressed by what the Secretary of State said in response to earlier amendments about the importance of the sovereignty and primacy of Parliament—and that certainly applies to my amendment. His response to our recent report argued that removing his power of refusal would "bypass" the Government of the day, but that argument does not stand up. The Government of the day would be able to put forward their position in the debate on the order, and could control the timing of that debate. They would also hold a majority in the House of Commons, which would provide them with the numbers necessary to win a vote. Their views could not and would not be bypassed.

Ministers also argue that the Government would be "entitled to test and satisfy itself that the question should be put to the people of Wales".

I do not understand what form such an additional test would take. Would the Government hold focus groups or phone-ins, or an informal pre-referendum referendum? The necessary test for the referendum trigger is whether two thirds of the Members of the National Assembly for Wales are in favour of a referendum. As the Secretary of State said in another context, such a high threshold would necessitate cross-party support, and would therefore reflect the clear policy view of those parties—and also, surely, the view of those who voted for them.

Once that test has been satisfied and a request has been made, it should be for Parliament to decide. The Secretary of State is right to say that a move to full legislative competency at the National Assembly would represent "a significant constitutional development", but that makes it more important that Parliament—the sovereign seat of the United Kingdom Government—rather than the Government of the day, should decide on the merits of the request.

The Secretary of State knows as well as I do that the Government of the day will decide the fate of a request for a referendum—but the Government should have the confidence to make that decision in Parliament, not in Whitehall. For that reason, I ask hon. Members to support my amendment. I am sure that, as a democrat and a supporter of democratic devolution, the Secretary of State will respond positively and wisely to this sensible and modest request. I shall end by quoting the Secretary of State's hero and mine, Aneurin Bevan, on these matters—and I notice that the right hon. Gentleman is listening carefully. Aneurin Bevan said:

"The purpose of getting power is to be able to give it away."

Mrs. Gillan: In reality, we are considering three groups of amendments. Amendment No. 157, tabled by the hon. Member for Carmarthen, East and Dinefwr (Adam Price), appears to give some breathing space before the referendum is held and after approval by the Commons and the Assembly. However, it also seeks to eliminate the role of the House of Lords, and I cannot agree with that, as the hon. Gentleman would doubtless expect me to say. Moreover, such a provision would presumably still apply even if the House of Lords became a wholly elected body; that would be rather anti-democratic.

I have some sympathy with amendment No. 186. Clause 102(6) is a delaying tactic that can be spun out for as long as the Secretary of State of the day wishes. Removing it would remove some of the Napoleonic powers that the Secretary of State has attracted to himself. If he really wants to keep them he could add a time limit, in order to avoid the Secretary of State of the day deploying such delaying tactics.

[Mrs. Gillan]

Our amendment, No. 195, is simple, and if the Secretary of State appreciates the principles of sovereignty and the primacy of Parliament, he will have great sympathy with it. It would allow both Houses to examine and amend Orders in Council under subsection (1), and he should have no quarrel that, given his own principles, which he has laid out. I therefore hope that of these amendments he will have the grace to accept mine.

Mr. Hain: I very much enjoyed hearing the hon. Member for Carmarthen, East and Dinefwr (Adam Price) quote my words from some 10 years ago. The burdens of office mean that I cannot indulge in such ringing rhetoric and narrative any more.

David T.C. Davies: Will the Secretary of State give way?

Mr. Hain: I am sorry, but no. I want to make some progress, so I cannot give way to the hon. Gentleman, who is another specialist in ringing rhetoric. I should also point out that he is a very able newcomer to the House.

The problem with amendment No. 157 is that it would introduce a pre-emptive, Parliament Act-type procedure in respect of the referendum order. As the hon. Member for Carmarthen, East and Dinefwr will realise on serious reflection, we cannot introduce into a Government of Wales Bill an entirely new and unprecedented constitutional revolution in the relationship between the House of Commons and the House of Lords.

Mr. Llwyd: The Secretary of State will doubtless reflect on the view of Lord Richard, who said in giving evidence to the Welsh Affairs Committee that it would be a devil of a job to get these orders through the House of Lords. So the point that my hon. Friend the Member for Carmarthen, East and Dinefwr (Adam Price) makes through his amendment is a proper one. Secondly, when I challenged the Secretary of State on this issue at a conference in Cardiff, he said that he would invoke the Parliament Act to ensure that this problem did not occur. So it was on his mind then and it is on ours now; so far, we see no way around it. My hon. Friend quoted earlier from an excellent speech by the Secretary of State. During that speech, he quoted Tony Benn, the former Member for Chesterfield, who said:

"The House of Lords is the British Outer Mongolia for retired politicians."

Mr. Hain: We are not debating the merits or otherwise of a second Chamber. To be fair, the House of Lords has behaved with great care and responsibility towards Welsh legislation such as the Transport (Wales) Bill, the Commissioner for Older People (Wales) Bill and the various legislation that has gone through Parliament in recent years following bids from the Assembly. I would not expect it to treat Orders in Council in any way differently. Therefore, I do not think it right, in the middle of the debate about the Government of Wales Bill, to aim for a revolutionary change in the relationship between Lords and Commons. That would not be appropriate.

9.30 pm

I remind my hon. Friend the Member for Aberavon (Dr. Francis) that the Secretary of State will lay the Order in Council triggering the referendum. The referendum cannot appear suddenly, all on its own. It needs a Secretary of State to lay the Order in Council, and that would present an opportunity for proper questions about the consultation process. That is why we have made the order a requirement: it is not a delaying tactic, but will mean that proper answers must be given to proper questions.

In any case, the Secretary of State will have to consult the Electoral Commission about the referendum question contained in the draft Order in Council. The commission's report on that question's intelligibility will have to be laid, together with any preceding statement, with that draft order, according to the procedure established by section 104 of the Political Parties, Elections and Referendums Act 2000.

The hon. Member for Chesham and Amersham (Mrs. Gillan) said that she wanted a procedure that would allow the Order in Council to be amended, by either House or by both. Her amendment is not explicit, but I presume that she would want the Assembly to have the same ability. That would be a recipe for endless ping-pong.

If the Assembly did not have the ability to amend an Order in Council, but was required by the legislation to pass it, we would get it into great difficulties. I hope that the hon. Lady will concede, on reflection, that the 2000 Act contains a procedure that requires the Electoral Commission to be the driving force, along with the Government, on the referendum question. The commission will also, of course, have to consult with the Assembly on that question. I hope that that answers the hon. Lady, and that she will withdraw the amendment.

Adam Price: It is a shame that the Secretary of State believes that he can use the Bill to impose a constitutional lock by an unelected Chamber on the ambitions and aspirations of the people of Wales to deepen and enhance their democratic sovereignty. That is what the Bill does, and it is deeply objectionable to me and my party.

Some Labour Members may share our belief that sovereignty lies with the people of Wales. It is insulting to give an unelected Chamber the power to reject a constitutionally based demand by the elected politicians who represent the Welsh people in the National Assembly. That such a demand can be flouted by an unelected Chamber that represents nothing, let alone the nation and people of Wales, is especially demeaning.

I shall withdraw the amendment, but we may want to return to the matter. A consensus exists across the Chamber on this matter that we can build on with useful discussion. It is entirely unacceptable that the House of Lords should have a constitutional lock on the development of democracy in Wales.

I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

The First Deputy Chairman: We now come to clause 102 stand part—

Mr. Dai Havard (Merthyr Tydfil and Rhymney) (Lab): On a point of order, Mrs. Heal. As I understand

it, my hon. Friend the Member for Aberavon (Dr. Francis) had an amendment under consideration by the Committee.

The First Deputy Chairman: That amendment is in this group, but this is not the appropriate time to deal with it. Was the hon. Gentleman seeking to divide the House on the amendment?

Dr. Francis: No, I was not.

The First Deputy Chairman: That is fine. We can proceed as I suggested.

Clause 102 ordered to stand part of the Bill.

Schedule 6 agreed to.

Clause 103

PROPOSAL FOR REFERENDUM BY ASSEMBLY

Hywel Williams: I beg to move amendment No. 32, in page 57, line 7, leave out from 'which' to end of line 9 and insert

'a majority of Assembly Members present and voting vote in favour'.

I suspect that the debate may be rather short as it is likely that there will not be much meeting of minds between Plaid Cymru and the Government and other parts of the House. Clause 103 is concerned with the Assembly's power to pass a resolution that a recommendation should be made that a referendum be held on whether the provisions of Assembly Acts should come into force. The clause requires a two-thirds majority of Assembly Members to vote in favour. Our amendment would replace that with a simple majority.

A simple majority has been deemed quite enough in this place to pass even the most contentious of matters. Hon. Members will recall just such a matter squeaking through last autumn by a single vote. I refer to the Terrorism Bill, which was of the utmost importance and to do with the freedom of citizens and a great many other matters. It was hugely contentious and split the Labour party, but it was carried by a single vote. I well recall Labour Members—at least, some of them—cheering and waving their papers as that happened.

If a one-vote majority is sufficient here on such contentious and important matters, why is it not good enough for the Assembly? The vote concerned will not be a vote to change the law; we will not be bringing in some huge innovation. It will be a question as to whether the people of Wales should be asked their opinion. In that circumstance, it would be quite proper to put the question to the people if a majority of the Assembly Members voted in favour. That is particularly so given the other checks on action that the Government have insisted on. When the Assembly holds a vote, there are the checks of the Secretary of State, of this place and of the place down the Corridor, as my hon. Friend the Member for Carmarthen, East and Dinefwr (Adam Price) said. All we are looking for is a vote on whether the people of Wales should be asked their opinion. I think it is a matter of common sense to do that by a majority vote.

The research paper prepared by the Library notes that a two-thirds threshold is quite "unusual". It also notes that the nearest precedent for this unusual move was the 40 per cent. threshold required for the referendums of 1979 on devolution for Scotland and Wales. That is an unfortunate precedent, to say the least. I have no desire to replay the fierce arguments of 1979 as that would not be appropriate here.

Adam Price: Go on.

Hywel Williams: I shall resist the temptation and note only that the 40 per cent. threshold then imposed was widely seen in Wales and in Scotland as being a wrecking move. There is a great danger that the higher threshold in the clause—not 40 per cent. but 66 per cent. before even an application could be made for a referendum—will be seen, too, as a wrecking move. It will be seen in a similar light.

Of course, in 1979 the referendum in Wales was lost disastrously, and it took us many years to recover from that. However, if I may allude briefly to the situation in Scotland, it is significant that the vote was carried in Scotland, but the 40 per cent. threshold was not achieved. That gave rise to a great deal of conflict and argument—the very controversy that the Secretary of State said only a few minutes ago that he was mindful to avoid in Wales. However, the Government are in danger of sowing further seeds of controversy, not about whether part 4 powers should come into effect but about whether the people of Wales should even be asked their opinion on the matter. The Secretary of State has an aversion to controversy around this issue, as he noted in speaking to amendment No. 31. In that respect, he should take the opportunity now to avoid further conflict on the two-thirds majority issue.

The Government will contend, I suppose, that the two-thirds majority would indicate a consensus. We have heard the Secretary of State and the Minister say that a number of times and that we should not proceed without such a majority. It is for the Minister to answer the points that I and perhaps other hon. Members will make.

Mark Tami (Alyn and Deeside) (Lab): Clearly, under the hon. Gentleman's proposal there could be a narrow majority, perhaps of only one. That would be a difficult referendum. What would be his view if a referendum on the future of the Assembly were lost on that basis?

Hywel Williams: I am happy to leave the question whether to hold a referendum to the good sense of the Assembly Members. That is what they are elected for by the people of Wales. They represent the people of Wales, and as my hon. Friend the Member for Carmarthen, East and Dinefwr said, they carry the sovereignty of the people of Wales. Plaid Cymru Members are happy to leave it to their good sense.

The argument is to be made by the Minister. I suspect that he will not agree with me. I cannot see why a simple majority is not sufficient to call a referendum.

Mr. Hain: May I say to the hon. Member for Caernarfon (Hywel Williams) that he and I agree, and our parties agree, that primary powers should be in this Bill? His party properly and honourably has campaigned for that for generations. I am proud to be the first Labour Secretary of State to be putting primary powers in a Bill.

[Mr. Hain]

The hon. Gentleman referred to the 1979 referendum and the circumstances of it. I am haunted by that, although I did not take part in the campaign. From a distance I supported the yes campaign. I am also haunted by the narrowness of the vote in 1997. Unlike 1979, the Labour party was not bitterly divided on the question in 1997. In 1979, there was a minority saying yes and a majority probably no. The referendum was lost four to one. I do not think that we should go anywhere near a referendum that could produce those circumstances. That is why I built in carefully a two-thirds vote in the Assembly, which would require at least, in the current political configuration and that for the foreseeable future, Welsh Labour, Plaid Cymru and the Liberal Democrats to be united, as we were in 1997. Even then, the referendum was only narrowly won.

If we put in place a mechanism that could result in an opportunistic vote in the Assembly with the current political arithmetic, the Opposition, even for the sake of embarrassing the Government—it is difficult to foresee, but one could imagine it—could force on the ruling Welsh Assembly Labour Government and on the Government here a referendum that could not be won by any objective assessment. As my hon. Friend the Member for Alyn and Deeside (Mark Tami) pointed out, that would do terrible damage to the cause of devolution and to the cause in which the hon. Member for Caernarfon believes—that of an Assembly with primary powers. This is not a roadblock; it is a sensible precaution.

We would need a consensus in the Assembly, reflecting the views of directly elected Members only, and support in Parliament to follow. I ask the hon. Gentleman to withdraw his amendment, not because we disagree about the principle of primary powers in this Bill, or about having a strong Welsh Assembly or about the cause of devolution, but because if he were to get his way it could create circumstances that would take us nearer to 1979, which would be a disaster for the whole devolution cause.

9.45 pm

Hywel Williams: I must say that I take offence at the Secretary of State's comments about the possibility of the Opposition parties, especially my party, taking an opportunistic chance in the Assembly to embarrass the Labour Government. This issue is far too important for that and I hope that the Secretary of State will recognise that our party has acted very responsibly on this matter.

Mr. Hain: I am grateful that the hon. Gentleman has taken this intervention, but I have to say that in recent months his party has consistently allied with the Conservative party and the Liberal Democrats in the Assembly on opportunistic votes to defeat the Welsh Assembly Government. Why might not that happen again?

Hywel Williams: It is not opportunistic to vote against the Government on matters of principle and of great importance, such as tuition fees.

David T.C. Davies: I am not sure whether I should declare an interest at this point. However, I remind the Committee that different parties have voted in different configurations all the way through the Assembly. On many occasions—even quite recently—I have joined the Labour party in voting against the Welsh nationalists. I do not think that anyone should read anything into that other than that all parties will try to do their best for the people whom they serve.

Hywel Williams: I do not wish to continue this discussion, but it does appear that the Labour party thinks that genuine and honest opposition to the Labour Government is in some way dishonourable, and I reject that entirely. As the hon. Member for Monmouth (David T.C. Davies) said, we have voted with the Government on occasion, depending on the issue.

I suspect that we shall not have a meeting of minds on the amendment and I do not wish to prolong the debate in view of the amount of business remaining. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Ian Lucas: I beg to move amendment No. 110, in page 57, line 13, leave out subsection (3) and insert—

'(3) The Secretary of State must—

(a) within the period of 120 days beginning immediately after the day upon which it is received consult upon—

(i) the voting system, and

(ii) the number of Assembly members

of an Assembly after the Assembly Act provisions have come into force, and

(b) within the period of 180 days after the end of the consultation—

(i) lay a draft of a statutory instrument containing an Order in Council under section 102(1) before each House of Parliament, or

(ii) give notice in writing to the First Minister of the Secretary of State's refusal to do so and the reasons for that refusal.'.

The amendment relates to the period after the Assembly has voted in favour of moving forward on the proposal to this place for an Order for primary legislative powers. This is an unusual section of the Bill because it addresses a period that most parties agree is some time distant from today. It is not within the contemplation—I hope—of the Government to bring forward proposals at this stage for a referendum to introduce the part 4 process. We are therefore talking about a period that is some years hence—my right hon. Friend the Secretary of State mentioned 2011-plus.

In those circumstances, it is appropriate that if we are to consider the position politically at that time, there should be some provision in the process for a broader reflection on the Assembly to take place. The amendment proposes that after the Assembly asks for primary legislative powers there should be a consultation process, so that the people of Wales can be asked two questions relating to the Assembly.

The first question relates to the voting system for the Assembly. We should not assume that the system that was put in place by the Government of Wales Act 1998 should be set in stone for ever. If we are to have an Assembly with primary legislative powers, we shall have a different creature to the body created by the 1998 Act. It would thus be entirely appropriate at that stage at

least to consult the people of Wales on the voting system that should be used to elect the new Assembly—if I may call it that.

People have extremely different views on the appropriate voting system for the Assembly at present. I am satisfied that the legislative powers for the Assembly that are proposed by the Bill are not so different from the existing powers that they require the system to be reconsidered at the moment. A referendum was held in 1998 and an additional member system was introduced. When a further referendum is held, there should be at least consultation so that the people of Wales can consider whether it is appropriate to continue with the additional member system. I have strong views on the matter. The Richard commission put forward several views, and the parties have different views on the system that should used. It would thus be right and proper to ask the question at the time of the referendum.

Mrs. Gillan: I am listening carefully to the hon. Gentleman. Will he tell the Committee which voting system he prefers? He says that he has strong views on the matter, but has not explained the voting system that he would like to see at that stage.

Ian Lucas: I would like a first-past-the-post voting system with 40 constituencies in Wales represented by two Members each—one man, one woman.

Mrs. Gillan: That is very clear. Why has the hon. Gentleman restricted his amendment so that it allows consideration of the number of Assembly Members, but not commensurate consideration of the number of Members of Parliament at the same time?

Ian Lucas: The amendment proposes consultation. If primary powers are allocated to the Assembly following a referendum, the Labour Government are likely to reduce the number of Welsh Members of Parliament, just as they did with Scottish Members, because the Labour party is a generous party. When the Labour party considered voting systems, it even assisted the official Opposition by ensuring that they had additional Assembly Members in Wales although they could not win a first-past-the-post seat.

David Taylor (North-West Leicestershire) (Lab/Co-op): Is it not the case that the number of Scottish Members of Parliament was reduced not primarily because of the increased powers of the Scottish Parliament, but because of the significant inequity that had grown up over the years due to the number of people represented by each Scottish Member compared with the number represented by each English Member?

Ian Lucas: I am afraid that I am not as familiar with the intricacies of Scottish politics as my hon. Friend, so I will not respond to his point.

David T.C. Davies: May I remind the hon. Gentleman that there are some honourable exceptions to the rule of Conservatives not winning first-past-the-post seats? We have held at least one ever since the first Assembly elections were held.

The First Deputy Chairman: Order. Perhaps we can resume debate on amendment No. 110.

Mark Tami *rose—*

Ian Lucas: I give way to my hon. Friend.

Mark Tami: Like my hon. Friend, I support the introduction of the first-past-the-post system. Perhaps those who want a full single-transferable-vote system would give us an opportunity for the debate to take place. Few people are wedded to the current system. Many people on either side of the argument think that the system is badly flawed.

Ian Lucas: Indeed. My hon. Friend makes a powerful point. It is for that reason that I suggested a consultation. The issues are controversial. The importance of raising the subject at this stage is that unless the Bill is amended, the issues cannot be considered within the context of the referendum debate that will take place so far in the future.

The second aspect of the consultation relates to the size of the Assembly in terms of the number of Members. Clearly, an Assembly that has primary legislative powers will have a scrutiny role that goes far beyond the existing scrutiny role of the National Assembly for Wales. It is not often that politicians call for more politicians. I am afraid that I will do so, because one of the most important aspects of any legislator's job is to scrutinise legislation. My personal sense is that it would be essential to increase the number of Assembly Members if primary legislative powers were to be granted to the National Assembly for Wales. Any sensible discussion in the lead-up to a referendum on primary legislative powers would inevitably touch on that issue. Again, with the Bill as it stands, it is difficult to envisage how that could be sensibly raised and how more Members could be introduced.

I have suggested a consultation. I know that the issues are controversial, but when a major constitutional debate takes place in Wales when the referendum is called—if ever such a referendum is called—it is important that we have the discussions, consult the people and hear what they have to say.

Mrs. Gillan: I have read the hon. Gentleman's amendment carefully. Has he given any consideration to the length of time that the consultation should take? Does he envisage there being a specific period of time, so that it would not be an open-ended process?

Ian Lucas: I did consider the length of time, because the amendment stipulates a length of time. However, it is optimistic. I am not wedded to it. I was conscious that I did not want an extended period of consultation because I did not want to delay the process if the decision had been made by the Assembly. On the other hand, it would be necessary for a consultation to take place over a period of time, and for that reason I included the 120 days.

Mr. Paul Murphy (Torfaen) (Lab): It is 18 years ago almost to the day when I was squeezed into such a debate, with two and a half minutes left at the end of

[Mr. Paul Murphy]

business on Welsh questions. I hope that the rules of the House will permit me to continue my remarks when we return on Monday to discuss this important business.

I sometimes look at legislation and apply what a very good friend of mine calls the Splott market test, which is: what would the people of Cardiff who go to the market in Splott on a Saturday morning think of the legislation that we are producing? I suspect that they would not think an awful lot about some of the constitutional issues that we have debated. I am not underestimating the significance of those issues, but we have to understand that, at the end of the day, the Welsh people want to consider how devolution affects their lives. Are their hospitals any better? Are their schools any better? Has the system of local government or planning been improved by the existence of the Assembly? The answer, probably, is yes, because the Assembly has given accessibility to Ministers and the accountability of Ministers to the people of Wales in a way that was never there when we had the old Wales Office.

The amendment that my hon. Friend the Member for Wrexham (Ian Lucas)—

It being Ten o'clock, THE CHAIRMAN *left the Chair to report progress and ask leave to sit again, pursuant to Order [9 January].*

Committee report progress; to sit again tomorrow.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

EXCISE

That the draft Duty Stamps (Amendment of paragraph 1(3) of Schedule 2A to the Alcoholic Liquor Duties Act 1979) Order 2006, which was laid before this House on 9th January, be approved.—*[Mr. Heppell.]*

Question agreed to.

ADJOURNMENT (FEBRUARY)

Motion made, and Question put forthwith, pursuant to Standing Order No. 25 (Periodic adjournments),

That this House, at its rising on Thursday 16th February, do adjourn till Monday 27th February 2006.—*[Mr. Heppell.]*

Question agreed to.

Health Services (Suffolk)

Motion made, and Question proposed, That this House do now adjourn.——*[Mr. Heppell.]*

10.1 pm

Mr. Tim Yeo (South Suffolk) (Con): I am delighted to have this chance to raise in Parliament the crisis in the health service in my constituency and in particular the threatened closure of Walnuttree hospital in Sudbury, a highly valued community hospital. The closure of Walnuttree, the loss of its in-patient beds and the ending of many out-patient services that are at present provided at the hospital, will be devastating for the town and the surrounding neighbourhood. The proposal has been brought forward by the Suffolk West primary care trust—which I will refer to simply as the trust—at a time when the population of both Sudbury and Cornard is planned to grow significantly and when the trust itself has confirmed that Sudbury has the highest level of mortality in the county. The proposal runs directly counter to Government policy, and the way in which the trust has handled it has destroyed the faith of my constituents in the integrity of the consultation process and the decisions that are likely to follow it.

Walnuttree serves 20,000 people in Sudbury and Cornard and thousands more in the nearby villages. It enjoys very high respect because of the quality of care provided by the dedicated and outstanding staff, many of whom have worked at the hospital for years. However, the hospital building—a former Victorian workhouse—has long been regarded as unsuitable, and it is greatly to the credit of the staff that the patients who have occupied its 68 beds and the people who use the out-patient services rarely if ever complain about the service that they receive. That is in contrast to the experience of some of my constituents in West Suffolk hospital at Bury St. Edmunds, where complaints are, regrettably, not infrequent. Unfortunately, patients who in the past have used Walnuttree will, if it is closed, be forced to go to West Suffolk hospital instead.

Proposals for a new hospital in Sudbury to replace Walnuttree have been around for 20 years, and recently hopes were high that final approval for its replacement was imminent. It was a shock, therefore, in 2004 when local officials produced an apparently damning fire safety report and used it as a pretext to recommend the hospital's closure. A big local campaign was mounted, with all-party support, to fight that threat. In November 2004, my former Labour opponent, Kevin Craig, and I jointly delivered a 10,000-signature petition to Downing street.

Great was the relief when that campaign persuaded local officials to see sense and a programme of fire safety work was announced. The then chief executive of Suffolk West primary care trust promised that Walnuttree would remain open until a replacement was built. In February 2005, the outline business plan for that replacement was approved by the strategic health authority. The then Secretary of State for Health wrote to Kevin Craig before the general election and said:

"Kevin . . . you have ensured that the voices of local people have been heard at the highest levels of Government."

The Chancellor of the Exchequer, no less, was quoted in Kevin Craig's election literature congratulating him on his role in that successful campaign. By April 2005,

plans for the replacement hospital were well advanced and had been endorsed by a Department of Health gateway review report on the outline business case. Days before the general election, another meeting in Sudbury was assured that the new in-patient hospital would be built prior to the closure of the old site.

Alas, with the election out of the way and a new chief executive in place at the trust, all those promises were suddenly cast aside. In June, the trust dropped its bombshell: Walnuttree was to be closed after all. No replacement in-patient beds were to be provided, just a glorified GP surgery. Even the in-patient services provided at Walnuttree were to be transferred to West Suffolk hospital 20 miles away.

The reaction in the town was outrage. Days after the news broke, I chaired one of the biggest public meetings ever held in Sudbury, and the Walnuttree hospital action committee was formed. In July, with other Suffolk Members of Parliament and Lord Phillips of Sudbury, I met the Secretary of State, who assured us that the consultation process would be taken seriously. However, the trust's consultation paper, "Modernising Healthcare in West Suffolk" was a seriously flawed document, which stressed the need for financial savings but suggested only one way of achieving them—through savage cuts in local services and the closure of Walnuttree.

Throughout summer and autumn, the community mounted the biggest protest campaign in my constituency in the past 23 years. I pay tribute to the action committee, including its chair, Colin Spence; Michael Mitchell, a porter at the hospital; Michael Mandelstam; the mayor of Sudbury, Lesley Ford-Platt; Richard Titford of Sudbury Churches Together; Sylvia Byham, and Peter Clifford. Those are just a few of the people who have done outstanding work.

The committee adopted a highly professional approach, raising money to commission an expert study of the proposal and its likely effects, and offering to work with the trust to achieve an outcome that was acceptable to the local community and more consistent with stated Government policy. Regrettably, the trust rebuffed that approach. I much regret that the trust's new chief executive, Mike Stonard, has obstructed the action committee's attempts to find a solution to the problem, to the extent of resorting on occasion to untrue statements and evasions when asked straightforward questions, and casting wholly unjustified aspersions on the integrity of people who are campaigning to protect our health service.

Truth has, on occasion, flown out of the window during the course of the argument. During Health questions on 22 November last year, I was told by the Secretary of State:

"Walnuttree . . . has already had £300,000 invested in it to bring it up to the standard required by fire safety regulations".—[*Official Report*, 22 November 2005; Vol. 439, c. 1358.]

When I challenged that assertion, the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton), wrote to me on 24 December saying:

"I have noted your comments about the advice given by officials being misleading in relation to the £300,000 spent at the Walnuttree Hospital to bring it up to fire safety regulations. I should point out that I have been assured that this advice is accurate."

Last week, inquiries made under the Freedom of Information Act 2000 revealed that expenditure on fire safety works during 2005 actually amounted to £100,000, not £300,000. The Under-Secretary may like to apologise on behalf of both the Secretary of State and the Minister of State for their inadvertent misleading of the House. I hope that the Department will now examine the sources of the incorrect information that it was given.

The trust's consultation document refers to increased provision of intermediate care—something that everyone in Suffolk welcomes—but it utterly fails to make even a remotely convincing case for its claim that all those who in the past have received in-patient treatment at Walnuttree can be catered for in the community. Even the trust's own rules define a set of patients as ineligible for care in the community, which includes those without a carer at home, those whose home is unsuitable, those whose needs are too great, and those who do not have the potential for rehabilitation within six weeks. Nor has the trust explained how the cost of all that extra treatment in the community will be met.

Those proposals will also place a heavy burden on both Suffolk county council social services and on West Suffolk hospital. Unfortunately, in the current year—before the trust's proposals come into operation—the social services department already faces an overspend of £2.7 million. Far from being unable to cope with any extra burden, the department is looking for ways to make savings. West Suffolk hospital also faces a cash crisis and is planning to close beds.

The driver of the trust's proposals is not, as Mike Stonard claims, its desire to introduce an improved model of care. It is all about saving money. So desperate is the crisis that management is breaking all its previous promises and introducing measures that will clearly damage patients. Since it is only about money, why did the trust not consider whether it would be cheaper to keep open the in-patient beds at Walnuttree, as community beds are generally understood to be cost effective?

The truth is that if the trust wanted to improve services in Sudbury, it would revert to the previous evidence-based successful model of care, which included some in-patient beds at Walnuttree, alongside improved services in the community. Ramming through bed closures by alleging that none of the patients who has used them in the past will in future ever need to be treated anywhere other than at home is absurd. Some patients will be inappropriately left at home to suffer or even die without proper community support. Others, as the trust admits, will have to be accommodated within West Suffolk hospital, aggravating the problem of bed blocking and causing longer waiting lists, in direct contradiction of Government policy.

As the Audit Commission said in its report, "The Way to Go Home—Rehabilitation and Remedial Services for Older People",

"there is a danger that in the general confusion around the term 'intermediate care', older people will not receive the care they need".

Bear it in mind that less than a year ago the outline business case proposed, after months of consultation and with widespread local support, a model of care that

[Mr. Tim Yeo]

included 32 new in-patient beds in the new hospital that would replace Walnuttree. What changed between February and June last year to render this model suddenly irrelevant? Not the evidence about patient need. Not the needs of the community. Not the number of people requiring care at Walnuttree. All that changed was the decision of the trust to put the demands of the accountants ahead of the interests of patients.

Ironically, the letter in which the Minister of State made her inaccurate claim about what had been spent on fire safety included a statement of policy on community hospitals. She stated:

"Our commitment to community hospitals is to support a new generation of community hospitals that can meet the needs of local people".

I invite the Minister to tell the House this evening that he will instruct the trust to honour that commitment. Or was it, like so many statements from Ministers now, just words, which the Minister never intended should have any real meaning?

Community hospitals are, after all, not just cheaper and more cost effective for in-patients than acute hospitals; they are closer to home, patient friendly and offer more continuity of care provision. What is more, the Minister of State has boasted of £100 million being available to develop them. What about a fraction of that for Sudbury?

It is not only in-patients who will suffer. Last year the outline business case included consultant clinics at the replacement hospital. These, too, have disappeared from the trust's plans for Sudbury and will instead be moved to West Suffolk hospital in order to save £40,000 a year. At least in this regard the trust admits that decentralised services can sometimes be more expensive, a factor that it conveniently overlooks when costing the extra intermediate care which it claims will be provided in future.

Centralising the clinics in West Suffolk hospital will greatly burden the patients who use them. The car journey to West Suffolk hospital from Sudbury takes half an hour at best, costs a significant amount and adds to pollution, including CO_2 emissions. Many elderly patients have no access to a car and will have to make the bus journey of more than an hour, which culminates in a five-minute uphill walk from the bus stop to the hospital—something that no one at the hospital was even aware of until I pointed it out.

I tried the bus journey myself last August and invited the directors of the trust to join me. None did, possibly fearing that first-hand knowledge of what they were planning to inflict on vulnerable patients, who until now have enjoyed a local service, might force them to admit their mistake. Incidentally, patients report that the hospital's own transport service is even worse and can take up to six hours door to door because of the need to collect patients from all over a dispersed rural area.

Ministers have stressed the Government's commitment to patient choice, but patient choice is not what the trust will provide. Ministers have spoken about care closer to home, but the trust is taking care for many patients further away from home. Not surprisingly, nobody affected by these proposals supports them. The three main GP practices in Sudbury, including one that could benefit if the proposals go ahead, have all rejected them. Rehabilitation clinicians and therapists within the Suffolk West primary care trust have protested internally. The BMA has condemned the plans. Sudbury town council has objected to them. Babergh district council said that the proposals

"are not cost effective and will not deliver increased access to services"

and that they

"will have an adverse impact on Babergh's disabled adaptations budget".

Suffolk county council passed a motion urging

"the Secretary of State for Health to instruct primary care trusts not to close Community Hospitals until some other means of intermediate care is up and running."

The local patient and public involvement forum stated that

"the actual proposals appear to be ill-thought out, lack real factual cost justification and in our view are likely to cause unnecessary pain and suffering to those in need".

Five thousand letters have been sent to the Secretary of State, and 3,500 submissions have been made to the trust. There is not a shred of justification for the proposals. They will harm the population that they are supposed to serve, and they contradict Government policy. Understandably, residents now have little faith in the integrity of the consultation process.

In East Suffolk, where 90 per cent. of the responses to the consultation, "Changing for the better: next steps", criticised the proposals, the agency interpreting the data on behalf of the various trusts commented:

"The consultation questionnaire was assessed to have poorly drafted questions that tended to lead respondents towards an apparently "obvious" (and negative) answer ... What little evidence there is suggests the response sample was not representative ... the health community would be unwise to place excessive weight upon the quantitative views expressed during this consultation."

Would that have been the reaction if the public had backed the proposals? I fear that when the responses to the Suffolk West primary care trust consultation are analysed, a similar charade will occur. If the questions do not produce the answers that the trust wants, someone will say that they were the wrong questions, and the people who replied to them will not be considered representative. To make matters worse, the Suffolk West primary care trust will soon be abolished, before its bosses have to answer for the damage and suffering that their proposals will be inflicting.

One final point must be emphasised. Although the trust must bear a big share of the responsibility for what has gone wrong, it is also true that Suffolk West has been disgracefully treated in cash terms by the Department of Health. Serious underfunding from the centre has compounded the problems with which the trust has had to grapple. The tragedy is that, against that background, the solution that the trust proposes will not solve the problem.

Mr. Richard Spring (West Suffolk) (Con): May I express my admiration for the restraint with which my hon. Friend is delivering his speech? Does he agree that spending is at the heart of this matter? In Suffolk West, the per capita spend is £223 less than in the rest of the country. The fact that the changes in the funding formulae that have taken place under this Government

are skewed against an area such as Suffolk West was confirmed this afternoon by the strategic health authority.

Mr. Yeo: My hon. Friend is quite right about that. We have a severe underfunding problem in Suffolk West.

It is not the Walnuttree hospital that has caused this crisis. It is a combination of unfair treatment by the Department and short-sighted incompetence by the trust. I urge the Minister to say three things in his reply. First, he should acknowledge that intermediate care is not suitable for every single patient. Secondly, he should instruct the trust to abort its consultation process at once. Thirdly, he should tell the trust to work with the Walnuttree hospital action committee to develop alternative proposals, based on a proven model of care, that will reflect the priorities of the Government and the needs of the patients. If the Minister does that tonight, I will launch a fund to erect a statue to him in the town.

10.18 pm

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): I have not been in politics long, and I certainly have not had an offer like that before. Let me see what I can do this evening. I start by congratulating the hon. Member for South Suffolk (Mr. Yeo) on securing this Adjournment debate. He takes a keen interest in health matters in Suffolk, and he has recently raised the matter of health services in his constituency in parliamentary questions and correspondence, to which ministerial colleagues have recently replied. Indeed, the Secretary of State and other ministerial colleagues have also been fortunate enough to meet several of the hon. Gentleman's colleagues and fellow local MPs in Suffolk and the wider strategic health authority area to discuss local health services. I should also like to put on record my thanks and praise for the work done by Kevin Craig and local councillors in ensuring that this matter has been so thoroughly aired.

Before I turn to the vital local matters that the hon. Gentleman has raised, I hope that the House will permit me to sketch a little of the background to this debate. The national health service is now in receipt of record resources. Funding of the NHS has increased from £35 billion to nearly £70 billion, and by 2007–08, that will rise again to £92 billion. That is a huge increase. If the NHS were an economy, it would be the 33rd largest in the world, a little larger than that of Portugal.

That money has gone where it matters. It has gone towards boosting the numbers of consultants, GPs and nurses, which have risen by 47 per cent., by nearly 4,500 and by 67 per cent. respectively since 1997. I am glad that the hon. Gentleman emphasised the contribution made by NHS staff in his constituency.

Mr. Peter Bone (Wellingborough) (Con): I congratulate my hon. Friend the Member for South Suffolk (Mr. Yeo) on securing such an important debate. I hear what the Minister is saying, but if a record amount is being invested, why are hospitals such as Walnuttree closing?

Mr. Byrne: I shall deal with the question of investment in South Suffolk shortly.

Those new staff up and down the country have done an enormous amount of work in shortening waiting lists. The number of people receiving treatment in hospital has increased by three quarters of a million to over 5.5 million, up by 16 per cent. since 1997. The total number of people waiting is down by more than 25 per cent., and the number of people waiting for more than three months by more than 50 per cent. The result, quite simply, is the saving of lives. Cancer mortality rates in England are down by 12 per cent., and the mortality rate for circulatory disease in England has fallen by 27 per cent.

Suffolk has benefited greatly from that advance. The latest figures show that death rates from coronary heart disease in the Suffolk area have fallen by nearly 23 per cent. since 1997. That is not an accident; it has happened because there are 400 more consultants, 4,900 more nurses and 800 more doctors in the strategic health authority area. Those staff have done an enormous amount to cut waiting times, and the results are showing in the most important indicators, the mortality statistics.

Along with the extra money have come innovations such as the early intervention team that helps West Suffolk hospital to manage new demand; new community matrons; £26 million of investment in Ipswich to create a new critical care suite and planned treatment centre, scheduled to open in 2007; and the launch of a digital hearing aid service, Choose and Book, up and running in east Suffolk ahead of schedule. I could go on and on, but the debate is not about the past. It is about the future, and at the heart of the critique of the hon. Member for South Suffolk were two questions with which I wish to deal, about money and about services.

An extra £110 million or so has gone into the NHS in Suffolk since 2003. The hon. Gentleman's constituency has received an extra £49 million between 2003–04 and 2005–06. I am glad that he raised the issue of fair funding. Fair funding would not have been promoted by the patient's passport, on which he campaigned in his constituency during the election. I am glad that that policy has gone into the bin. The introduction of fair funding is important in Suffolk, because it will raise health funding to the necessary level. Between 2006–07 and 2007–08, the total amount of extra money for Suffolk is set to rise by £86 million. There are deficits in some Suffolk trusts, but it is important to note that the level of increased funding for primary care trusts in Suffolk is nearly 2.5 times that of current deficits.

The pace of change with which funds have been increased is important. The hon. Gentleman said he did not feel that his area had been treated well in the past. In the future, the rate of funding will rise by nearly 21.5 per cent. That is more than the national average, which is just 19.5 per cent.

At a time when the amount of money is rising, it is important for the local NHS to spend time on getting services right. There are no more important services than those that support older people and those with long-term conditions, not just because they have given their country and their community a lifetime's service but because they are the nation's biggest users of the NHS. Two thirds of NHS acute beds at any one time are occupied by someone over the age of 65, and we believe that about 80 per cent. of NHS costs are spent on the

[Mr. Byrne]

15 million people with long-term conditions. Services for older people and those with long-term conditions need to be strengthened, in Suffolk as elsewhere. The principles that underpin the current consultation in the hon. Gentleman's constituency must be in line with the policy of transforming emergency care to support the care of both older people and people with long-term conditions closer to home, which is where they want it to be. That means supporting people in their own homes with integrated health and social care teams, often co-ordinated by community matrons, in a model of care that has been successfully introduced elsewhere in the NHS and already exists in many parts of Suffolk. Intermediate care is needed that progresses rehabilitation much faster, enabling people to maintain their independence, so they do not become completely reliant on episodic hospital care.

Mr. Spring *rose—*

Mr. Byrne: I have two or three more important points to make in the last five minutes. If I get a pause, I will give way.

The key point about modernisation of services in Suffolk is that 20th century models of services, which often trapped patients in hospitals, simply do not meet the needs of patients, families and, importantly, carers, and nor do they exploit advances in assistive technology. The public have told PCTs that they need to co-ordinate services better with social care so that people do not spend unnecessary time in hospital.

Rightly, there will always be popular affection for well-established local institutions such as the Walnuttree. That is surely no crime—NHS professionals change people's lives. I will always remember the surgeon who struggled to save my mother's life and the midwives who delivered my children. Surely the 2,500 responses in east Suffolk, the 3,500 responses in West Suffolk and the 29,000 people who signed nine separate petitions across the county to show their support for the Walnuttree reflect that instinct. Such views must be balanced against the need for the NHS to modernise and provide the most appropriate care for patients.

The hon. Gentleman made an important point about statements made to the House about spending on the Walnuttree. The chief executive of the primary care trust will now write back to him explaining exactly how the £300,000, which my right hon. Friend the Secretary of State gave as information to the House, was spent.

Over the years to come, important changes will be needed to the way in which money is spent. Surely it is good that the local community in Suffolk has to consider how to spend another £86.5 million over the next two years in delivering 21st century care. The White Paper on health and social care, which will shortly be presented to the House, will have a great deal to say about how care needs to be shifted much closer to the community, how we need to shift the balance of spending from acute hospitals into preventive services, and importantly, how health and social care must work more closely together.

Mr. Yeo: In the four or five minutes that the Minister has left, can he explain why what was such a good idea—backed by the Department of Health, the strategic health authority and the local trust—the day before the election, turned out to be such a bad idea a month later?

Mr. Byrne: Unfortunately, I was not party to the plans developed before the election, but the important point raised by the hon. Gentleman is how the proposals currently on the table, which I understand will be decided on and published after the board meeting at the end of February, match up to Government policy. When the primary care trust reaches its decision and publishes it to the local community, it is important that it explains how the proposals that it has considered line up against the White Paper to be published shortly. As I said, that White Paper will contain a number of important principles. It will talk about how we shift money into preventive services, how we give people far more control of their own care, and how we ensure that health and social care work much more closely together.

Mr. Spring: The Minister is replying with great courtesy but, with respect, he is living in complete fantasy. The idea that there are integrated care teams and that people can exist to be part of those teams is nonsense because there is already a shortage of people in the county of Suffolk who could undertake that job. Although he is talking about increases, already, pre-emptively, at the main hospital in West Suffolk, 260 people have had their jobs removed in the past few months, and 55 beds have been removed. The crisis is deepening. With respect, his words are not linked to the reality on the ground. I am sorry to have the tell him that.

Mr. Byrne: I am grateful to the hon. Gentleman for that intervention but services will often need to be changed as there are advances in the way people in social care and primary care work together. Of course, we would expect services to be reconfigured. We would also expect, for example, more services that are currently located in acute trusts to move closer to the community.

If we look at the way in which outpatient services are managed in every other modern health care system on the continent and the amount that is concentrated in primary care systems, there is a great contrast with our own system. We need to learn important lessons from that. We need to look at how, in certain disciplines such as ear, nose and throat, dermatology and a range of others, outpatient services can be moved into services that are closer to home. That will sometimes require reconfiguration of services that are centred on acute trusts. That agenda is based on strengthening services and that is why I want to underline—

The motion having been made after Ten o'clock, and the debate having continued for half an hour, MADAM DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned accordingly at twenty-nine minutes to Eleven o'clock.

House of Commons

Wednesday 25 January 2006

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

Protectionist Trade Policies

1. **Mr. Stephen Crabb** (Preseli Pembrokeshire) (Con): What assessment he has made of the impact of protectionist trade policies on poor countries; and if he will make a statement. [45074]

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): Current protectionist policies from OECD countries prevent developing countries from accessing our markets and trading their way out of poverty. If, for example, subsidies to US and EU cotton farmers were removed, it has been estimated that cotton exports from some of the poorest countries in sub-Saharan Africa could increase by up to 75 per cent. There was some progress made in Hong Kong, but more progress is needed to secure a truly pro-development outcome to the Doha development round. We are working to that end.

Mr. Crabb: Last September, the Prime Minister warned that failure at the World Trade Organisation ministerial meeting in December would echo right round the world. Given the disappointing outcome in Hong Kong, what can the Minister say to persuade the House and observers round the globe that the WTO is not a dysfunctional organisation in which the interests of the poorest people on the planet are betrayed time and time again?

Mr. Thomas: The hon. Gentleman's fundamental point that Hong Kong was disappointing is absolutely true. There was some progress on export subsidies, for example, and on special and deferential treatment. In the run-up to Hong Kong, there was some progress on allocating more resources to help countries boost their trading capacity. However, we will need to see more movement from all sides in the negotiations if, as I indicated, we are to be able to achieve the pro-development outcome from the Doha development round that I think we all want to see.

Kali Mountford (Colne Valley) (Lab): My hon. Friend will be aware that there are people meeting today to think outside the box. They will be meeting alongside people like Bono and Michael Douglas. If countries really are to be able to trade their way out of poverty, particularly those countries who need trade the most, is it not important that they too are brought inside the box for these discussions?

Mr. Thomas: I want to congratulate those who are thinking outside the box about trade and negotiations. The Government, as part of our contribution to help progress in the current round of talks and more generally, published in December our long-term vision of the future of the common agricultural policy, setting out our vision of a European agricultural industry that does not distort international trade. We published that document as an out-of-the-box opportunity for discussion in Europe and more generally. I hope that those who are taking part in the discussions in Davos, to which my hon. Friend alludes, will talk to all European states if they come up with useful ideas.

Mr. William Cash (Stone) (Con): Does the Minister accept that unless the Government address the problems that arise from the EU in the context of protectionism, there is no point in talking about whether we will be in the box or out of the box. The questions are perfectly clear. There is a determination in certain countries in Europe for protectionist policies to remain. Should not the Government ensure that they get the message across to those countries and do something about the matter?

Mr. Thomas: I recognise that the hon. Gentleman has a distinctive view on all things European. However, he is a little out of date on the CAP. I am sure that he would want to congratulate again my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs for the progress that we have made already on reform of the CAP, in 2003 and 2004. However, I welcome the hon. Gentleman's continuing encouragement for us to make more progress on the CAP. That is, indeed, what the Government are seeking to achieve.

Anne Snelgrove (South Swindon) (Lab): The Minister has identified some of the successes at the Hong Kong talks. Will he tell us what we are going to do as a country to support the World Trade Organisation's cotton initiative?

Mr. Thomas: My hon. Friend is right. We have continued to provide support to a range of developing countries to help them be in a better position to negotiate at the WTO talks. We strongly support the proposal to fast-track cotton in the agricultural negotiations, including providing support, for example, to the chair of the least developed countries group, Minister Patel from Zambia, who warmly appreciated our support and the way in which it had enabled him to make his proposals to our American friends.

John Bercow (Buckingham) (Con): Given that the agreement on duty-free and quota-free access will still allow the United States to stop exports of textiles from Bangladesh and will allow Japan to resist exports of rice from Cambodia, would it not be accurate to say that the

attitude of the United States and Japan to those developing countries is really, "You can export to us anything that you like as long as it is not competitive"?

Mr. Thomas: As I indicated in my reply to the original supplementary, all sides will have to give further ground if the talks are to be successful. We welcome the fact that some 97 per cent. duty and quota-free access has been offered, but we want to see agreement that 100 per cent. duty and quota-free access should be granted to all products from least developed countries. We will continue to make that argument over the coming months.

Andrew Gwynne (Denton and Reddish) (Lab): Clearly, it is important that the views and opinions of developing countries are heard at the WTO and in other international forums. What are the Government doing to facilitate a stronger voice for developing countries?

Mr. Thomas: One of the positive signs from Hong Kong was the continuing strength of the developing country voice, which was first evident back at the Cancun talks in 2003. Since 1998 we have given some £180 million to developing countries to help them increase their ability to negotiate and to do the research that feeds into those negotiations, and we have said that we will continue to provide such support in the coming months and years.

Andrew George (St. Ives) (LD): Before the Prime Minister arrives and just between ourselves, would the Minister care to share his views on why the Hong Kong trade talks were such a failure in development terms? After all, the UK held the presidency of both the G8 and the EU, and the Prime Minister's favoured son led for Europe. Does the Minister accept that the talks were a failure for the UK, and what does he believe needs to be done to bring Trade Ministers back together in order to iron out the problems as quickly as possible?

Mr. Thomas: As the hon. Gentleman knows, there are more than 180 members of the World Trade Organisation. All can veto progress in those talks, so it is a highly complex process to make progress. As I said in previous answers, we saw signs of progress in those talks and we need to build on that. All sides will have to give ground—within the European Union, the United States and developing country blocs. We will use all the opportunities available to us, and I welcome the fact that Peter Mandelson is meeting a number of his interlocutors at the Davos forum this week. That can only help.

Mr. Lindsay Hoyle (Chorley) (Lab): My hon. Friend is aware that it is about fair trade, not free trade, for the poorest countries. Does he recognise that special help and support ought to be given to Caribbean and African countries whose cane sugar market is disappearing and whose economies will disappear as a result?

Mr. Thomas: My hon. Friend is right to say that we must continue to argue for fair trade, as well as opening up markets, and that we need to help countries work out for themselves what reforms they want to introduce and the pace at which they want to bring them in. On his specific point about sugar, I accept that a number of countries are affected by the sugar negotiations, which we welcome in general terms. Some transitional assistance has been agreed for 2006. As part of the more detailed discussions about the 2007–2013 European budget, we need to agree further transitional assistance for those sugar-producing countries, and we intend to do just that.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): In view of the widespread disappointment at the failure of the WTO talks in Hong Kong and the widely shared perception that the European Union is, at the least, a substantial roadblock to progress, what specific proposals is the Minister pressing the EU negotiators to put forward in Geneva? Does he agree that there is not much point in Commissioner Mandelson making dyspeptic speeches about the failure of others to perform at the WTO, when so much of the problem is clearly caused by EU intransigence?

Mr. Thomas: I would not characterise the Hong Kong talks as a failure. As I indicated, some progress was made—on export subsidies, for example, which we warmly welcome, and on special products and the special safeguard mechanism, which is important for developing countries. In the run-up to the Hong Kong talks the European Union made a particularly helpful contribution on the commitment to provide some €2 billion for trade-related capacity building. Clearly, on agriculture and a range of negotiating briefs, the EU and all member blocs in the WTO will have to give further ground. We will continue to encourage both Commissioner Mandelson and individual member states to be seized of the urgency of that.

Global Fund

3. **Sandra Gidley** (Romsey) (LD): What recent assessment he has made of contributions and pledges to the Global Fund to Fight AIDS, Tuberculosis and Malaria. [45076]

The Secretary of State for International Development (Hilary Benn): The international community pledged $3.7 billion at the global fund replenishment conference in September 2005. This will allow the continuation of all existing grants. A further $3.3 billion is needed to ensure that the global fund can approve new rounds of grants in 2006–07. A follow-up conference will be held in June to review the resources needed and to secure additional pledges.

Sandra Gidley: The Secretary of State has just announced that there is a $3.3 billion shortfall. In the light of that, will he explain how the universal access to AIDS treatment promised at Gleneagles will be delivered?

Hilary Benn: It is partly going to be about the money, which is why a further meeting is to be held in June. As the hon. Lady will be aware, the United Kingdom is playing its part, having doubled its contributions and then doubled them again. This is not just about funding the drugs, however. It is also about ensuring that the necessary health service capacity exists to test people, to

administer the drugs and to ensure that people keep to their regimes. There is now more money in the international system than in the past. The three by five target—and now the target of treating as many people as possible by 2010—will help to make progress, but the truth is that we have a long way to go to bring prevention, treatment and care to all who need it, which is what the commitment that we entered into at Gleneagles is all about.

Mrs. Betty Williams (Conwy) (Lab): Does my right hon. Friend agree that the fight against AIDS is not just a question of finance? Is he in a position to update the House on the progress made through the World Trade Organisation to ensure that multinational drug companies cannot prevent the worst-hit nations from importing and manufacturing drugs that will help the victims of AIDS?

Hilary Benn: Through the changes made under the trade-related aspects of intellectual property rights agreement—the TRIPS agreement—developing countries are now in a better position compulsorily to license the manufacture of such drugs, if they have their own manufacturing capacity and, under the most recent change, to import from others if they do not. We need to work with and support developing countries in using the powers available to them, to ensure that they can obtain the drugs at a price they can afford.

We also need to encourage the drug companies to undertake more research into antiretroviral treatment for children. One of the problems that developing countries face is that because AIDS did not develop in the west as a disease that affected children, the research went into the treatment of adults. Children have particular needs, however. We are funding some research to make progress, but I hope that the pharmaceutical companies will do more, because many children are born HIV-positive and they will need this treatment if they are to stay alive.

Mr. John Redwood (Wokingham) (Con): Do the Government have an estimate of how many people are suffering from these dreadful diseases in Africa? What proportion of them will be treated under the policies and programmes that the Secretary of State is describing?

Hilary Benn: There are 40 million HIV-positive people in the world, the bulk of whom live in sub-Saharan Africa. From memory, about 550,000 people in that region were on antiretroviral treatment as at June 2005. That was treble the number on that treatment 12 months earlier, but as the right hon. Gentleman can see from the statistics, it is still well short of the number required. However, a recent change has taken place in Nigeria—a large and populous country, where one in 10 of the world's HIV-positive population live—where the authorities have just stopped requiring co-payment from patients for antiretroviral treatment, because they realised that that was one of the obstacles preventing more people from getting access to the treatment there.

Mr. Neil Gerrard (Walthamstow) (Lab): Does my right hon. Friend accept that one of the major problems with the global fund is the lack of long-term certainty over its funding? Yet again, it was only last-minute contributions—including some from this country—that allowed the round 5 talks to go ahead this year. If we are to plan for the future, we do not want continually to be in a position of not knowing how much money is going to be available even one year ahead. Will the Secretary of State press that matter at the next replenishment conference?

Hilary Benn: My hon. Friend, who does so much work on this, is absolutely right. The successful bit of the replenishment conference was indeed the fact that sufficient funding was made available to continue with all the current projects. We are looking to launch a round 6 this year. In the end, this is about encouraging people to contribute more through the global fund, because that is part of the fight against AIDS, as well as TB and malaria, and through supporting developing countries in improving their health services. It is worth reflecting on the fact that, as of December, the global fund was supporting 384,000 people on antiretroviral treatment. It helped to treat 1 million cases of TB and distributed 8 million insecticide-treated bed nets. Those are practical examples of the effect the fund is having.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): The Secretary of State will know that the global fund is supporting several excellent programmes in Rwanda, where education, prevention and treatment, but above all the political will of the President and his Government, are making a real contribution to curtailing the AIDS epidemic there. Will the right hon. Gentleman contrast that with the lack of political will and the abject failure of leadership by the South African authorities? The President does not accept the gravity of the situation and the Minister of Health does not believe in antiretroviral treatment—that in a country that already has more than 1 million AIDS orphans.

Hilary Benn: I know that the hon. Gentleman has this morning returned from a visit to Rwanda, and I join him in paying tribute to the efforts being made in that country, including by the organisation Surf, which he was visiting as part of his trip, providing help to those who were infected in the genocide. It is doing remarkable work.

The hon. Gentleman is right about the need of Governments, wherever they are, to tell the truth about HIV, how it is contracted, how people can prevent themselves from becoming HIV-positive and what needs to be done to save people's lives. That includes all countries. There is a process of change taking place in South Africa, where, in the end, public opinion has, I think, encouraged the Government to change the view that they were taking. I hope that that will continue, because we are now very clear in our own minds about all the things that need to happen if people's lives are to be saved—tell the truth and give them the means to protect themselves.

Ms Sally Keeble (Northampton, North) (Lab): I welcome my right hon. Friend's statement about children and AIDS. Will he support the call by UNICEF for a £200 million fund to develop a combination formula for children and also to deal with the diagnostics, which are particularly important for young children? Will he give a commitment on that, or at least agree to take the issue away and look at it?

Hilary Benn: My hon. Friend, whom I know takes a close interest in these matters, raises an important point involving not just the question of the lack of availability of suitable medicines, but the practical problem of at what point children can be tested to find out whether they are HIV-positive. They will carry the antibodies of their mothers, but until they are two, current testing will not tell us whether they are HIV-positive. It is important that the global fund and others look at ways in which we can provide more support to this important area of work. That is why we are co-funding with the Medical Research Council a project considering attempts to trial new treatments to see whether they will work with children.

Asian Tsunami

4. **Miss Anne McIntosh** (Vale of York) (Con): If he will make a statement on continuing aid for reconstruction purposes for those countries affected by the tsunami. [45077]

The Secretary of State for International Development (Hilary Benn): The majority of countries hit by the tsunami have pledges of aid sufficient to meet the funding required for reconstruction. For example, in Sri Lanka, the cost of recovery has been an estimated $2.2 billion, and the Sri Lankan Government have indicated that all pledges received total some $3.3 billion. However, in all the countries affected there are big challenges in turning that into reconstruction, some of which will take many years to complete.

Miss McIntosh: The Disasters Emergency Committee raised an unprecedented £372 million, only a third of which was spent in the first year. Does the Secretary of State share my concern that Indonesia suffered 60 per cent. of the damage caused by the tsunami, yet is having real problems with long-term housing and other long-term reconstruction projects? What is his Department doing to rectify the situation?

Hilary Benn: I acknowledge the point that the hon. Lady makes about the large amount of money that the Disasters Emergency Committee received in response to its appeal and the fact that it takes time in practice to spend it. The real obstacle at the moment, as she will be aware, is not the availability of funding, but the practical steps that need to be taken. All the records were destroyed, so there are arguments and disputes about who owns the land. People cannot decide where to build before land ownership questions are sorted out. There are problems with access to materials and so forth, but we are beginning to see progress in those countries. We continue to support livelihoods in Indonesia, and we are helping the Government to manage the money that is coming in.

One of the most important contributions in Indonesia has been the resolution of the conflict in Aceh, which has created circumstances that are much more conducive to addressing those problems.

Mr. Andrew Love (Edmonton) (Lab/Co-op): May I press my right hon. Friend on the issue of Sri Lanka? There is still a fear that aid is not reaching the north and north-east of the country. Can my right hon. Friend reassure us that both communities in Sri Lanka are benefiting from the aid, and that reconstruction projects are proceeding in all parts of the country?

Hilary Benn: I am well aware of the concern expressed by my hon. Friend and other Members about the situation in Sri Lanka, where, sadly, there has not been the same progress in resolving conflict as there has been in Indonesia. The original agreement between the Government and the Liberation Tigers of Tamil Eelam to govern the terms on which reconstruction took place collapsed, but has now been replaced by the establishment of the north-east provincial council, whose job is to co-ordinate reconstruction efforts in north-east Sri Lanka. One of the practical measures that we have taken is the granting of £1.5 million of additional finance to the council to help its work.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The right hon. Gentleman will know that I have an interest in this subject. We have corresponded recently on the issue raised by the hon. Member for Edmonton (Mr. Love). May I stress the urgency of the need for action to ensure that the Tamil people are given the funds that they require to deal with the aftermath of the tsunami? I know that the right hon. Gentleman shares my concern; may I ask him please to address the issue?

Hilary Benn: I can assure the hon. Gentleman that we will continue to do what we have done since the start of the terrible earthquake and tsunami, which is to encourage and support all the people in Sri Lanka to ensure that help—including money for reconstruction—goes where it is needed. As the hon. Gentleman will be only too well aware, it would help enormously if the parties to the conflict could reach agreement on solving the political problem. That would deal with many of the difficulties about which people have expressed concern.

Mark Simmonds (Boston and Skegness) (Con): The Government have reneged on their promise to match public donations after the tsunami, providing only £290 million as against the £450 million donated by the generous British public. The vast majority of the Government money consisted of tax relief on public donations, European Union spending and debt relief.

Partly because of broken promises, reconstruction progress has been frustratingly slow. Some 1.5 million people remain without adequate shelter and, as the Secretary of State rightly pointed out, land disputes are numerous as boundary markers and records have been destroyed. What specifically are the Secretary of State and his Department doing to facilitate secure and formal property rights, which are an essential component of economic reconstruction and wealth creation in tsunami-affected areas as elsewhere?

Hilary Benn: The Government made a substantial contribution. Money that goes through the European Union ultimately comes from the taxpayer: I do not accept that it is somehow different in character. As the hon. Gentleman knows, the issue is not really the availability of resources. There is enough money; it is a question of turning it into practical help on the ground.

The principal responsibility for progress on land ownership and property rights rests with the Governments and communities of the countries

concerned. Only they can sort out the problem. We are encouraging them as best we can, but they are in a position to make the decisions that will, in the end, provide the key to further progress and ensuring that permanent rebuilding can take place so that people are rehoused where they need to be.

EU Trade Policies

5. **Mr. Graham Stuart** (Beverley and Holderness) (Con): What recent discussions he has had in the EU on the impact of its trade policies on poor countries; and if he will make a statement. [45078]

The Secretary of State for International Development (Hilary Benn): The Government have regular discussions about EU and other countries' trade policies, including the current World Trade Organisation negotiations. At the European Development Ministers' informal council in October we discussed aid for trade, and agreement was reached on a package of support the following month. In Hong Kong, I hosted an informal meeting of EU Development Ministers to discuss how Europe could contribute to a successful outcome to the talks.

Mr. Stuart: The year 2005 was to make poverty history, yet our EU presidency has come and gone with much noise and little achievement. What lessons have been learned, so that when we next have the EU presidency we can bring trade justice, not a continuation of selfish protectionism?

Hilary Benn: The hon. Gentleman should acknowledge the strong lead that the UK gave when we had the EU presidency, and will continue to give. The truth is that there are 25 EU member states and they have different views. However hard the presidency pushes, if people have different views, it cannot take the decision on behalf of all 25 member states. What is the lesson that we must learn and the conclusion we must draw? All of us have to work even harder now to ensure that the blockage to the negotiations is removed in the short time that we have in the first part of this year, so that we can see progress on the things that will make a difference to developing countries.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [45059] **Anne Moffat** (East Lothian) (Lab): If he will list his official engagements for Wednesday 25 January.

The Prime Minister (Mr. Tony Blair): This morning, I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Anne Moffat: I am sure that you, Mr. Speaker, will be aware, as the whole House will, that today we are celebrating Robert Burns day. Has my right hon. Friend had a chance to read a speech given last week describing Scotland as "Third Scotland" and likening us to Bosnia, Iran, North Korea and the Gaza strip? Does he know which wee, sleekit, cow'rin', tim'rous beastie made that speech?

The Prime Minister: I do, actually. First, may I wish my hon. Friend and all Scots well for Burns day and Burns night? Secondly, may I point out that since the Government came to power, there are about 200,000 more people in work in Scotland, unemployment is down by a third, employment is at its highest level since records began, and over half a million people have been lifted from absolute poverty in Scotland? The Scottish economy is thriving. There is investment in the public services and poverty is getting better, not worse.

Mr. David Cameron (Witney) (Con): I am glad that the Prime Minister is reading my speeches. That is very welcome. I want to know whether he is reading the Deputy Prime Minister's speeches. The Deputy Prime Minister said:

"If you set up a school and it becomes a good school, the great danger is that everyone wants to go there".

Does the Prime Minister agree that he should not compromise with people who think that creating good schools is a bad idea?

The Prime Minister: I, of course, want to see more good schools, which is why I am delighted to say that since this Government came to power, the number of schools where over 70 per cent. of the pupils get five good GCSEs is up from just over 80 in 1997 to over 500 today. Thanks to the investment and reform introduced by the Government, there are more good schools and more pupils going to them.

Mr. Cameron: The Prime Minister knows that there are still 1 million children in failing schools, so the need for reform is vital. On Monday, the Prime Minister rightly ruled out inserting the 76-page admissions code into his education Bill. On trust schools, will he confirm what he said to me in our first exchange in the House? Will he state categorically that all the freedoms in the White Paper—schools owning their own buildings, employing their own staff, developing their own culture—will not be watered down and will arrive in the education Bill?

The Prime Minister: Yes, I will confirm that. What is more, let me tell the right hon. Gentleman why that is important. He is absolutely right: I have been reading his speeches recently. I have read some on education as well and I am delighted to note that he now agrees with us that there should be no return to academic selection, so we are in favour of greater freedom for schools and no return to academic selection. Therefore, I look forward to his support.

Mr. Cameron: The Prime Minister will have our support, but I have to say that I love these lectures on consistency from him. His first act as Prime Minister was to abolish grant-maintained schools, and his last act as Prime Minister is to bring them back again. This is someone who came into politics to soak the rich and ban

the bomb, and ever since he has been sucking up to the rich and dropping bombs. But enough of that—back to education.

The Prime Minister told us that every time he has introduced a reform, he wished that he had gone further. So will he accept our offer of support in the Division Lobby, so that he can put the whole of his White Paper into the Bill, and will he put the Bill to the House without delay? Time is running out for the Prime Minister, so will he get on with it?

The Prime Minister: First, of course we will publish the Bill shortly and put it to the House, and I look forward to the right hon. Gentleman's support on it. But when he talks about consistency in politics, he should be a little wary. He may have a point about the Labour 1983 election manifesto and what we have done subsequently, but let me point out to him some of the things that he has changed his mind on within the last few weeks, not the last few months. He said of the patient's passport:

"We will say to people languishing on waiting lists that if they ... go private they can take with them one half of what the operation would have cost on the NHS."

That was the right hon. Gentleman in June 2004. In June 2005, he said:

"I think we were wrong to have a patient's passport that took people off ... "

On foundation hospitals, in May 2003, he said:

"This week the Labour Government ... brought forward their plans for Foundation Hospitals ... the Conservative party voted against them—a decision I wholeheartedly supported."

In November 2005, he said:

"It was a mistake frankly to oppose foundation hospitals".

Shall I go on? *[Interruption.]*

Mr. Speaker: Order. I think that the Prime Minister has made the point.

Andrew Mackinlay (Thurrock) (Lab): This House has comity with the Government and is not subordinate to them; therefore, instead of abrogating the Wilson doctrine, will the Prime Minister beef it up to take account of modern forms of communication? Failure to do so will send all the wrong signals to the Lukashenkos and Mugabes of this world—that it is all right to go down the slippery slope of abuse. Bearing in mind that Back Benchers' stock-in-trade is dealing with whistleblowers and other people who irritate the Government of the day, I will do a deal with John Scarlett and Manningham-Buller: they can listen to my telephone conversations if I can listen to theirs.

The Prime Minister: Obviously, that is an immensely tempting offer, and personally I have never found my hon. Friend irritating in any shape or form; I have always welcomed him as an independent thinker. I am afraid that he will have to wait until we make our announcement on the Wilson doctrine, but let me repeat what I said, I think, to the House last week. This issue arises for no other reason whatever than recommendations put to us by the interception of communications commissioner. We are considering it carefully and once we have come to a decision we will of course announce it to the House.

Sir Menzies Campbell (North-East Fife) (LD): The Prime Minister rightly said that Africa is a scar on the conscience of the world, and he made Africa the focus of the British presidency of the G8. With hundreds of thousands of people dead and 2 million displaced, have we not failed the people of Darfur?

The Prime Minister: The international community is failing people in Darfur, which is why it is so important that we take the measures for which the Secretary of State for International Development and, indeed, the Government, have been pressing. Those measures have got to include not just immediate humanitarian help, but making sure that the African Union peacekeeping force comes up to its full strength. The only way that the situation in Darfur is going to improve is when there are sufficient peacekeeping forces on the ground to keep the combatants apart, when the process of dialogue and peace takes place that we have been calling for and, obviously, when the measures are in place to improve humanitarian help. So we have to do more, but we are doing more, and I should point out to the right hon. and learned Gentleman that we, as the British Government, have been leading the efforts in this area and will continue to do so.

Sir Menzies Campbell: But as we talk about these matters, the killing, violence and rape continue. Will the Prime Minister confirm that the UK and the Security Council will press for an increase in the size of the African Union force and ensure that it has a strengthened mandate? Will they also press for a commitment that it is fully funded, equipped and supported?

The Prime Minister: We are doing precisely that. We have pressed for the AU peacekeeping force to be increased, and we fully support its proper funding. I am sure that the right hon. and learned Gentleman wants to be fair about this matter, so I can tell him that I think that this country can be very proud of what it has done in respect of Africa over the past few years. We have trebled our aid to Africa, and we have played a major part in getting aid obligations increased all around the world. We have also played a major part in securing debt relief. There is much else to be done, especially with regard to the killer diseases—HIV/AIDS, tuberculosis and malaria, and so forth—but over the past few years this country, in particular through the Department for International Development, has led the way in bringing change to Africa.

We will continue to do our best in respect of Sudan, where I agree that the situation is very serious, but I think that this country should be proud of what it has done.

Helen Goodman (Bishop Auckland) (Lab): Is my right hon. Friend aware that for every acre of children's playgrounds, this country has 80 acres of golf courses? Will he join me in congratulating Councillor Lucy Howells, the deputy mayor of Sedgefield borough council, who has secured funds for playgrounds across the borough? Does he also agree with the all-party parliamentary group on play that adequate space for play should be incorporated in all new housing developments?

The Prime Minister: I am delighted to add my congratulations to Councillor Lucy Howells. She is well known to me, and has done an immense amount of work for young people in our communities. It is worth emphasising that the respect action plan goes beyond tougher powers and extra community support officers. It is also specifically about the help that will be available to aid young people and to increase youth services. That is an important part of making sure that we tackle antisocial behaviour and give our young people the opportunities that they need.

Q2. [45060] **Jo Swinson** (East Dunbartonshire) (LD): British crime survey figures show that almost half of women in the UK experience domestic violence, sexual assault or stalking. Last November, victims of violence presented the Prime Minister with the "End Violence Against Women" report, which gave his Government one out of 10 on the issue. Will the right hon. Gentleman therefore commit to developing an integrated strategy to ensure that he does not come bottom of the class this year?

The Prime Minister: In fairness, the Government and the police have done a great deal of work to ensure that victims of domestic violence report the offences committed against them. The hon. Lady should look at the domestic violence programmes introduced by the Government, and she will see that we have a strategy in place for the first time. That has to be implemented and driven through across the country, but it would be wrong to suggest that no progress had been made.

Q3. [45061] **Ms Diana R. Johnson** (Kingston upon Hull, North) (Lab): In Hull, more than 300 young people have volunteered as junior community wardens to work alongside the extra bobbies on the beat and the police community support officers. Will my right hon. Friend maintain his focus on the respect agenda and not do what the Opposition do—that is, come up with new gimmicks every day that do not work?

The Prime Minister: It is important to recognise, as my hon. Friend does, that the respect action plan includes the strong new powers that are necessary for communities, but she is also right that community support officers and local volunteers play a very important part. The Russell commission proposals are backed by Government funding and will make a lot of difference to youth volunteering. However, my hon. Friend is right to say that it is when local communities get the power in their own hands that a real difference can be made.

Mr. David Cameron (Witney) (Con): On police force amalgamation—*[Interruption.]* This is an important issue, affecting many communities in the country. Last week, the Prime Minister said that he would listen to local people, and that

"many different things could happen, including forces coming together for certain strategic tasks that they are better able to fulfil on a common, rather than singular, basis."—[*Official Report*, 18 January 2006; Vol. 441, c. 836.]

Will the Prime Minister say exactly what he meant? Was it that amalgamations do not have to go ahead?

The Prime Minister: We have to listen to what people are saying and, obviously, there are different views about police reform. One possibility is for strategic coming together on certain issues, rather than mergers, but that has to be looked at on a case-by-case basis. We should listen carefully to what people are saying, but the reason why this has come forward as an issue is that the Association of Chief Police Officers said that it believed that the present configuration of forces was not satisfactory in fighting crime. As a result, we commissioned a report from the inspectorate of constabulary. That report said very strongly that fundamental reform was needed, and that is why the proposals have been brought forward. I agree that it is important that we listen carefully to what people are saying. The trouble is, as always in such situations, that not everyone is in agreement about the right way forward. The aim should be the most effective way to police local communities with the greatest amount of accountability and effectiveness. Obviously, we will listen carefully to what people say.

Mr. Cameron: No one denies the need for reform, but the Prime Minister should accept that he is striking a very different tone from the Home Secretary, who has said that smaller forces must be abolished and larger ones created. The Prime Minister says that they could survive if they share certain tasks strategically. Will he ensure that the Home Secretary thinks again and does not force through amalgamations?

The Prime Minister: It is not a question of forcing them through—*[Interruption.]* No, it is not. It is a question of answering the point made by the inspectorate of constabulary. If I read out its report to the right hon. Gentleman, he will see why we embarked on the process. It said:

"The 43 force structure is no longer fit for purpose. In the interests of efficiency and effectiveness of policing it should change . . . We now firmly believe that some reorganisation of forces and re-configuration of protective services is inescapable."

It is obvious that the inspectorate does not think that reform is incidental to better policing, but that it is fundamental to it. As I say, we will listen carefully and there are several different directions that reform could take. It could be different in different parts of the country. However, I hope that the right hon. Gentleman understands that it is no use being in favour of police reform in general if he opposes it all in particular.

Mr. Cameron: But is not there a much more important reform agenda that will address the fact that only one in four crimes is detected, police officers spend less than a fifth of their time on the streets and it takes three and a half hours for every arrest to be processed? Is not the real police reform agenda about changing working practices, cutting paperwork and making them properly accountable to local people?

The Prime Minister: That is precisely what we are doing—*[Interruption.]* Yes, it is. For example, the summary powers and fixed penalty notices are a massive saving on bureaucracy, as chiefs of police often point out. The right hon. Gentleman talks about police reform, but I think that the most important thing is that the police get the right, visible and uniformed presence out on the street. That is why it is important not merely that we have record numbers of police officers, but that

we supplement them with community support officers and that all of them are given the powers they need in local communities. It is all very well to talk, as the right hon. Gentleman does, about incompetent or lazy police officers, but I do not think that that is the problem with the police. The problem is that they need the powers that we have agreed to give them—I hope that he will support us on that—and they also need to be backed up by the right support staff, and that must include community support officers. If he were able to support that agenda—as well as, incidentally, not only the antisocial behaviour agenda but the organised crime proposals that will be made soon—we would have a far better opportunity to achieve effective policing in our communities.

Q4. [45062] **Dr. Alan Whitehead** (Southampton, Test) (Lab): What estimate has my right hon. Friend made of the carbon emission savings arising from the introduction of the climate change levy? Does he favour the introduction of further fiscal measures to save carbon emissions and, if so, would he welcome a degree of consensus on their introduction?

The Prime Minister: I would welcome a degree of consensus, yes, but unfortunately the Conservatives have made it clear yet again that they are opposed to the climate change levy. I think that that is their position—*[Interruption.]* No, that was only just a few days ago and I would say that it is at least valid for this week. My hon. Friend is right, and the climate change levy has made a real difference in the reduction in CO_2 emissions by several million tonnes. Therefore, it is extremely important that we keep it. I am also pleased to note that the UK was ranked fifth best in the world in the independent environment league table. That is extremely good news and it shows that this country has been at the forefront on the issue of climate change and will continue to be so.

Mr. Alex Salmond (Banff and Buchan) (SNP): Does the Prime Minister accept that there will not be much of a Burns night celebration for the 720 workers who have been made redundant as a result of the closure of Lexmark in the small community of Rosyth? Is he really unaware that 7,000 industrial manufacturing jobs have been lost in Fife—and 100,000 in Scotland—since he took office? What level of industrial disaster is required to shake this Prime Minister and his Chancellor out of their totally unjustified complacency on the competitive position of manufacturing in Scotland?

The Prime Minister: I am not the slightest bit complacent about that. Of course, we deeply sympathise with the people who have recently lost their jobs. The only way to support those people is to do what we will do: ensure that we give them every help with training and other jobs and put in place the same type of package of assistance that we have implemented in many situations when jobs have been lost—either in the manufacturing or service sector—in the whole of the UK in the past few years. I have to say to the hon. Gentleman that it is no use claiming sympathy with those people unless we are actually prepared to act to help them. He is effectively saying that he could somehow prevent manufacturing jobs ever going in Scotland, but that is simply a cruel deception of people. It would do them no good whatever to pretend that that is the case. We will give every support to those people in the difficult times that they face ahead.

Q5. [45063] **Mr. Neil Turner** (Wigan) (Lab): The Prime Minister is an avid reader of the back pages of the national press, so he will be aware, as is the rest of the world, that Wigan Athletic humbled the mighty Arsenal on its own pitch last night to reach the Carling cup final. However, Wigan is more than just a football and rugby league premier town—we have other facilities. However, if we are going to attract a national team to Wigan for the Olympics, we need more and better facilities. Will he have a less than quiet word in the ear of the Secretary of State for Culture, Media and Sport, through the nations and regions group that she is setting up, to ask whether we can have an international swimming pool so that we can have a legacy and the ability to train athletes who will be world champions in the future?

The Prime Minister: At the risk of alienating every Arsenal supporter in the country, I congratulate Wigan on its progress. Unfortunately, I had the poor judgment to switch off in the 28th minute of extra time. My right hon. Friend the Secretary of State for Culture, Media and Sport was nodding throughout my hon. Friend's question. I was not quite sure whether she was nodding when he got to his swimming pool point, but I am sure that she will listen carefully to what he says. The Olympics has tremendous potential for every region of the country. My hon. Friend is absolutely right to say that Wigan has come an enormous way in the past few years in every sporting sense, so I am sure that it will benefit enormously from the Olympics, which, as I say, I believe will benefit not only London, but the whole of the country.

Q6. [45064] **Mr. James Clappison** (Hertsmere) (Con): Whether or not we are to have a Great Britain day, will the Prime Minister at least do what he can to help to keep the UK theme on British early-morning radio so that we can promote a UK theme, especially on Burns night?

The Prime Minister: Obviously, my influence with the BBC is legendary. I know that it will be aware of the strong feeling that is being expressed by the hon. Gentleman and many others in the House and throughout the country.

Mr. Eric Joyce (Falkirk) (Lab): Does my right hon. Friend agree that strong intergovernmental relationships in Europe are of great importance to this country and that they are enhanced by strong fraternal relationships among our European sister parties?

The Prime Minister: The relationships across Europe among the political parties and their different groupings have a beneficial impact on parties themselves and are important for the country. In the European Parliament, it is important that the Labour party is able to work with other Labour parties and that the Conservative party is able to work with other Conservative parties. I look forward to that Conservative policy being changed as well, so when that happens, of course I will welcome it.

Q7. [45065] **Mr. Bernard Jenkin** (North Essex) (Con): May I point out to the Prime Minister that he said that we should listen carefully to what people are saying four times during his reply on policing to my right hon. Friend the Leader of the Opposition? These police mergers represent exactly the kind of remote regionalism that was rejected by the people of the north-east in the referendum a year ago. Is it not somewhat Orwellian to argue that by abolishing the Essex chief constable and transferring his responsibilities to a regional super-force, policing will be somehow more local?

The Prime Minister: How things are policed in the basic command unit and in local communities is also extremely important, but the hon. Gentleman makes a somewhat exaggerated point. As I said, we have brought forward the proposals because of the inspectorate of constabulary report, at the prompting of ACPO itself. I entirely accept that some people are in favour of mergers, that some are against them and that some are in between. We will have to take a decision on what is best for local police forces, but we will do so listening to what local people say. In the end, surely what we both want to see is the most effective form of policing.

Mr. Kevan Jones (North Durham) (Lab): Will my right hon. Friend join me in congratulating Chester-le-Street in my constituency, which tomorrow celebrates the fact that it has had Labour representation in this House for more than 100 years? Does he agree that a fitting tribute to those early Labour pioneers is the national minimum wage, which was a commitment of the 1906 Labour party? The fact that this Labour Government have introduced it is a tribute to those early pioneers.

The Prime Minister: First, long may Labour representation continue in Chester-le-Street. Secondly, my hon. Friend is right about the minimum wage. It now helps well over 1 million people in this country. It has made a huge difference. Again, I am pleased to say that everyone now accepts that it is right. Along with the support given through the tax credit system to families so that they can work and raise their families properly, it is one of the things that has helped to prove that we can combine economic efficiency and social justice.

Q8. [45066] **Stephen Hammond** (Wimbledon) (Con): Earlier, the Prime Minister spoke about the number of schools at which 70 per cent. of the pupils achieved five A to C grades. Is he aware that in my constituency no non-faith state secondary school achieves that? The dead hand of Merton local education authority deprives those pupils of achieving standards similar to those in surrounding boroughs. Will he assure my constituents that local authorities will be commissioners, not providers, of education services? Will he give trust schools the necessary autonomy to secure an increase in standards?

The Prime Minister: It will be important that we use the new powers to raise standards in the hon. Gentleman's constituency and elsewhere, but I am sure that he will accept that one of the benefits of this Government is the massive investment in education. That has meant, for example, that in an area such as his, the number of 11-year-olds passing their exams has increased dramatically over the past few years; the number of 16-year-olds getting five good GCSEs—*[Interruption.]* It is true. In Merton and elsewhere, that is exactly what has happened. That is why the process of investment and reform will continue, but under this Government.

Q9. [45068] **Keith Vaz** (Leicester, East) (Lab): The Prime Minister will recall meeting the family of the murdered Leicester teenager Stefan Pakeerah. They believe that the perpetrator of the savage attack on him was influenced by the video game "Manhunt". Is he aware of the new research published by the university of Missouri, which shows a link between violent video games and the greater propensity of people to act with violence? Will he look at that area of policy to see whether there are any further measures that can protect our children? This is not about adult censorship; it is the protection of young children and young people.

The Prime Minister: My hon. Friend has campaigned on that issue for a long time, and I pay tribute to his work. It was partly as a result of his representations that we announced last year that we had commissioned our own research to establish whether there was any substance to the allegations of a link between playing violent computer games and violent behaviour in real life. The Department for Culture, Media and Sport intends to publish the results of that research shortly. We are also aware of the Missouri-Columbia research to the same effect. We will look carefully at the research and study its impact. We will then have a debate on how we take it forward.

Q11. [45070] **Mr. Ben Wallace** (Lancaster and Wyre) (Con): Will the Prime Minister tell the House the difference between a grant-maintained school and one of his new trust schools?

The Prime Minister: There will be fair funding and fair admissions. There were neither with grant-maintained schools.

Q12. [45071] **Mrs. Siân C. James** (Swansea, East) (Lab): Will my right hon. Friend join me in expressing concern about privatised water companies who threaten to cut off people's water supply? Residents in Sway road, Morriston, in my constituency have been threatened with such action because of a fault with the main water supply. Will he ensure that people always have access to running water?

The Prime Minister: I know that there are protocols in respect of which the water companies are supposed to operate. I do not know about the particular instance that my hon. Friend raises, but I will look into it and write to her.

Q13. [45072] **Sandra Gidley** (Romsey) (LD): When the Prime Minister reshuffles his Cabinet, will he ensure that the Minister for women receives a salary?

The Prime Minister: I am afraid that the hon. Lady will have to await the news of the reshuffle along with everyone else.

Q14. [45073] **Mark Lazarowicz** (Edinburgh, North and Leith) (Lab/Co-op): As my right hon. Friend will be aware, my private Member's Bill on climate change begins its Committee stage this afternoon. [HON. MEMBERS: "Hear, hear."] I am grateful for support from the Government and Members throughout the House. Will my right hon. Friend look very closely at the possibility of ensuring that the Bill is able to bring into law an analysis of the way in which we can use economic and fiscal measures to promote the Government's policies to tackle climate change?

The Prime Minister: The Government support the Bill, so we will obviously look for ways to ensure that it comes into effect.

Troop Deployment (Afghanistan)

12.31 pm

Dr. Liam Fox (Woodspring) (Con) (*Urgent Question*): To ask the Secretary of State for Defence about the proposed deployment of British troops in Afghanistan.

The Secretary of State for Defence (John Reid): I am grateful for the opportunity to set the record straight in the light of today's press reporting on possible future British military involvement in Afghanistan. First, may I say that no decisions have been taken about the deployment of British forces to Afghanistan; nor will they be taken until such time as I have had the opportunity not only to tell the House, but to consult my Cabinet colleagues?

Secondly, Mr. Speaker, as you will know, we have continually tried to update and inform the House on Afghanistan in written statements, debates and questions as recently as Monday of this week.

Thirdly, as I assume that today's urgent question has been prompted by, in particular, a report in *The Sun* this morning, let me say that, as far as I can see, there is absolutely nothing in today's media about our potential deployments that has not been reported before. Indeed, if hon. Members would like to read *The Sun* of 22 August last year, they will see that almost every element of this morning's story was reported as being imminent on 22 August. In *The Sun* in particular, the reporting reprises themes in that article. The only new element is the suggestion that I would be making a statement to Parliament tomorrow on our plans on which the article speculates.

I want to make it clear that there is nothing more important to me and to the Government than the need for Parliament and my Cabinet colleagues to hear of our plans before anyone else, and certainly before the media. I therefore want to make it equally clear that my officials did not speak to the press about the contents of any such statement. Let me explain precisely what did happen, as I think that that will be at least partly the concern of the hon. Member for Woodspring (Dr. Fox).

Conscious of next week's landmark London conference on Afghanistan, and the interest in the subject which has gone on for some considerable time and was reflected on Monday at Question Time, the Ministry of Defence offered an article under my signature to *The Sun*. *[Interruption.]* The right hon. and learned Member for North-East Fife (Sir Menzies Campbell) laughs, but he should allow me to continue—I understand that he has a contest on.

The article set out in broad terms the achievements of the international community, and of the United Kingdom in particular, since our intervention in Afghanistan in 2001, and the importance of maintaining that commitment to see the job through. It was of the flavour of the answer that I gave to the Chairman of the Defence Committee on Monday, when I said that we were not about to hand Afghanistan back to the Taliban or the terrorist.

The article specifically did not go into detail about possible future military deployments or commitments. Indeed, when the article was suggested to the newspaper, it was rejected on Monday as being insufficiently newsworthy. Ironically, therefore, it was rejected precisely because we refused to leak details of any future possible statement. We never got to the stage of handing over the draft article. Secondly, it was suggested that I might do an interview on the matter of British deployment, and we refused that as well.

There has been endless media speculation for months on radio and television and in magazines about a possible announcement on Afghan troop deployment. I recall arriving home in the last week from Kuwait to hear that the headline article on the "PM" programme was yet further speculation about troop deployments to Afghanistan. On radio, television, the web and in the printed press, everyone has had an opinion, more or less well informed. This morning's reporting is a summary of that speculation—nothing more. The Ministry of Defence's press office has been, and continues to be, besieged by inquiries concerning our plans for Afghanistan; there are up to 20 a day.

Let me tell the House why I have refused at this stage to make an announcement about deployment. As I continually said to the House under questioning more than four months ago, I will not announce the detailed deployment to the south, although the principle of deploying to the south has already been announced, until I am absolutely satisfied about three things. The first is that the British military configuration is sufficient to meet the task in hand in the opinion of my commanders who advise me. The second is that the economic development aid and moneys are sufficient to offer alternative livelihoods and development if we are to tackle narcotics. The third is that we have a NATO configuration of military troops around us that satisfies me. As I pointed out to the House on Monday, I am satisfied on the first and I am satisfied on the second, but I am not yet satisfied on the third.

However, I noted at oral Defence questions on Monday that a statement would be imminent. If Members look at *Hansard* of only three days ago, column 1158, they will see that I said in relation to a possible statement:

"I do not think that that will be too long from today."—[*Official Report*, 23 January 2006; Vol. 441, c. 1158.]

I can only assume from the various indicators and the facts that I had announced an imminent statement, that it is Wednesday today, that we do not make statements on Friday and that the Afghan conference is to start on Monday, that it did not take a genius to work out that I was perhaps intending to make a statement tomorrow. Let me be absolutely clear that it was, and continues to be, my intention to make a statement on Afghanistan in the House tomorrow. The media this morning have guessed correctly on that.

I will not, however, make such a statement until I have consulted my Cabinet colleagues. Indeed, I chose to ask—if the authorities in the House think it appropriate—to make the statement tomorrow precisely so that the distance between my consultation with my Cabinet colleagues and the communication of any views to the House was so close together that, on such a sensitive issue, that we would not have leaks of this nature.

I want to make a statement tomorrow for the reasons I have already intimated. The London conference will take the development of Afghanistan to the next stage,

[John Reid]

and a statement will help the House to understand better how the UK military fits into that picture. I also want to lessen the uncertainty affecting service families in the wake of months of speculation about possible deployments, months during which I have refused to make any comment about those deployments. I wanted to tackle that further speculation head on. It is unfortunate that there has been another bout of it at such an untimely juncture.

I repeat that I did, and still do, plan to make a statement tomorrow if the House authorities and you, Mr. Speaker, think that that is appropriate. However, I cannot say today precisely what will be in that statement. It was my decision some weeks ago to make it in order to update the House, but the details and decisions will not be finally decided until I have completed the full consultation today and consultation tomorrow with my Cabinet colleagues. The media speculation, therefore, could turn out to be right or it could turn out to be very, very wrong indeed. I plan to discuss the issue with Cabinet colleagues over the next 24 hours, and that will determine the precise nature of the statement that I make.

I hope that I have explained the circumstances that have led to the most recent—and only the most recent—bout of speculation about deployment to Afghanistan. I hope that the House understands that I regret that as much as anyone else, not least because my Cabinet colleagues will ask the same question as the House.

Dr. Fox: I am grateful for both the tone and content of the Secretary of State's response. It is a pity, given the open nature of discussions on this issue between those on the two Front Benches, that he finds himself a victim of the briefing culture of his Government.

Today is an opportunity, however, to give the Secretary of State notice of the sort of issues that we will want to discuss in the House when it comes to his statement. After Iraq, it is essential that the House asks detailed questions and that the Government answer in a detailed way and with great clarity.

We know what many of the large issues will be. We will want to know about the security situation in the south of Afghanistan, what the current assessment of risk is, and what the intelligence is about further insurgent activity. We will want to know about the integration between the international security assistance force—ISAF—and Operation Enduring Freedom and command lines in those operations. We will want to know about Treasury funding for anti-narcotics and the potential conflict between the strategic objectives of anti-narcotics and anti-terrorism activity. We will also want to know exactly what powers of arrest and detention are available for prisoners and how they will be handled. There are many questions, which we will examine properly tomorrow, and Members on both sides of the House will want detailed answers about what will be a dangerous deployment of British troops.

The defence of our national security and the construction of a free and democratic Afghanistan are noble ideals shared by those on both sides of the House. We cannot fail to act in Afghanistan, but neither can we act and fail. Therefore, we will support the Government's objectives, our troops and our allies, but we will hold the Government responsible for the implementation of those objectives, as is our duty. We look forward to the details of what the Government have to say tomorrow.

John Reid: I thank the hon. Member for Woodspring (Dr. Fox) for the discussions that we have already had and for the tone of his comments today, too. It is entirely appropriate that Her Majesty's Opposition and others ask the sort of questions that he is asking. It might be of some assurance to him to learn that part of the reason that we have not yet announced any deployment is precisely that I have been asking some of the same questions. When we send our young men and women into a dangerous area, we ought to ask those questions.

I will not answer those questions today, however, because as I said—and it is absolutely truthful—I cannot make an announcement about a specific deployment until such time as I have consulted. If other questions are raised that cause me to reflect further, I assure the hon. Member for Woodspring that I shall not hesitate to come to the House to update it tomorrow and say that we have decided that we need further time on any of those matters.

The questions that the hon. Gentleman has raised—the environment and ambience of the space in Helmand into which our troops will enter, right through to the chain of command, the clarity of mission, the adequate resources to accompany the military presence, the funding, the nature of handover of prisoners and the nature of our allies—are all perfectly legitimate. I will do my best today to assure him that I have already been addressing those questions, and that the answers are sufficiently robust to allow us to think that, in some areas at least, on the basis of the two big criteria that I mentioned, we might proceed.

On the question of the sharing of ideals, I have no doubt whatsoever that the hon. Gentleman shares the ideals of the whole House and of the whole world. It was, of course, United Nations auspices that caused us to go into Afghanistan. Whatever we do tomorrow in the statement or in the coming months, there is no one in the House who wants to see Afghanistan handed back to the terrorists or to the Taliban.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): May I say to the Secretary of State that we would echo the international consensus about the need for support for Afghanistan, which he has expressed? Clearly the Secretary of State and the House are caught in a somewhat difficult position today. I look forward to the statement that the right hon. Gentleman promises us tomorrow, or whenever he deems it appropriate to make it. While he is properly focusing on the issues to do with the NATO configuration, he has already said that he is satisfied about the British configuration and also with the economic development and other assistance that will be made available to the Afghanis in the future. In his statement, when he makes it, I appeal to the right hon. Gentleman to cover details about those two issues as well.

John Reid: I undertake to do that. This may sound pedantic, but I do not want anyone in the House to assume genuinely that I will come to the House

tomorrow to say that we are deploying, and deploying in a said fashion. That would be to pre-empt the consultations that are yet to take place. I can assure the hon. Gentleman that in our deliberations and discussions so far, and in the questions that we have been rightly asking, as have our commanders, both the points that he has raised have featured highly. I will address them, one way or the other, tomorrow.

Jeremy Corbyn (Islington, North) (Lab): Can the Secretary of State at least tell us what requests or information have been received from the United States about the reduction of their troop numbers in Afghanistan because they are needed in Iraq, and whether or not there has been a direct request to Britain to replace those troops so the same number of forces remain in that country?

John Reid: On the first point, my hon. Friend is labouring under a misapprehension. The idea that the United States would be reducing its troop numbers in Afghanistan from about 18,000 to supplement them in Iraq, where at one stage there were about 180,000 troops, is an incorrect assumption. It is likely in both areas, depending on conditions, that US troop numbers will diminish, probably by the order of 2,000 in Afghanistan and in Iraq, where the deployment was as high as between 160,000 and 170,000, to possibly under 100,000 by the end of the year. None of what we have been discussing today is related to any of that reduction. What has been a feature of discussion in NATO and wider, as I think the House will be aware, is to what extent we can synergise—bring together—while keeping separate, the American-led mission of anti-terrorism, Operation Enduring Freedom and the NATO-led mission of reconstruction, under United Nations auspices, ISAF, which we will take over in May of next year.

There have been discussions on how the two missions relate to each other, but to reduce that to an assumption that an entry into the south is based on the fact that the Americans want to reduce troop numbers is a gross and misleading over-simplification.

Mr. James Arbuthnot (North-East Hampshire) (Con): The Secretary of State has always been entirely straightforward with the House, and I fully accept what he has said today. Will he accept the apologies of many members of the Defence Committee who, tomorrow, will be visiting the Defence Procurement Agency in Abbey Wood, and may not be able to be here to ask questions? Will he confirm, to counter the impression that has grown up, that his decision on the strategic context of NATO being involved in Afghanistan apparently does not rest on the decision that the Dutch are likely to make next week?

John Reid: First, I accept the right hon. Gentleman's apology. I thank him for his kind words about trying to be open. As he knows, I believe that the defence of the realm should be well above party politics. That does not mean that it is above criticism. It is the job of everyone in the House critically to analyse what the Government are doing when life-and-death matters are concerned. In his own case he will be on a visit with the Select Committee. I can tell him that today members of the armed forces parliamentary scheme are visiting the preparations being made for a potential deployment. The more open one is with such information, the more chance there is of the sort of thing that we saw this morning in the media.

On the multinational dimension, I welcome the fact that the Dutch Cabinet has unanimously recommended that the Dutch go into the south, along with the British. That is likely to be backed by the Dutch Parliament as well, although it does not have a formal mechanism for expressing such approval. The United States, Denmark, Australia and Canada, as well as the United Kingdom and perhaps others whom we continue to talk to may be part of that configuration in the southern area.

Dr. Gavin Strang (Edinburgh, East) (Lab): The whole House will welcome the clarification that the Secretary of State has given us this afternoon. Surely there is nothing more important than the decision to deploy our service people in a country where their lives are at risk. I hope that my right hon. Friend agrees that on narcotics, the best contribution that we could make would to limit the consumption of narcotics in this country. I trust that we will not make the mistakes that were made in south America. There is no military solution to the drugs problem. The only solution is to get involved with communities and provide encouragement and incentives to the small farmers to produce alternative crops. Of course, that will displace some of the narcotic crop to other countries.

John Reid: I take the point that my right hon. Friend makes. I am sure he was not suggesting that there is no role for police intervention and the judicial process, or that when dealing with drug barons and warlords who are willing to commit violence to protect the trade, it may not be necessary to give protection to the police. That would be one of our roles, were we to go into the south of Afghanistan. But he is right. There is no straight military or police solution to the problem. We can tackle the drugs barons and the warlords—the mafias who make money off the drugs trade—but the Afghan farmers have nowhere else to go. If they are relieved of their income from an illicit trade, unless there is an alternative income we will create not stability there, but insurgency. My right hon. Friend makes a good point. Again I say that no decision has been made. I am trying to avoid getting involved in any discussions that should properly take place tomorrow, if such a statement is allowed.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): May I urge the Secretary of State to clarify tomorrow, if not today, what is becoming an artificial definition of the division of labour between allied forces in Afghanistan? The Americans are engaged in search and destroy anti-terrorism activities, and the proposed British deployment in the south would be engaged in reconstruction. That clear distinction is made in the House and among cognoscenti who discuss the subject, but people on the ground in Afghanistan make little or no distinction. One soldier is just like any other soldier. The Secretary of State should be robust and clear to the media that when we put our troops on the ground in Afghanistan, they will face genuine dangers. We should not shirk from that, as they are part of an overall effort to bring peace, reconstruction and democracy to that benighted country.

John Reid: I will, if the right hon. and gallant Gentleman will allow me, answer that point directly tomorrow. I know he speaks with some authority, having been in the British armed forces, possibly even the Scots Guards, if my memory does not deceive me, so he speaks with double authority.

Bob Russell (Colchester) (LD): The Secretary of State is aware that two battalions of the Parachute Regiment are officially stationed in Colchester. One is on a return visit to Iraq. There is a general feeling among military folk in Colchester and the wider population that the newspaper article is correct, and that the other battalion, along with other elements of 16th Air Assault Brigade, will be going to Afghanistan. Does he agree that the overreach of our troops and the fact that they are under strength are getting to the stage where cuts in the Army should be revisited?

John Reid: The assumption in certain quarters that 16th Air Assault Brigade may be involved could be due to the fact that people in Colchester, and hopefully at some stage the hon. Gentleman, read written ministerial statements that I make to the House. The one on 14 November stated:

"Preparations"—

that is, for deployment—

"are also underway in the United Kingdom. Some units, predominantly drawn from 16 Air Assault Brigade and the Joint Helicopter Command, will shortly commence collective training on a contingency basis."—[*Official Report*, 14 November 2005; Vol. 439, c. 42WS.]

So that would be a rational conclusion drawn by soldiers whom the hon. Gentleman meets and, indeed, by journalists writing for some papers. Perhaps I should have mentioned earlier that not only has all the material that appears in the press this morning appeared in the press before, but much of it has appeared in written ministerial statements to the House. I shall send the hon. Gentleman a copy.

Mr. Michael Ancram (Devizes) (Con): The Secretary of State rightly complains about the damage that can be done by speculation about announcements about deployments, particularly in terms of unsettling the troops and their families, but is it not the case that the Government were prepared to make a statement on deployment in early November, which was postponed because the Dutch had second thoughts about the nature of their participation in the operation—the deployment to south?

John Reid: Yes.

Angus Robertson (Moray) (SNP): The Chief of the Air Staff, Sir Jock Stirrup, said that

"two operations"—

simultaneous operations—

"will put considerable stress on our air transport fleet".

The Ministry of Defence is aware that that already poses problems for the service personnel. The Minister of State kindly wrote to me yesterday saying:

"I regret the inconvenience that this causes to troops, and to their families, when returning from deployments."

Will the Secretary of State please bear that in mind before any announcement, to try and ensure that there is an optimal transport configuration and to minimise the inconvenience to personnel of all the services?

John Reid: Yes. I would love to make this three in a row.

Dr. William McCrea (South Antrim) (DUP): I thank the Secretary of State for his openness with the House today in his statement. Will he rest assured that my right hon. and hon. Friends will fully support the continued efforts of our troops in Afghanistan, and that we wait with interest for his statement, if it comes tomorrow?

John Reid: I very much thank the hon. Gentleman and his colleagues.

Patrick Mercer (Newark) (Con): I respect absolutely what the Secretary of State said, but there is no doubt that if the deployment goes ahead, yet again it will fall predominantly upon infantry soldiers. Will he look at whether we have the correct number of infantry soldiers, and will he guarantee that the brave and overworked men of the 3rd Battalion the Parachute Regiment will be given some time with their families to train and recuperate and to get their lives together when they come back from their latest dangerous mission?

John Reid: Without prejudice to any decisions, yes. I will look at that.

BILL PRESENTED

Police and Justice Bill

Mr. Secretary Clarke, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Secretary Ruth Kelly, Hazel Blears and Mr. David Miliband presented a Bill to establish a National Policing Improvement Agency; to make provision about police forces and police authorities; to make provision about police powers and about the powers and duties of community support officers, weights and measures inspectors and others; to make further provision for combating crime and disorder; to establish the office of Her Majesty's Chief Inspector for Justice, Community Safety and Custody; to amend the Computer Misuse Act 1990; to make provision about the forfeiture of indecent images of children; to provide for the conferring of functions on the Independent Police Complaints Commission in relation to the exercise of enforcement functions by officials involved with immigration and asylum; to amend the Extradition Act 2003; and for connected purposes: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed [Bill 119].

Point of Order

12.58 pm

David Taylor (North-West Leicestershire) (Lab/Co-op): On a point of order, Mr. Speaker. In the wake of "The World at One" on Monday, in which an Opposition Member who serves on the Education and Skills Committee made remarks on an unpublished report of that Committee, may I approach the Speaker's Office in writing or in some other way to establish whether a breach of trust or confidence may have occurred?

Mr. Speaker: On a matter of privilege, the best thing the hon. Gentleman could do would be to raise the matter with me in writing.

Palliative Care for the Terminally Ill

12.59 pm

Jim Dobbin (Heywood and Middleton) (Lab/Co-op): I beg to move,

That leave be given to bring in a Bill to require the provision of palliative care for persons suffering from a terminal illness; and for connected purposes.

Palliative care is about enhancing quality of life and enabling patients to live as actively as possible until they die, naturally and peacefully and, whenever possible, with their families around them. I am proud of the fact that the UK leads the world in palliative care, but the reality is that we are not doing enough because the service remains underfunded.

The all-party parliamentary group on dying well was launched on 10 January to ensure that we all have the opportunity of a good death and that we die with dignity, by pressing for better and more widely available palliative care, by promoting greater support for friends and family members who care for the dying, by opposing euthanasia and assisted suicide, and by encouraging debate and promoting understanding of how people can achieve comfortable and natural deaths.

There is strong objection to the recent attempt by the Voluntary Euthanasia Society to rename itself Dignity in Dying—a name synonymous with the hospice movement and with palliative care. The chief executives of Marie Curie Cancer Care, Help the Hospices, and the National Council for Palliative Care said yesterday:

"We deplore the misleading use of the phrase Dignity in Dying as the new proposed name and trademark for VES, an organisation whose clear intent is the promotion of euthanasia. We urge Alan Johnson, the Secretary of State for Trade and Industry, and the Charity Commission to ensure that this is prevented."

They added:

"We believe the development of excellent palliative care at the end of life in the last decade has ensured that hundreds of thousands of people have experienced a dignified death."

The quality of palliative care in Britain has made huge strides during the past 10 to 20 years, but its quantity and distribution have not kept pace. As a result, there is something of a postcode lottery for the terminally ill. Inadequate funding is allocated to palliative care in the NHS and there are not enough trained specialists in practice. Two recent parliamentary reports drew attention to these shortfalls and the Government have indicated that they are investing more money in palliative care. For example, in 2003–04, the NHS cancer plan promised an extra £50 million per annum specifically for specialist palliative care. That addition is welcome, but it is thinly spread across the country. Progress is slow and not all the resources are reaching front-line specialists.

In a recent Adjournment debate initiated by the hon. Member for Tiverton and Honiton (Angela Browning) on care of the dying, the Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne), reaffirmed the Government's commitment to

"ensuring equality of access to high-quality palliative and end-of-life care, regardless of age or condition".—[*Official Report*, 12 January 2006; Vol. 441, c. 544.]

[Jim Dobbin]

I welcome that commitment, but much more needs to be done. According to a survey commissioned by Marie Curie Cancer Care, 90 per cent. of people believe that the Government have responsibility for maintaining and improving the standards of care for terminally ill people. My Bill seeks to oblige the Government to meet that responsibility.

In the same Adjournment debate, the Minister highlighted the fact that palliative care was "heavily weighted" towards cancer patients. The National Council for Palliative Care estimates that, while 95 per cent. of patients using hospice or palliative care have cancer, 300,000 people with other terminal diseases are excluded. It is a fact that cancer patients have access to the most and the best palliative care. Yet even for those with cancer, the provision is far from satisfactory. According to Marie Curie Cancer Care, more than 155,000 people die of cancer every year, yet Help the Hospices points out that there are only 3,250 hospice beds available, and that 2,489 of them are supplied by the voluntary sector. Half of all patients diagnosed with motor neurone disease die within 14 months of diagnosis, yet a survey carried out in 2005 found that only 39 per cent. of such patients were referred to specialist palliative care services. Is it any wonder that people take fright when diagnosed with MND?

My Bill will seek to broaden the scope of palliative care so that it encompasses all those with a terminal illness. This is an ambitious aim, but it can be achieved with sustained Government investment and support. Only last December, the NHS Confederation report highlighted the pressing need to improve end-of-life care for the terminally ill. The report pointed out that 56 per cent. of terminally ill patients would prefer to die at home, but that only 20 per cent. do so. Another statistic showed that only 11 per cent. of people want to die in hospital, yet 56 per cent. spend their final hours there.

Inconsistent community provision and ineffective co-ordination between service providers affect people's ability to die where they choose. Unless we get to grips with the problem, the situation will get worse. According to the NHS Confederation, care of the dying is the cause of repeated complaints to the health service ombudsman. As far as the NHS Confederation is concerned, all that points to an increased need for integration of "health and social agendas". Just as pregnant mothers have birth plans, there should be advanced end-of-life care plans, to be based on a full assessment of each patient's needs, including the need for good-quality palliative care. Good examples of such plans are already in place, including the gold standards framework, the NHS end-of-life care programme and the Liverpool care pathway. I hope that the Government will use their forthcoming White Paper on health and social care outside the hospital to show how they will meet the five key recommendations in the NHS Confederation report.

Palliative care does not require expensive treatments or technology, because its essence lies in specialist knowledge of how to use pain-relieving drugs and how to give holistic care to ease the dying process. A relatively small refocusing of NHS resources could bring disproportionate benefit compared with other branches of medicine. Only a minority of us will need cardiac surgery or neurosurgery, but one in two of us will be in need of good palliative care when we die.

Marie Curie Cancer Care points out in its "Dying at Home" report that every pound invested in home palliative care services will free up £2 in the national health service. By extending palliative care to all terminally ill patients, the Government would save the NHS money. That is an attractive proposition, yet, despite increased funding commitments, the number of cancer patients dying at home has remained the same, and 80 per cent. of the resources allocated to specialist palliative care are allocated to hospital-based care.

A Help the Aged report found that older people were "less likely than younger people to receive support at home, in hospital or in a hospice, or to receive attention from GPs or district nurses during the last year of their lives. Older people are often described as the 'disadvantaged dying'."

Children are at a disadvantage, too. There is an acute shortage of paediatric palliative care medicine consultants. That is not surprising, when one considers that children's hospices receive only about 5 per cent. of their funding from official sources, while adult hospices receive 30 per cent. from the same sources.

Comprehensive palliative care legislation should be our priority. Legalising euthanasia or physician-assisted suicide would undermine the values and ethos of palliative care, a field in which Britain has led the world. For that reason, my Bill will specifically prohibit the wilful killing of patients. It will ensure that everyone has the right to a good death, regardless of age, diagnosis, ethnicity, background or postcode. I commend this patient-centred Bill to the House.

Question put and agreed to.

Bill ordered to be brought in by Jim Dobbin, Mr. Frank Field, Dr. Brian Iddon, Mr. David Crausby, Mr. Lindsay Hoyle, Mr. Iain Duncan Smith, Mrs. Claire Curtis-Thomas, Paul Rowen, Mr. David Amess, Mr. Julian Brazier, John Robertson and Mr. Joe Benton.

PALLIATIVE CARE FOR THE TERMINALLY ILL

Jim Dobbin accordingly presented a Bill to require the provision of palliative care for persons suffering from a terminal illness; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 17 March, and to be printed [Bill 118].

Orders of the Day

Merchant Shipping (Pollution) Bill [*Lords*]

Order for Second Reading read.

Mr. Speaker: I inform the House that, in my view, the instruction that appears on the Order Paper is not in order, because it refers to matters that are quite unrelated to the content of the Bill. I will therefore not call it after Second Reading.

1.9 pm

The Minister of State, Department for Transport (Dr. Stephen Ladyman): I beg to move, That the Bill be now read a Second time.

When debating a Bill such as this, it would be normal for many of us to look to the wisdom of Lord Donaldson of Lymington for advice. As he passed away during the summer recess last year, I hope that the House will not mind if I pay a few words of respect to him before I begin my speech.

Anyone with the remotest connection to the shipping world will know of Lord Donaldson's immense contribution to improving the safety and environmental performance of the shipping industry worldwide. One consequence of the 1993 Braer disaster was Lord Donaldson's examination of how shipping could be systematically improved. His 1994 report, "Safer Ships, Cleaner Seas", led to a radical reform of standards required internationally by the International Maritime Organisation, nationally in our merchant shipping legislation and across the European Union in a series of directives and regulations aimed at consistent application of those standards.

Shipping, already among the greenest of transport modes, raised its game as a result and Lord Donaldson's work set the agenda for that improvement. He was a wise and trenchant adviser to many, Ministers included, and we are much in his debt. I am pleased that he was in his place when the Bill received a Second Reading in another place last summer. It might be tempting fate to say that the Bill completes his work, and one should not tempt fate at sea, but it follows his logic in adding to our ability to deal with the consequences of pollution and with preventive measures.

Since I have been Shipping Minister, I have made it clear that it is absolutely necessary to address critically the serious implications of any new legislation for the shipping industry. We must not add to burdens borne by an industry facing international competition without clear justification. We should, if possible, proceed only with implementing agreed international standards and enforce those standards fairly. We are therefore selective in what we seek to regulate. That said, we believe that the Bill is justifiable, proportionate and essential.

First, I would like to explain why the Bill has been drafted so narrowly. We have deliberately produced a precise, targeted Bill to deal with specific problems relating to pollution from ships. I should add that it has been my intention throughout that we should try to move forward with it as consensually as possible.

Mr. Philip Hollobone (Kettering) (Con): I am grateful to the Minister for giving way and I appreciate that he is about to outline the benefits of the Bill. There was talk some time ago of banning single-skin tankers. What is the state of play on that? Should we not focus on prevention rather than on clearing up the mess after an accident has happened?

Dr. Ladyman: I agree with the hon. Gentleman that prevention is vital. The phasing out of single-skinned vessels and their replacement with double-skinned ones is proceeding at a pace and needs to continue, but I do not believe that the Bill is an appropriate vehicle for measures such as those he describes for this reason, which I will flesh out in a moment. It is important to get the Bill on the statute book as quickly as possible. Without it we are exposed, and if there were a serious accident, we might be unable to compensate people as fully as they ought to be compensated.

Were we to move ahead with preventive measures in the same Bill, there would have to be further debate. Even if at the end of that debate we all agreed on those measures, there would be areas of controversy that would have to be resolved, which would delay the legislation getting on to the statute book. That is why we have gone for a precise target with the Bill. We have not tried to include things that are equally important or, as the hon. Gentleman suggests, perhaps even more so.

As I said, we have deliberately produced a precise, targeted Bill to deal with specific problems that relate to pollution from ships. In particular, we have provided for considerable additional compensation in the event of oil pollution around our coast. I shall go on to explain that further, but because such a large amount of compensation rests on this legislation, it is important to keep the Bill as focused as possible. That has resulted in a small Bill, which I hope we can get on the statue book as soon as possible.

Mr. Greg Knight (East Yorkshire) (Con): Will the Minister comment on the definition of "pollution"? For example, does non-fuel oil such as olive oil fall within that category? Does "pollution" cover an oil that, in effect, has been solidified, such as grease?

Dr. Ladyman: I will certainly deal with those points, if not in this speech, then after seeking the leave of the House to make the winding-up speech.

As well as the issue of oil pollution around our coast—the Bill specifically deals with oil pollution—we have the opportunity to provide for an important measure to reduce air pollution from ships, which could not be missed. Again, international text for that exists, so we believe that it is possible to achieve agreement on a consensual way forward.

Merchant shipping legislation already contains provision to implement, by secondary legislation, most international maritime instruments. We already have powers to implement basic compensation for oil pollution, and we have secondary legislation in hand to implement compensation arrangements for chemical pollution and for pollution from ships' fuel—the so-called Bunkers convention.

The narrow purpose of the Bill is to close remaining gaps in our primary powers and to make adequate provision for future changes in the relevant international instruments. We therefore have before us a short, focused

[Dr. Ladyman]

Bill whose purpose is to allow the UK to implement two important international treaties, one greatly to improve compensation for oil pollution and the other to introduce measures to reduce air pollution from ships.

On compensation for oil pollution, ours is an island state with a coastline of over 10,000 miles, so the Government are very conscious of the potential environmental impacts stemming from a major pollution incident. We are surrounded by a number of major shipping routes and the English channel is the world's second busiest international waterway, after the Malacca straits.

Marine oil pollution can have devastating effects. The public are familiar with the dreadful images of polluted coastlines and of oiled seabirds and mammals, but the effects go much further. The economies of coastal communities and their fishing and tourism industries can be shattered following a major oil spill. The costs to local authorities and the Government of responding to an oil spill can be exorbitant. Following the Torrey Canyon incident off Land's End in 1967, it was evident that the compensation arrangements were inadequate. That led to the development of an international system to ensure that victims of oil pollution damage would be fully and promptly compensated.

The resulting international regime was founded on two treaties: a liability convention, which made shipowners strictly liable for pollution damage and required them to maintain insurance, and a fund convention, which provided additional compensation to victims of oil pollution damage when they were unable to obtain full compensation under the liability convention. The additional compensation provided under the fund convention is paid for by oil receivers in state parties to the fund convention.

The original instruments have since been superseded, but the international regime remains in place and, to date, 98 states have joined it. Since it was established, the UK has experienced two further major incidents, involving the Braer off the Shetlands in January 1993 and the Sea Empress off Milford Haven in February 1996. The international fund provided compensation of £52 million in respect of the Braer and £37 million in respect of the Sea Empress.

The compensation available through the international system was significantly increased in 1996 and the basic regime now provides for an overall limit of £168 million of compensation.

Mr. Knight: If the Minister cannot answer straight away, I invite him to do so in his winding-up speech. The international convention is reviewed and amended from time to time. When a review or amendment takes place, is it by majority voting or does the UK have a veto if it does not like what is proposed?

Dr. Ladyman: I will indeed confirm that in my winding-up speech, but I understand that we do not have a veto. However, it is the normal practice that we work closely with the other states and try to achieve a consensual way forward. It is usually possible to achieve that.

Unfortunately, the compensation available—£168 million—is not always sufficient. Under the system, full payment for claims has often been delayed until the full extent of the damage is known and the final costs of an incident can be assessed more accurately, a process that can take a number of years. We experienced such delays following both the Braer and the Sea Empress incidents.

In the case of the worst incidents, when total costs exceed the amount of compensation available under the system, claimants may never receive full payment. The total cost of the 2002 Prestige incident, which affected Spanish, French and Portuguese coasts, far exceeds the limit of the basic regime, and it is expected that victims will never receive more than 30 per cent. of their claims. The membership of the international regime agreed that it was necessary to address that fundamental shortcoming and the supplementary fund protocol was developed.

Tom Brake: The Minister may be about to deal with my point. The supplementary fund, together with the original fund, will amount to £600 million, but the cost of the Prestige damage was £700 million. Even with the new arrangements, it would appear that, in the event of a repetition of that incident or an incident on the same scale, the fund would not cover it.

Dr. Ladyman: That may be so. The hon. Gentleman is right that the total compensation that will be available from the supplementary fund will add £453 million for oil pollution victims, which means that, according to the latest prices, £621 million should be available. Those matters will, however, be kept under review. The legislation that we will pass today will allow us to use the supplementary fund, but it will also allow us to engage in further negotiations about the amount of the fund, and to agree to increases in future years through secondary legislation.

I am pleased to report that the United Kingdom played a prominent part in helping to develop the necessary reforms. The supplementary fund came into force in March last year and has so far been ratified by 15 states including most of our European neighbours. Through the Bill, we can ensure that the UK can also enjoy the additional financial protection that the fund can provide. The Bill allows the UK to implement the supplementary fund protocol and the Government intend to do that as soon as possible.

Mr. Julian Brazier (Canterbury) (Con): We strongly support the Bill. The Minister has stressed the role of the UK in promoting the fund. What sanctions does he envisage in the long term applying to countries such as Panama and Liberia that will effectively be free riders?

Dr. Ladyman: The hon. Gentleman talks of free riders, but if those countries do not ratify the fund, they will not be able to take advantage of it. Only nations that will be party to the convention will have to contribute to it or be able to benefit from it. We shall talk to all concerned, through the International Maritime Organisation and other mechanisms, to ensure that there is wide collaboration.

Mr. Brazier: Surely the Minister appreciates that it is the people who need the money who will lose it if a

company registered in Liberia has a big oil spill and goes bust. People in this country who cannot be compensated will be the losers as a result of that free riding.

Dr. Ladyman: The risk will be spread among all the nations of the world. The extent of the fund as defined under the convention will always be available. Even if a company went broke, we would still have access to the money that was to be contributed to the supplementary fund. The hon. Gentleman may be thinking of the 1992 international convention on civil liability for oil pollution damage—known as the liability convention—which requires a shipowner to be insured for personal liability. I shall have to check on what happens when someone does not carry that necessary liability insurance. I may be able to give the hon. Gentleman the information later during the debate.

It is expected that the costs of all but the most extreme incidents will continue to be covered by the existing fund. The main benefit of the Bill is that the supplementary fund will enable claims to be met from the existing fund without delay. In the vast majority of cases, it will no longer be necessary to delay payment until the overall costs of the incident are determined, because the supplementary fund will be there to provide additional compensation as necessary. That should ensure that claimants are spared the frustration, and indeed the hardship, of delays in full payment.

Following enactment of the Bill, the United Kingdom would be able to join the supplementary fund protocol and benefit from the financial protection offered by it within a relatively short time. Until that happens, the UK cannot gain access to the substantial additional benefits conferred by the protocol. If an incident of the magnitude of the Prestige or the Erika affects our shores, the compensation available through the existing regime may well be inadequate. That explains why I am so keen for the Bill to be enacted as soon as possible.

The supplementary fund protocol would be implemented in the UK by secondary legislation. An Order in Council has been drafted and copies are available from the Library. It contains detailed provisions implementing the supplementary fund protocol in the UK. The provisions are technical and amend those in the Merchant Shipping Act 1995 relating to the international convention on the establishment of an international fund for compensation for oil pollution damage 1992—known as the fund convention—to extend them to the supplementary fund protocol. The order will require major oil receivers in the UK to contribute to the supplementary fund just as they currently do in respect of the existing fund. Contributions will be needed only if the £168 million available from the existing fund proves insufficient.

UK oil importers already contribute to the existing international fund. They were consulted in 2004 on the proposal to implement the supplementary fund protocol. The oil industry clearly favours a predictable and international approach to providing compensation for oil pollution damage and supports implementation of the supplementary fund protocol as part of a wider strategy to improve the existing regime.

As recently as last week, tanker owners agreed to share the costs of the supplementary fund, thereby reducing the burden on the oil industry. We fully support that move. It is vital for the compensation regime to be funded in a sustainable, equitable manner, with the right balance between shipowner and cargo interests. If all parties are not satisfied by the contribution arrangements, that could in the long term be very damaging to the international regime. The agreement proposed by tanker owners will help to ensure the continued success of the regime. It is due to be adopted by the governing body of the supplementary fund in February.

The Bill also provides for the implementation of future instruments governing compensation for oil pollution damage. As I said earlier, the original instruments were superseded some years ago. The fundamental principles of the regime remained unchanged, but improvements were made to, for example, widen the scope of application. The regime now provides for reasonable environmental reinstatement measures. It has also developed considerably in respect of compensation for the economic consequences of an oil disaster; it was originally conceived as being primarily concerned with clean-up. No doubt it will continue to evolve. Indeed, it must if it is to remain viable and successful, and meet legitimate claims. It is therefore important for the Bill to provide for any future instruments that may be developed to improve the regime still further. Such instruments are, of course, agreed only after extensive debate in which the industries concerned participate fully.

The UK Government will always want the option of being part of the international regime at the earliest opportunity. That is why the Bill provides for the UK to become a party to any instrument that modifies or replaces the existing regime. Of course, such a power would not be used before the usual public consultation and regulatory impact assessment exercises had been carried out. The provision was included so that the Government of the day could, if they so decided, implement any new, internationally negotiated instruments governing oil pollution compensation without first having to pursue primary legislation. Parliament would retain active scrutiny of the future proposal by virtue of the affirmative resolution procedure, which would apply to any secondary legislation made under the provision.

The last provision relating to compensation for oil pollution is a minor amendment relating to the existing international fund as contained in the Merchant Shipping Act 1995. The 1995 Act includes a provision relating to the time within which claims must be brought against the existing international fund. To ensure that the provision in the Act is interpreted consistently with the text of the fund convention, the Bill modifies the language used in section 178 to follow the wording of the treaty more closely. The Bill also provides for a power to make secondary legislation regulating air pollution from ships. It does so by amending section 128 of the Merchant Shipping Act 1995, so removing a doubt on the current scope of that section. The secondary legislation would implement annexe VI to the international convention for the prevention of pollution from ships, commonly known as the MARPOL convention. Again, we are seeking to implement domestically what we have negotiated internationally.

The secondary legislation would apply the series of internationally agreed technical standards which form annexe VI to UK-flagged vessels. The aim of those

[Dr. Ladyman]

standards is to reduce air pollution from shipping through controls of emissions of nitrogen oxides, sulphur oxides and ozone-depleting substances.

Mr. Knight: On that point, can the Minister confirm that those regulations are designed to affect only ships currently being used on a commercial basis and that they would not affect historic ships that may be used in a regatta to celebrate the second world war, for example? Will he confirm that the powers will not be drawn so widely that they prevent the use of historic vessels for celebratory purposes?

Dr. Ladyman: That is my understanding. I will try to confirm that later for the right hon. Gentleman.

The pollutants that I mentioned have been identified as causing environmental degradation and damage to human health. Nitrogen oxides react with hydrocarbons at ground level to form ozone when exposed to sunlight. Ground level ozone exacerbates pre-existing lung complaints including asthma and has been demonstrated to increase hospitalisation and use of medication.

When released into the atmosphere, sulphur oxides and nitrogen oxides react to form acidic compounds. Those can fall as acid rain or be deposited as dry particles and cause localised acidic damage. Acid deposition in both forms can cause severe damage to forests and water bodies and damage man-made structures.

It is important to tackle emissions from shipping through internationally applicable technical standards. By 2020, the total number of ships worldwide is expected to be double what it was in 2000. That growth will be reflected in increasing traffic calling at UK ports and transiting UK waters.

Generally, shipping is a friend to the environment, but there is considerable room for improvement in atmospheric pollutant emissions from ships and implementation of the annexe would be a positive step towards greener shipping.

David T.C. Davies (Monmouth) (Con): I thoroughly agree with the Minister about the green credentials of shipping. Does he agree that more needs to be done to extend port capacity around the UK to ensure that, as well as the large ocean-going vessels that come into certain ports, mainly Felixstowe and Southampton, we have smaller feeder vessels using the many existing ports throughout the UK to get container shipments as near to their final destination as possible?

Dr. Ladyman: There is considerable work to be done on port capacity and on facilities for trans-shipping using in-shore waterways to provide a greener form of transport for many of the goods that are brought into this country. We will shortly launch a ports policy review that will look at exactly those issues and at how we can plan appropriately for port capacity of all types.

Tom Brake (Carshalton and Wallington) (LD): Can the Minister explain what in practice it will mean once the UK has signed the annexe? What action may we expect to see at UK ports or against vessels in UK waters?

Dr. Ladyman: We will inspect to ensure that all the ships that are affected by the provision are properly maintained, operated in accordance with international technical standards and certified as meeting the criteria set down in the MARPOL convention. Essentially, that is what would be seen at ports. We expect the people who are responsible for inspecting ships at British ports to ensure that ships that use British ports are in accordance with those conventions.

Tom Brake: Can the Minister clarify whether that would mean, for example, boarding ships in UK waters when they are at sea?

Dr. Ladyman: I will have to reflect on that and perhaps answer in my winding-up speech. It would be unusual for us to board ships at sea, but I will need to find out whether that is possible under the legislation.

I am pleased to say that the proposal to implement the annexe of MARPOL that we are discussing has been welcomed by the UK shipping industry and by marine engine manufacturers in their response to consultation. It is important for the UK economy that the UK introduce legislation implementing MARPOL annexe VI as soon as possible. If the UK does not do so, UK-flagged ships will be at risk of detention or delay in ports of states that have implemented it. Needless to say, that could have a severe impact on the UK merchant fleet.

Above all, it is important for the environment both of the UK and the wider world where UK ships ply their trade that the UK should implement MARPOL annexe VI. The Bill will enable the Government to implement it by secondary legislation. Draft secondary legislation containing the detail of the regulations contained in annexe VI has been prepared and copies have been placed in the Library.

Mr. John Randall (Uxbridge) (Con): I understand why the Minister is introducing the Bill and the urgent need for it, but he has talked a lot about the environment. He will be aware that the Government in the Queen's Speech mentioned a draft marine Bill. Has his Department been talking to other Departments about the need for that and is there any news on when it may appear?

Dr. Ladyman: I can confirm that we are talking to other Departments about that legislation. It is not for me today to give an indication of when it may be forthcoming, but I am sure that the ministerial colleagues concerned will have heard the hon. Gentleman's question.

James Duddridge (Rochford and Southend, East) (Con): Will the Minister confirm to my constituents that the Bill applies not only to ships at sea, but to ships

coming down estuary areas such as the Thames? Furthermore, will the compensation arrangements include ships once they are docked and static?

Dr. Ladyman: Is the hon. Gentleman referring to oil pollution from ships in those waters?

James Duddridge *indicated assent.*

Dr. Ladyman: I think it unlikely that we would have an accident in estuarial waters that required the use of the supplementary fund because of the scale of accident required to trigger the use of the fund, but liability arrangements are in place to compensate people who are affected by pollution in those areas.

I reiterate that the Government are determined that the UK should have the best possible financial and environmental arrangements available to protect our coastal interests from the effects of oil pollution from tankers and from air pollution from ships. Recent oil pollution incidents in France and Spain have demonstrated that costs of major spills can far exceed the compensation that is currently available. The additional sums available through the supplementary fund should ensure that, in virtually all circumstances, compensation can be paid promptly and in full. We wish to have that protection in place as soon as possible.

Mr. John MacDougall (Glenrothes) (Lab): I am grateful for the meeting that we had on ship transfer in the River Forth. As my hon. Friend is aware, the main concern is that should an incident take place, albeit that the likelihood of that happening is minute, the scale of the problem would be enormous. Is he satisfied that the range of compensation suggested in the Bill would meet such a situation? Is there any way in which further compensation can be offered should an incident cause a much larger problem than the scale of liability covers?

Dr. Ladyman: I am confident that were an incident to occur in the firth of Forth—let us hope that we are never in that position—arrangements are in place that would adequately compensate people, or that would require those making oil shipments there to have liability cover such that they can provide compensation. Although such an accident would be devastating, I doubt whether one could occur of sufficient scale to trigger the supplementary fund that we are discussing today. But I am confident that the range of provisions that will be available once the Bill is enacted will be sufficient to compensate people. That does not detract from the seriousness of the issue facing people in the firth of Forth. As my hon. Friend knows, consultations are under way on what may or may not be allowed there.

The Bill allows the UK to implement two important international treaties that will benefit both the environment and the financial protection of UK coastal interests. It is also important for the UK to be seen to be actively adopting these measures, especially bearing in mind the prominent role that we played in negotiating them. Many Members may wish to comment on measures not in the Bill that we could have taken to protect the marine environment and to deal with marine pollution, but as I said, including them would have delayed the Bill. Urgency is appropriate here to get these provisions into place, so that we are fully protected. I shall do my best to answer Members' detailed questions in the winding-up speech, if the House grants me leave to give it. I want to be as helpful as possible in order to encourage consensual and rapid progress. I look forward to the debate today and in Committee, and I commend the Bill to the House.

1.42 pm

Mr. Julian Brazier (Canterbury) (Con): I begin by associating the official Opposition with the tribute that the Minister rightly paid to Lord Donaldson. He will be a great loss to the shipping world and if I may, I shall return to some elements of his report to which the Minister did not refer in his speech.

I am delighted to be leading for the Opposition on the Merchant Shipping (Pollution) Bill. Given that today is my first outing on merchant shipping since taking over this brief, I hope that it is in order briefly to stress just how important this industry is. It has taken over from aviation as the third largest service industry in the country, with a turnover of almost £10 billion a year. It carries 95 per cent. of our visible trade, and the importance of our merchant fleet to an island bordering the second busiest international waterway in the world cannot be overestimated. It is no wonder that Admiral Jervis—here, I am recalling recent celebrations—famously said the following to William Pitt the younger:

"I do not say that the French will not come. I say only they will not come by sea."

Indeed, the merchant navy has given extremely gallant service in two world wars, in the Falklands and, most recently, in the Gulf.

We welcome the Bill. As we discuss pollution today, we should remember that, as the Minister briefly mentioned, shipping is by far the cleanest form of transport in terms of carbon dioxide emissions. On average, per tonne mile, shipping produces about 10 per cent. of the CO_2 produced by road haulage. That is why, despite its brevity, this is a very important Bill. It allows for faster payments of more substantial sums in the aftermath of a major oil spill through the supplementary fund protocol, and it will cut emissions of nitrogen oxides from marine diesel engines.

The Bill enables me to demonstrate two of my party's approaches: the new consensus and the longstanding Conservative commitment to the environment. By far the most important post-war environmental legislation was Harold Macmillan's Clean Air Act 1956.

Mr. Greg Knight: In rightly placing on the record his concern for the environment, does my hon. Friend agree that nothing in the Bill ought to be used to prevent the use of historic vessels for regatta purposes? Any new restrictions imposed on diesel-engine emissions must not, therefore, be retrospective to that extent.

Mr. Brazier: I entirely agree with my right hon. Friend on that point, and I was very glad to hear the Minister promise, following my right hon. Friend's intervention, to come back to that matter. It would be quite wrong for the Bill to interfere in any way with historic celebrations of the gallantry of our sailors in two world wars, for example. The Minister gave him a tentative assurance, which I hope he can firm up at the end of the debate.

[Mr. Brazier]

We all know the consequences of major oil spills. We have seen the pictures on television of dead and dying birds and of coastlines ruined, in some cases perhaps for ever. Local economies are often stunted and tourism blighted. We should also remember those who live off the sea. After the Braer disaster off the Shetlands, to which the Minister referred, three quarters of the compensation went to help the fishermen whose livelihoods had been destroyed overnight.

There have been a number of other terrible spillages, such as the Sea Empress at Milford Haven, to which the Minister rightly referred. The cost of the Braer and Milford Haven disasters were $83 million and $62 million respectively—disasters that left tens of thousands of birds dying in the slick, and ruined hundreds of miles of beautiful coastline. The old liability and fund conventions made available up to $300 million to cover such costs. Those British disasters fell well within that fund but, as the Minister rightly said, that is not true of all oil disasters. When the Exxon Valdez ran aground on Prince William Sound, 37,000 tonnes of crude oil were spilled and 270,000 birds were killed. The cost of the clean-up operation was a staggering $2.5 billion.

David Taylor (North-West Leicestershire) (Lab/Co-op): It is of course right to establish appropriate regimes to compensate for accidents and incidents such as those that the hon. Gentleman is describing, but is he concerned that almost three quarters of all tanker incidents are either accidents by collision and contact, or are due to machinery problems? A substantial number of foreign-flagged vessels are involved in tanker accidents—I am thinking of the Bahamas, Norway, Gibraltar, Liberia and Malta—so would we not be equally well served by pressing for improvements in the quality of the maintenance and operation of foreign-flagged vessels in British waters, as well as compensating for some of the errors that they have made?

Mr. Brazier: I am grateful to the hon. Gentleman for that intervention, with which I have considerable sympathy. I shall raise two points that relate to his intervention in a moment, if I may, rather than doing so now. He makes a very strong point and I hope that the Minister has taken it on board.

It is estimated that when the Prestige sank in 2002 after releasing 64,000 tonnes of crude oil, more than 3,000 km of coastline were ruined. Almost 800,000 birds were killed and the Iberian guillemot became extinct. The financial cost of the spill is expected to top $1 billion. To date, only 15 per cent. of the compensation has been paid, causing untold harm on the coasts of Spain, Portugal and France. That is why the supplementary fund protocol is so important. Not all spills will cost less than $300 million in future, just as they have not in the past. Clean-ups need to begin immediately—not after a long period of ascertaining the final cost of the operation.

The new fund, which we support strongly, will provide $1 billion, which is a big increase, and will rush in aid when it is needed. However, in moving on to the ground covered by the hon. Member for North-West Leicestershire (David Taylor) in his earlier intervention, I want to press the Government to tell the House what progress is being made on preventing disasters from affecting the most environmentally important areas of this country.

The British Chamber of Shipping told me that, worldwide, oil pollution fell by just over 90 per cent. between 1992—a carefully chosen year—and 2004. Nevertheless, what are we doing in terms of prevention? There is a slight danger that the Bill will mean that we focus on locking the porthole after the oil has bolted.

Lord Donaldson's inquiry contained more than 100 recommendations, and the Minister was right to say that some had been adopted. However, nothing has been done yet about one of the main suggestions, although the Government have long promised to act. Lord Donaldson recommended the creation of marine environmental high-risk areas, so that tankers and other vessels carrying dangerous cargoes would be routed away from environmentally sensitive regions. The Minister is my constituency neighbour, and we share a stretch of coast on a very busy shipping lane. It would be difficult to route vessels away from that lane, but that would be practical for other areas where there is a particular concern for environmental factors. Will the Minister say what progress has been made with that proposal?

Dr. Ladyman: I cannot give a date for that announcement today, but I assure the hon. Gentleman that it will be made very shortly.

Mr. Brazier: I am delighted to hear that.

In recent years, huge strides have been made in reducing oil pollution. I said a moment ago that the latest available figures showed that a fall of just over 90 per cent. had been achieved, but I remind the Government that that success is partly due to the support shown by the industry and individual members of the merchant navy. They are the ones who have had to amend many practices to achieve that dramatic fall.

I am worried that a new European directive might criminalise accidental discharges that are due not to reckless disregard, but to accidents involving a small amount of negligence. The directive comes from a section of the European Commission that used to be led by Spain but is now led by France—the two countries in Europe that have suffered most from oil pollution. As so often with measures from Brussels, the intention is good but the consequences may be counter-productive. First, there is a real chance that the directive may contravene international law. That would lead to the absurdity that European law could pull in one direction and international law in the other. Secondly, whatever the legal position, I share the industry's concern that young people could be deterred from joining the merchant marine.

The Government rightly can take some credit for the large expansion in British-registered tonnage as a result of the tonnage tax. I was very pleased that the Minister recently reiterated his determination to defend the Red Duster, now that the Government have acknowledged that it is under threat from Brussels. However, the recovery in tonnage has not been matched by any great increase in the numbers of British crew members. The directive means that merchant navy crew members

could be sent to prison for a very long time as a result of genuine accidents in which there was no reckless disregard, but merely an element of negligence. That could have a significant effect on the recruitment of talented young people into our merchant navy.

Considerable concern was expressed in another place about vessels flying flags of convenience of countries that have not signed up to the protocol. When I asked the Minister about that earlier, his answer was very much the same as the one given by Baroness Crawley. Both said that there is a compulsory requirement to have insurance, but both must know that that insurance does not cover the really large spills. Ships from Panama, Liberia and other countries that have not signed up to the protocol are the metaphorical stowaways on the great vessel that is the international merchant fleet. They weigh the rest of us down, while using everyone else's resources.

David T.C. Davies: My hon. Friend will no doubt be aware that the largest oil tanker ever to be built will be registered in Majuro, the capital of the Marshall islands. Many people will not know where that is, and I admit that I had to look it up myself, even though I worked in shipping for many years.

Mr. Brazier: I am grateful to my hon. Friend for that, and he is right to be concerned. I mean no reflection on that particular ship, but some of the most unseaworthy vessels on the high seas belong to the fleets that I mentioned. For instance, the Prestige, which sank in 2002 and caused a great deal of chaos, was registered in Cyprus' large offshore register. At least Cyprus is applying for EU membership, which means that there will be more scope to deal with the problem that its register poses.

Dr. Ladyman: I want to deal with the point about ships registered in the Marshall islands. We must be careful not to suggest that, just because a place is small, it does not have a high quality flag. Many smaller nations with large fleets have high standards, but all vessels must be insured to cover their liability for any pollution that might be caused, and no uninsured vessel should be in our waters or come near our shores. The Government have powers to deal with any uninsured vessel travelling through our waters. The supplementary fund would be available to pay compensation as a result of accidents caused in our waters by uninsured vessels. The hon. Gentleman is right to say that, because some countries have not signed up to the fund, the burden will fall on the signatory countries. However, there are 98 signatories, so at least the burden will be spread out among them.

Mr. Brazier: We have come full circle, as I said earlier that the countries that have not signed up to the fund are freeloading on the rest. Britain has set a positive example by joining the supplementary fund, but the Opposition would welcome measures, perhaps in the long term, to put pressure on countries such as Panama and Liberia to sign up to the fund so that they can bear their share of the burden.

I come now to the MARPOL convention. At present, ships account for 4 per cent. of global sulphur emissions and roughly 7 per cent. of nitrogen emissions. New technologies can reduce those figures substantially. Recently, P&O installed the new Krystallon water scrubber in the Pride of Kent—great name, good ship—and announced that there were "no measurable" sulphur emissions from the vessel, while nitrogen oxide emissions had fallen by 80 per cent. That is a really good example of how new technologies to reduce the levels of dangerous chemicals being pumped into the atmosphere can play such a big role. It is vital that companies with the financial base to test new inventions are given as much encouragement to do so as possible. Targets to cut emissions are an important part of the campaign against global warming, but they will be reached much more easily if there is also a focus on new technology.

The figures also show that transport by boat for both goods and passengers is considerably more environmentally friendly than transport by road. In Britain, light and heavy goods vehicles pump out an estimated 8.2 million tonnes of carbon dioxide each year. In contrast, our entire domestic shipping industry, which carries 95 per cent. of the goods traded with Britain, produces less than 1 million tonnes a year.

Occasionally, hon. Members find time to sip a drink on the Terrace. Each tug that we see pulling a large barge behind it carries enough waste to take 100 lorries off the road. The barges carrying cement up the Thames save 5,000 lorry journeys a year. The more transport we can shift on to vessels, the fewer road freight journeys will be made and the whole system would benefit. Fewer vehicles on the road mean less pollution and less congestion. I hope that the Government are giving serious thought to how to promote what is potentially by far the greenest form of transport.

Two matters are not, unfortunately, covered in the Bill. Because of an entirely understandable ruling by Mr. Speaker, we will not have an opportunity to debate in Committee the measures that would have been in the Bill on port capacity. They are too far removed from this subject, but it is vital that something is done to address our shortage of port capacity and the farcical arrangements for public inquiries on that. As my hon. Friend the Member for Uxbridge (Mr. Randall) pointed out, the Bill on marine issues was promised in the Queen's Speech and is a close cousin to this Bill—saving bird life is, after all, one of the main aims of this Bill—but the Government still have not found time for it.

Nonetheless, we congratulate the Government on this Bill and hope that it will be the first of several steps to promote safety on the high seas, protect our coastline from pollution and promote greener technologies in our excellent merchant navy. I commend the Bill to the House.

2.1 pm

Tom Brake (Carshalton and Wallington) (LD): I also welcome the opportunity to debate this short Bill and wish to echo the Minister's comments about Lord Donaldson. I also welcome the hon. Member for Canterbury (Mr. Brazier) to his first outing on the subject of merchant shipping. I do not anticipate that the Bill will detain the House until late this evening because it commands all-party support. It will not need any Punch and Judy politics—although I was interested to note that Punch and Judy were back at Prime Minister's questions earlier.

[Tom Brake]

In the other place, the Bill was dispatched in just over an hour and a half. Peers received no approaches from lobbyists and suggested that the Bill was uncontroversial. I concur with that assessment and do not wish to delay matters and leave the UK vulnerable in the way that the Minister spelled out in his opening remarks. The main purpose of the Bill is to allow the UK to implement two important international treaties. The first would greatly improve compensation for oil spills and the second would introduce measures to reduce air pollution from ships. A further minor purpose is a useful clarification of the claim period during which compensation claims can be made.

I come now to the supplementary fund protocol. The present regime, the liability convention, now includes 98 member states, although at the time of the debate in June 2005 it had 93 signatories. The present regime provides for an overall limit of £168 million of compensation. At the time of the debate last June, it was £160 million or £162 million. The present figure, £168 million, is compensation paid for by ship owners and oil importers. In the past 25 years, the regime has provided compensation in more than 130 oil pollution incidents. The Bill makes provision for the UK to implement the supplementary fund protocol and make available an additional £440 million for compensation in the event of a major oil spill from a tanker.

The fund was developed to provide additional compensation for victims of oil pollution in states that choose to ratify the protocol and are content for their oil industries to make the financial contributions. It was helpful of the Minister to clarify the point raised by the hon. Member for Canterbury and confirm that the UK, if it is affected by an oil spill involving a vessel that is not covered, will still be able to access the full funding available in the supplementary fund. The total amount, taking into account the existing fund and the supplementary fund, will be £600 million-plus.

The supplementary fund entered into force in March last year and has so far been ratified by 15 states. By June 2005, it had been ratified by only 10—Japan and nine states in Europe—and that underlines the Minister's legitimate concerns that the UK should join the club. Membership is now growing rapidly and we support the Government in their desire to ensure that the UK has the additional financial protection that the supplementary fund can provide.

In the other place, Baroness Crawley described the fund as follows:

"The supplementary fund should ensure that in future the regime bears the full cost. The shipping and oil industries will pay. That is in line with the 'polluter pays' principle to which the UK fully subscribes."—[*Official Report, House of Lords*, 14 June 2005; Vol. 672, c. 1149.]

My party also subscribes to that principle. The Bill will also ensure that the costs of funding compensation are shared by major oil importers internationally, rather than falling on national budgets. The Bill will also allow the UK to join any future regime governing oil pollution compensation.

I wish to return briefly to the polluter pays principle. I intervened on the Minister on the subject of the Prestige and the fact that the estimate of the damage is more than £700 million, whereas the supplementary fund, together with the original fund, will cover only just over £600 million. What is the thinking behind setting up a fund that does not have sufficient funds to cover an incident that has already taken place? That is rather illogical, and one would have expected agreement to be reached that the fund would have in it at least as much as would be required to cover such an incident. I hope that the Minister will be able to clarify the thinking on that when he winds up.

Air pollution from ships is not something to be sniffed at—if hon. Members will pardon the pun. Emissions from shipping are set to be larger than emissions from all UK land-based sources by 2020, according to a report from the European Parliament's Environment Committee. We therefore support the measures that allow the UK to implement annexe VI of the international convention on the prevention of pollution from ships, commonly known as the MARPOL convention. I intervened on the Minister on that point and, when he sums up, I hope that he will be able to give more detail on what the implementation of MARPOL will mean in terms of the actions that UK port authorities can take when vessels dock in UK ports. Does the UK have powers to board ships to check whether they have the insurance required under the liability convention, as the Minister implied? If a dirty-looking steamer came over the horizon, would the UK have powers to board that vessel to see whether it complied—

Dr. Ladyman: I have reflected on that matter and I am now able to tell the hon. Gentleman that we would not normally board a vessel at sea. Should we wish to do so, we have powers under section 259 of the Merchant Shipping Act 1995. Normally, we would wait for the ship to arrive at a UK port where it could be detained if necessary.

Tom Brake: I thank the Minister for that intervention. I see that he sometimes has difficulty in reflecting at speed, as I do, but I am glad that some clarification arrived as he was sitting on the Front Bench.

Hon. Members will be aware that there were 23 signatories to annexe VI of MARPOL in June, but the number might have moved on by a further five since then. The signatory countries range from Azerbaijan to Sweden to Vanuatu. I agree with Baroness Crawley that in coastal and port communities, human health benefits will result from the reduction of localised pollutants such as low-level ozone. She said:

"It is estimated that implementing MARPOL Annex VI will result in 20 fewer deaths and a £26 million reduction in associated economic loss annually."—[*Official Report, House of Lords*, 14 June 2005; Vol. 672, c. 1147.]

That information is extremely helpful. Can the Minister tell us how many deaths and what costs have arisen since the point at which the annexe was available to be signed by the UK?

I promised not to detain the House at great length and I will be true to my word by bringing my speech to a conclusion. Liberal Democrats believe that the Bill will deal effectively with the matters that it is intended to address: the compensation available to cover the cost of oil spills and air pollution from shipping. The Bill will receive our support.

2.11 pm

Mr. Robert Goodwill (Scarborough and Whitby) (Con): This is almost a case of déjà vu, because before I elected to this Parliament I was a Member of the European Parliament, where I got off on things like this. I took through some of the Euro IV legislation and the legislation on motor cycle emissions, N1 vehicles—vans—and small spark-ignition engines, such as those in lawn mowers and chain saws. I was pleased that we managed to save the chain saw for our foresters and farmers from legislation that would have meant that the engines' catalytic converters were too heavy and hot for practical use.

My swan song was my involvement in the regulation on the quality of marine fuel. That started with Mrs. Hautala, from the Green party, as rapporteur, and then Alexander de Roo, who is a Dutch Green, took over. May I put on the record my thanks to officials from the British Department for Transport, who were supportive during that time? I also thank the officials who were co-opted to the European Commission from the Department. By and large, we managed to follow the British line, although I could not say the same of my Labour colleagues in the European Parliament on every occasion. I would especially like to mention Chris Parkin, who was very supportive.

I welcome the Bill. As we have heard, marine transport is very efficient. A ship produces a quarter of the amount of carbon dioxide per tonne kilometre as a lorry. The UK is an island and we need cast our minds back only to the second world war to remember how the submarine blockade threatened the very survival of our nation. Although we have a connection to the French mainland through the tunnel and several pipelines—others are being built—we still rely primarily on our maritime transport for survival in the global economy. Many businesses cannot survive without access to global markets through our ports and merchant fleet.

Of course, maritime transport is not as environmentally benign in other ways. There have been improvements to vehicle technology due to several pieces of European legislation, such as the introduction of catalytic converters, common rail technology and more advanced engine management systems. There have been advances in fuels. There is a perennial battle between the manufacturers of vehicles and the manufacturers of fuels about who should be making moves to improve our environmental standards further. Such an argument also goes on in the area of marine engines.

Tremendous progress has been made on sulphur. In 2000, we reduced the amount of sulphur in diesel fuels for road vehicles to 350 parts per million. We now have a regulation to provide that the amount of sulphur is 50 ppm, and there are low-sulphur diesels on the market at 10 ppm. In fact, a new Ford Focus that operates on the hottest and most polluted day of summer in the middle of one of our big European cities is as likely as not to clean the environment once its catalytic converter has reached its operating temperature. We have thus moved an awfully long way.

On power generation, the dash for gas has reduced the use of coal, which can be dirty. Power stations, such as Drax in my area, have exhaust flue desulphurisation, which has reduced the amount of sulphur to such an extent that families such as mine now have to buy sulphur fertiliser because we no longer have a free supply of sulphur from above, courtesy of the Central Electricity Generating Board. Of course, we will have an opportunity this year further to reduce the pollution caused by power generation if we take the decision to build a new generation of nuclear power stations.

When the sulphur is removed from oil that is used for petrol and diesel—for road transport—we are left with bunker oil, which is notoriously high in sulphur. Even bunker oils that are derived from our pretty high quality North sea crudes can be between 2.5 and 3 per cent. sulphur, which is equivalent to 27,000 ppm of sulphur compared with the level of 10 ppm in the new advanced diesels. While we might not have such a big problem with our North sea crudes, many southern European states have serious problems with the crudes that they receive from Russia and Saudi Arabia, because their levels of sulphur may rise well above 3 per cent. Bunker fuels derived from crudes from the Gulf of Mexico can be 4 per cent. sulphur.

As we heard from the hon. Member for Carshalton and Wallington (Tom Brake), by 2010 shipping will produce half the sulphur emissions in the European Union. The majority of that sulphur is not a major problem because it goes up at sea and falls down at sea. Some 80 per cent. of the sulphur dioxide emitted by a ship in the mid-Atlantic will go into the sea and its effects will be relatively benign. However, in MARPOL annexe VI sensitive areas in the English channel, the North sea and the Baltic, there is a specific problem due to high amounts of sulphur dioxide that is derived from our ships. Some 90 per cent. of the sulphur in some such coastal areas derives from shipping.

Despite the fact that ships might travel across the North sea, most of the shipping hugs the coast. For example, the North sea ferry from Hull to Zeebrugge does not go in a straight line, but hugs the coast. The pollution from such ships thus has a significant effect on coastal communities. I welcome the action that the Government are taking following European agreement on the MARPOL annexe VI sensitive areas. I am sure that it will considerably reduce the pollution that we experience, which is becoming increasingly significant.

Pollution is also a significant problem when ships are in port. That can be called hotelling—I guess that it is not to be confused with cottaging. Ferries can cause a specific problem because they spend a lot of time in port. The Commission proposed that auxiliary engines should be run on 0.2 per cent. gas oil, but that has been a problem for some ferries, especially cross-channel ferries such as the Pride of Kent and the Pride of Canterbury. Those ferries spend about 50 per cent. of their time in port, so it would be especially expensive for them to use such low-sulphur fuel. I was thus pleased that when we considered the legislation in the European Parliament, we allowed trials to be held on the new Canadian-developed abatement technology that can reduce pollution at source and also contribute towards energy savings at refineries. The production of low-sulphur fuel has an environmental cost at the refinery, so if ships are fitted with seawater scrubbers, the pollution can be reduced at source. Not only would that reduce the sulphur dioxide that is derived from fuel, but it

[Mr. Robert Goodwill]

would make significant reductions in nitrogen oxide, which is derived not from the fuel, but from the nitrogen in the air that is in the engine's combustion chamber.

I hope that the Minister has seen the results of those two trials with the Pride of Kent and the Pride of Canterbury. The Pride of Kent is fitted with abatement technology, but the Pride of Canterbury—an identical ship—is not. If the technology is successful, there could be ways to encourage more ferry and shipping companies to fit it. It would also reduce the particulate matter from the engines, which can be a problem. Abatement technology also reduces volatile organic compounds.

Some countries have tried market-driven solutions to the problem. I am not sure whether the Minister is aware of the Swedish approach, which has a graduated system of port dues. Shipping companies that opt for even higher environmental standards receive rebates on the port dues. The British Government might want to consider that as a way of encouraging companies to go further. A similar scheme operates in Helsinki harbour.

Another option that was suggested when the directive was discussed was to encourage more ships to opt for an electric feed while in port. The Pride of York and the Pride of Hull spend all day in Hull harbour with their main engines ticking over and their auxiliary engines running. They may well benefit from plugging into the mains. Has the Minister received representations from the industry on how we can make progress on that?

On marine fuel and tankers, a practical problem in complying with the MARPOL annexe VI on sensitive areas is when a tanker leaves its home port in Saudi Arabia or wherever and finds that it is diverted to another port. I would be concerned if our security of supply were compromised because a ship had bunkered with high sulphur fuel and could not discharge in a UK or other European port. There is a problem with the discharge of tankers. I am sure that the Minister is aware that a tanker burns around 200 tonnes of heavy fuel oil in just raising steam to discharge. I have had representations from the tanker industry, which is concerned that many of the boilers fitted to those ships cannot be run on dual fuels. That may limit the number of tankers that could discharge in the UK without expensive retrofitting.

Perhaps I can crave your indulgence for a second, Mr. Deputy Speaker, and address the issue of fuels for recreational pleasure craft. I am sure that the Minister is aware that we benefit from a derogation to allow such craft to use rebated fuel, and that that runs out at the end of they year. I was in correspondence with him last year to encourage him to apply for a renewal of that derogation. Having reflected on that, I hope that he will make an announcement fairly soon. I am sure that the European Commission will look favourably on such an application. It would reassure many of the people in my constituency who enjoy recreational activities on the sea.

A couple of years ago, I went to Galicia to see the effects of the Prestige disaster. I was not prepared for what I saw. The word "devastation" does not describe the black hell of the beaches in Galicia. Hundreds volunteered to clean it up, and many of those came from all over Spain. They wore those white overalls that we saw on our television screens. That brought home to me the extent of the disaster and how we cannot allow it to happen again.

We must not forget that the Prestige disaster was a result of a catalogue of mistakes. First and foremost, there was a major mix-up between central and regional government. I am slightly concerned that, in one way or another, we are moving to regional government in this country. I would hate to think that we could have a similar mix-up. The people in Galicia thought that it was up to them to decide how to act, but the people in Madrid thought that it was their responsibility. In the end, vital hours were lost at the start. Instead of bringing the Prestige into a safe haven and putting a boom around it, which would have caused considerable devastation but on a small scale, the ship was ordered out to sea, where it broke up and damaged 250 miles of coast, with devastating effects on tourism, fishing and wildlife.

Some 63,000 tonnes of heavy oil escaped from the Prestige and important oyster beds in France were devastated. In addition, 250,000 sea birds were killed. Some 90 species made up the 23,000 that were collected, and 17,000 of those were already dead. We often see pictures of birds being cleaned or treated in centres, but I am sad to have to relate that the majority of those birds die anyway, having ingested fuel. Having spoken to some of the bird charities, I know that they think that they must do something, but perhaps we should not expend too much money on birds that are, sadly, a lost cause, and put more resources into ensuring that a spillage is quickly contained so that we do not repeat the mistakes of the Spanish.

I note the comments by my hon. Friend the Member for Canterbury (Mr. Brazier) about boats that can be described as freeloaders—those that sail under a flag of convenience. The Prestige was an accident waiting to happen. It was a rust bucket. I was led to believe that it was registered in the Bahamas, but I bow to my hon. Friend's better knowledge. It was registered by a British broker. It had a Filipino crew and a Greek captain. The ship was owned by a Liberian firm, but was controlled by a Greek shipping magnate. The oil was being ferried from Latvia to Singapore. The oil itself was owned by a Gibraltar-based firm, with a headquarters in Switzerland run by a Russian parent company. No wonder something went wrong.

Does the Minister have information on what percentage of the world fleet falls into the category of using a flag of convenience and does not comply with the same standards as we do? What proportion of the ships that enter British waters would fall into that category? I am concerned that another Prestige is waiting to happen. It is only by the grace of God that such a disaster has not happened more often in our waters, with devastating effects.

2.28 pm

Mr. Lee Scott (Ilford, North) (Con): This is a Bill of only a few pages, yet it has the potential to make a significant increase in the level of financial compensation available in the event of a large oil spillage from a ship. It will also allow the United Kingdom further to control emissions from ships.

Most of the goods and food imported or exported to and from Britain travels by sea. Britain is surrounded by major shipping routes and the English Channel is the world's second busiest international waterway. In the main, transporting goods by cargo ship is an environmentally friendly form of transportation. However, when it goes wrong, it can go spectacularly wrong.

The United Kingdom's miles of coastline are at high risk from spills from tankers, and three of the world's worst oil spill disasters have occurred in UK waters. We need only remember the Torrey Canyon off the Isles of Scilly in 1967, the Braer off Shetland in 1993, and, as we have heard, the Sea Empress off Milford Haven in 1996, to illustrate how damaging such an incident can be. Oil slicks do not respect maritime national boundaries, so it is only through co-ordinated international action that we can arrive at a successful solution to that type of pollution.

This Bill will bring the United Kingdom into line with international efforts to tackle the appalling effects of oil spillages. It will allow the UK to implement two important international treaties: the first greatly to improve the compensation for oil pollution and the second to take measures to reduce air pollution from ships.

Over the years, we have seen graphic television images of the effects of oil spills on the environment, on wildlife and on local people. Sadly, the effects can be very long term, and they can wipe out species in an area and destroy local livelihoods. Marine oil pollution can have devastating effects. The television pictures of disasters, such as the Exxon Valdez incident that took place in Prince William Sound, Alaska, in 1989, made us all too familiar with the dreadful images of polluted coastlines, oiled sea birds and mammals and the other damage caused to wildlife. The local coastal communities lost their fishing and tourism industries to this major oil spill. The sinking of the Prestige in 2002 saw the discharge of 63,000 tonnes of oil [illegible] fishermen, local hoteliers, restaurant owners and others along the Portuguese and north Spanish coast were all badly affected. In the Torrey Canyon incident off Land's End in 1967, it was quickly clear that the then existing arrangements for compensating those who suffered damage were woefully inadequate.

It has to be recognised that the recent figures from the International Tanker Owners Pollution Federation show that the number of oil spillages has reduced by around one-third since the 1970s. Large spills have reduced dramatically. Most spills from tankers result from routine operations such as loading, discharging and bunkering. These most often occur in oil terminals or ports, and most result in an oil discharge of less than 7 tonnes. Incidents in which the tanker collides with another ship or harbour facility or when it runs aground are what normally lead to the larger oil spills. Almost 20 per cent. of these result in spills where more than 700 tonnes of oil are lost.

The one third improvement in reducing oil spills is explained by the introduction of better crew training, improved terminal handling facilities, better technology and, most significantly, by the introduction of double-skinned hulls for tankers. Unfortunately, numbers of older singled-hulled vessels still operate, many under flags of convenience. Inspection shows that one in 12 of the foreign vessels inspected in the United Kingdom are unseaworthy and have to be detained. This is a disgrace. Elsewhere in Europe the situation is worse, with almost three quarters of ships inspected found to be suffering from severe deficiencies.

I am concerned that some countries have not yet announced plans and a timetable to sign up to the supplementary fund protocol. A number of these countries are flags-of-convenience carriers or open-register countries and have significant registered tonnage. Most are party to the old fund regime, but not to the new one. It would be common sense for those countries that join the new protocol to deny access to their waters and ports to ships from countries that do not sign up to the scheme by the deadline date. If this is not done, tanker operators from the countries signed up to the protocol will be working at a competitive disadvantage.

Given the greater risk of catastrophic oil spillage from a singled-hulled tanker, these should certainly be banned from entering European Union waters. There was discussion some time ago on this matter, and I would like to know from the Minister whether the Government would support such a ban.

The Bill also enables the UK to reduce air pollution from ships by implementing measures to control emissions. Ships are getting ever larger, as are their engines, and they produce a great deal of sulphur and nitrogen emissions. Some improvement can be made by reducing the sulphur and nitrogen content in marine fuel, but more innovative ideas are being tried by firms such as P&O. It has fitted a device to one of its Dover-Calais cross-channel ferries called an eco-silencer—a "scrubber", in effect. This is designed to cut sulphur emissions by 95 per cent. and nitrogen oxides by 80 per cent. I understand that many other companies are considering similar proposals.

A number of ports in the USA and Canada have introduced revised structures that allow ships in harbour to draw electrical power from shore. This has the great advantage that it enables the ship to turn off its engines in port while it loads or unloads, thereby reducing pollution in the port and the surrounding area.

There are two other areas of ship-produced pollution that I would like to discuss. The first is the improper disposal into the sea of rubbish and human waste. The second is the transportation of non-native species in the ballast water of a ship that is then disposed of at sea thousands of miles away. These exotic newcomers can then become a serious threat to native plants and animals. These issues are covered, as is oil pollution, by international laws, rules and agreements. However, in too many cases, the polluter is not prosecuted or even identified. I seek an assurance from Ministers that this is an issue that they will look at.

Like my colleagues, I fully support the Bill and welcome it.

2.35 pm

David T.C. Davies (Monmouth) (Con): I am grateful for the opportunity to speak and perhaps I should declare an interest. I worked for several years in a shipping company that is owned by my parents. I have no financial interest whatever in it at the moment. Perhaps I should also come clean and say that I suppose

[David T.C. Davies]

that it could be argued that, because of some of the things that I saw going on there, we have contributed directly in a very small way to pollution for reasons that I shall come to shortly.

The other side of the coin is that perhaps I have a unique perspective on the issue. At the time that I worked for the company, I would also leave at about 4 o'clock, travel down the coast and go surfing off the coast at Porthcawl. I would do that week in, week out for most of my 20s. On one occasion, we were ordered not to go into the water by the police because of a spillage that had taken place. I can therefore say that I have been both a contributor to, and victim of, maritime pollution.

There is a lot of good news and, in commending the Bill, it is worth picking up on the statistics that were mentioned earlier. I do not want to undermine anything said by my hon. Friends, who are quite correct about the problems that exist. However, there is a lot of good news and, in a spirit of consensus, we should pay tribute to this Government and previous Governments going all the way back to the 1960s. There has been a growing realisation of the importance of better standards of maritime cleanliness.

When one talks to people who have worked in the industry for years, they will speak about some of the bad practice that has gone on, but has now largely been stopped. I refer to the emptying out of tanks and bilges. That was absolutely commonplace a few years ago. It may still happen—I do not deny that—but much of it has been stopped because of the good work of organisations such as the International Maritime Organisation and the Maritime and Coastguard Agency. They are able to go on board ships to check logbooks and to ensure that ships docking at UK ports make use of the facilities that have been put in place to clean out tanks and bilges.

Collisions are now less of a risk because in busy sea lanes, such as the Dover straits, there are clear shipping lanes that ships must go up and down. They cannot just set their compass and go anywhere they want. As the Minister has said, there is now an ongoing programme to phase out single-hulled tankers and to bring in double-hulled ones. We have certainly come a very long way; there is a lot of good news.

I do not, however, think that we should be too complacent. Headline-grabbing disasters still take place and, as I saw in the office when I worked for the company, many smaller incidents of spillage and pollution happen regularly. We used to find that we were regularly told that containers coming into the UK for which we had responsibility had been washed off a ship as a result of bad weather. I said that we were responsible for a bit of pollution, but the containers for which we were responsible contained only tea. Presumably, that does not do a lot of damage. Nevertheless, many nasty things are carried around in containers, and it is not uncommon for them to be washed over the sides of ships. Perhaps the Minister will bear that point in mind and confirm that the fund, if it is ever needed, will also apply to such small-scale incidents that could turn out to be very expensive if the wrong types of goods are washed overboard.

There are two reasons for the problem. The first is bad weather, and I appreciate that there is not much that the Minister can do about freak weather conditions and tidal waves. We do not expect him to stand there like Moses with his staff, ordering the storms to calm down and the waves to part. However, I sometimes think that his leader thinks that he could probably do that.

One issue that the Minister could consider is training. The comments that have been made about levels of training, particularly on flagged vessels from certain countries, are very relevant. Tragically, within the past fortnight, a seaman was killed on a ship that was leaving the port of Newport where I used to work. I know something about that incident, but I will not say much while it is under investigation. Suffice it to say, however, that basic safety procedures were not being carried out at the time. The Minister must agree that the issue of training arises over and over again, and it is particularly pertinent to flagged vessels. I hope that he will look into that.

When ships come into UK ports, they must take on board a pilot for many of those ports unless the master can get the exemption licence. To do that, he would have to undergo some tests within the UK. I am told informally that many of the masters tested, from certain countries, are found to have such a poor sea knowledge that not only will they not qualify for the exemption, but had they taken the test in the United Kingdom they would never be allowed to be put in charge of a UK-flagged vessel. Clearly, training is a real issue in relation to some of the vessels coming in. I will not specify any country in that regard, because some of the countries mentioned today have taken steps to raise their standards. The Minister will be aware, however, that not all such countries have done so, and that overall training levels can be poor.

On air pollution, I echo the comments of those who pointed out that whatever problems are sometimes caused by ships, shipping is one of the greenest ways of moving goods from A to B. It is of great concern to me that, at the moment, much of the freight destined for the United Kingdom on ocean-going vessels goes straight into one of two ports, usually Felixstowe. Sometimes Felixstowe is skipped altogether and it goes into Rotterdam. From there, UK forwarding companies must arrange the delivery of vast numbers of containers to their final destination by lorry. I know that rail freight services are available, but without going into too much detail, they do not operate as efficiently as one would hope. Many movements take place by road, which results in additional expense for the consumer, the environment suffering and the roads getting clogged up.

Much greater use of the current facilities around the United Kingdom would be desirable, and it should be fairly easy for the Minister to do that. I will not stretch your patience, Mr. Deputy Speaker, by talking about the amendment that I tabled but that was not called. It would be completely wrong to do so. Suffice it to say that the Minister can do a lot to help the environment by ensuring that more of our goods are moved around by ship.

I recognise that there are problems, and that the Minister recognises that we do not live in a perfect world. Things sometimes go wrong, and that is what this Bill is all about—putting in place a mechanism for dealing with something that, we hope, will not take

place. I wish the Bill God speed, and I hope that it sails through Parliament's legislative channels as easily as a supertanker through the straits of Dover.

2.43 pm

Stephen Hammond (Wimbledon) (Con): The Minister said in his opening remarks that the Bill was precise and targeted, and it is. Essentially, it provides the United Kingdom with protection and the best compensation in relation to pollution from oil, and reduces air pollution from ships. We support the UK getting protection from the supplementary fund protocol.

The Bill deals with our environment, and my right hon. Friend the Member for Witney (Mr. Cameron) reaffirmed recently in an excellent speech that the Conservative party has a long history and a bright future in environmental matters. That is certainly true today—it is 3-0 to the Opposition on environmental matters.

I look forward to the Minister's response to the three excellent points made in interventions by my right hon. Friend the Member for East Yorkshire (Mr. Knight). He asked for clarification of the definition of pollution in the Bill, and whether it would extend to non-fuel oil and oils that have formed a solid. Perhaps more importantly, he asked for confirmation that the Bill would not act retrospectively to prevent the usage of historical vessels in regattas. I am sure that the Minister will provide clarification in his winding-up speech.

I also want to return to the point made by my hon. Friend the Member for Canterbury (Mr. Brazier) in his opening remarks. What pressure might be applied to non-signatories of the supplementary fund protocol? While non-signatory country vessels might have insurance, they will not have enough insurance to deal with major spillages. We welcome the fact that the fund will pay out, but will the Minister explore what pressure might be exerted by the Government on non-signatories, who are nothing more than freeloaders, to sign up?

We have had an excellent debate. I did wonder whether my hon. Friend the Member for Scarborough and Whitby (Mr. Goodwill) started his speech injudiciously by saying that he got off on things like this. When I remembered that he was a Conservative, not a Liberal Democrat Member of Parliament, I knew that he would talk only about matters environmental and nothing more inappropriate. He brings his extensive experience in the European Parliament to the mother of Parliaments.

My hon. Friend raised some interesting questions. He referred to the high level of sulphur dioxide that is emitted from shipping in coastal areas around the UK, and welcomed the Government measures, as we do. He also referred to shipping in port, the need to fit seawater scrubbers, and the efficacy of those mechanisms. I trust that the Minister will have noted the distinction that he drew between the Pride of Kent and the Pride of Canterbury. Perhaps he will want to reflect on that when he replies to the debate. My hon. Friend also expressed his desire to see the renewal of the derogation for leisure craft. I know that he has written to the Minister about that, and the hon. Gentleman might wish to comment on that in his reply to the debate.

My hon. Friend the Member for Ilford, North (Mr. Scott) reminded us all of the potential threat to the UK coastline and of the need for coherent and co-ordinated international action against pollution to stop the damage to wildlife and local industry. He pointed out that despite many improvements in safety measures, one in 12 vessels inspected in the UK is unseaworthy, and most of them appear to be from non-signatories of the supplementary fund protocol. Again, he asked whether the Government should take some action in that respect or ban non-signatories from sovereign waters or ports. I look forward to the Minister's comment on that.

My hon. Friend the Member for Monmouth (David T.C. Davies), who is another of the excellent 2005 club additions to the Opposition Benches, made a contribution based on his considerable experience of the shipping industry. He pointed out that, over many years, several improvements have been secured under Governments of both hues. He stressed that that was not grounds for complacency, and spoke about the importance of safety measures on some vessels and the need for better training. He also stressed both that shipping was the green way of moving most goods and the environmental importance of that. To digress slightly, the Government have not addressed the issue of a northern rail link for freight through the midlands to Felixstowe. Such a link would continue the green trend, but freight continues to be moved by road rather than rail.

The debate has been short but excellent—it has been one of quality not quantity. I confirm that the Opposition support the Bill. We are prepared to do all that we can to ensure that it moves expeditiously through the House.

2.50 pm

Dr. Ladyman: I beg leave of the House to reply.

This has been an enjoyable debate. I am delighted, for the first time, to cross swords with some of the new Conservative Members, who made knowledgeable and authoritative speeches. Given that they all seem to be so knowledgeable and authoritative, I hope that none of them is available for consideration of the Bill in Committee, to guarantee that I have an easy time. I suspect that they have cooked their goose and they are on the list of Members who will be on the Committee, whether they like it or not.

Before I go into some of the detailed questions specifically, I should like to respond to the comment made by the hon. Member for Canterbury (Mr. Brazier) about the instruction that, rightly, Mr. Speaker has ruled out of order. Effectively, it would have allowed the Harbours Bill, a private Member's Bill that is currently being guided through the House by my hon. Friend the Member for Dover (Gwyn Prosser), to be included within the scope of the Bill. I believe that Mr. Speaker was right to rule that that would not have been an appropriate mechanism for inclusion. However, the Government offer full support to the Harbours Bill and we are keen to see it make progress. If there is any way that we can facilitate its progress by working with the Opposition, I will be keen to explore it.

Mr. Brazier: We are perplexed. Why could not the Government have made time for it today? We are to finish at around 3 o'clock.

Mr. Deputy Speaker (Sir Michael Lord): Order. We should stick to the winding-up speech on the Bill that is before the House.

Dr. Ladyman: I shall address some of the specific issues that were raised by various Members. I agree with the hon. Member for Monmouth (David T.C. Davies) about the training of ships' officers and the need for high international standards of training and competence. That important requirement bears directly on the threat to our coastline. We try to work within the International Maritime Organisation to raise the standards of shipping generally. Indeed, one of the things that we must do to raise standards and to reduce the threat of pollution to our coastline is to show leadership within that organisation. That goes back to the issue raised by the hon. Member for Canterbury and by other hon. Members. To prevent pollution, we are showing such leadership in a number of areas. For example, within the IMO, we have started to move forward on the introduction of e-navigation. We are trying to create an international standard whereby all ships on the high seas will work with electronic navigation systems to the same standard. Those systems will work together and allow ships to be recognised from the shore and to recognise one another while at sea, to avoid collisions and groundings. There is a great deal of support for that work within the IMO, and I hope that we can reach agreement on a standard for e-navigation.

We have also shown strong leadership within the IMO's flag state audit scheme under which a flag state agrees to have the quality of its fleet audited. I am proud to say that we were the first state to support the scheme and to commit the UK fleet to being audited. Also, we were the first state to promise that, once that audit is complete and we are ready to respond to it, we will make it public. That demonstrates our strong leadership in raising standards. A number of other states have responded to our lead by saying that not only will they have their fleets audited, but they will consider making the audits public. By adopting such a positive approach, we are doing what we can to raise international standards.

Mr. Brazier: The Minister has been generous in giving way. We welcome what he has just said, but he still has not addressed the issue of freeloaders in that context and that of the new protocol. What are we doing about Liberia, Panama and other such countries?

Dr. Ladyman: Short of invading them, all we can do is engage with them diplomatically. I encourage Opposition Members to be realistic about what I can and cannot do. All I can do is to engage with these countries, to speak to their Ministers and to raise these issues with them—and I do. We show leadership through the IMO and use international agreements to drag up standards generally. In the world of shipping, we cannot make unilateral decisions that put our industry at a commercial disadvantage to the rest of the world. The best way to progress is through international agreements, and that is what we are trying to reach. We will continue to do the best that we can to get those countries to engage.

We should not assume automatically that because those flag states are just that, flag states, they are not alive to some of the issues with which we are dealing. Some of them are considering closely the idea of being part of the audit scheme. We are helping them to make that decision. Other states, although they may be very small places, operate to high standards under their flags and work with other major nations to ensure that their flag fleet is properly inspected.

The hon. Member for Ilford, North (Mr. Scott) asked whether I would agree to a proposal under which we would deny entry into UK ports to vessels that are flagged in states that are not party to the supplementary fund protocol. I suppose that that echoes the issue raised by the hon. Member for Canterbury. I do not think that such action is necessary. It does not matter if a vessel is flagged in a state that is not party to the supplementary fund protocol because that vessel must have insurance to cover the shipowner's liability. That is a requirement for entry into a UK port. In addition, we benefit from membership of the protocol because we are the ones who will get the money from it should that be necessary.

I was asked by the hon. Member for Scarborough and Whitby (Mr. Goodwill) whether we were considering other issues such as ships at berth using mains electricity or cold ironing, as it is known. I have not received any representations on that, but it is being considered by the UK and other states in the context of sustainable shipping. I will continue to keep an eye on it.

During the debate, my hon. Friend the Member for Glenrothes (Mr. MacDougall) asked about estuarine damage to the Firth of Forth, and other hon. Members asked about the possibility of compensation should there be damage to estuaries. I replied that I was confident that the various funds available would cover us. I can now confirm that that is the case. Money can be paid from the supplementary fund if the damage is caused as a result of a sea-going vessel being involved in an incident.

The hon. Member for Carshalton and Wallington (Tom Brake) asked about the total size of the fund and why we have negotiated a pot that is less than the damage from the Prestige is estimated to cost. That is an unfortunate side effect of the fact that it takes so long to agree such an international convention. When we set out to get states to be a party to the convention, the US$1 billion mark was far more than we thought would be necessary. Subsequently we found that even that was too little, but that is the sum available. After we get all the parties signed up, we need to address that issue.

I do not want to mislead the hon. Gentleman. He noted in his comments that the level of funding seems to have changed by a few million pounds since the debate in the other place. *[Interruption.]* That, as the hon. Member for Canterbury says from a sedentary position, is down to exchange rates. The amount of money available in the supplementary fund is intended to be 750 million of a unit used by the International Monetary Fund to reflect the average value of currencies across the world. It more or less works out to US$1 billion, but according to how the various currencies move, from time to time it will be 600 million, 602 million or 612 million. The figures that I quoted in my speech are based on the level of the exchange rates on 1 January this year, which are the latest figures available.

I was asked by the hon. Member for Canterbury about the EC directive that criminalises seafarers for accidental pollution. I share his concerns about that.

We are wofking with EU colleagues on how that should be addressed. He also asked what we are doing to expand the UK shipping industry. He rightly gave credit to the Government for the increase in the size of the British fleet as a result of the tonnage tax. I remind him that the training commitment that comes with the tonnage tax means that in 2005 and 2006 there are 1,300 UK trainees in cadet ships, so there are many benefits from the tax. I will shortly make an announcement about how I intend to move forward on issues related to the tax to continue to encourage the UK fleet to expand.

The right hon. Member for East Yorkshire (Mr. Knight) asked me about historic vessels. I am not sure that I will be able to convince him 100 per cent. today, but I undertake to look into the matter further for him. There is no specific exemption for historic vessels, but our view is that they will probably not be affected by the MARPOL convention because they do not use the sort of fuels and engines that generate such pollutants. However, I expect the right hon. Gentleman is not entirely satisfied with that answer, so I shall write to him or, if he serves on the Standing Committee, we can discuss it there.

A number of other issues were raised with me by various Members. The hon. Members for Kettering (Mr. Hollobone) and for Canterbury spoke about other measures we might take to reduce the threat of pollution. The hon. Member for Kettering asked me why we did not include in the Bill measures to replace single hull vessels with double skin vessels. We do not need to do so because the Merchant Shipping (Prevention of Oil Pollution) (Amendment) Regulations 2005 already implement that change. The IMO is engaged on various measures to improve standards, including the issue of ballast water. A ballast water convention was agreed at the IMO in 2004.

Mr. Greg Knight: I hope the Minister will pursue the matter of historic vessels and if necessary raise it in the appropriate international meeting. I am sure that other nations would not want to affect them unintentionally. Will he please answer my second question about the scope of the definition of a polluting oil?

Dr. Ladyman: Yes, I can answer that. The Bill deals only with hydrocarbon-based fuel oils, so olive oil would not be included in the measure. However, negotiations are taking place on that type of cargo to put in place measures to deal with it. I can clarify that further for the right hon. Gentleman in writing. I assure him that I will look into the historic vessels issue. Clearly, it is more complicated than I suggested it might be in my opening speech. If historic vessels are not affected, fine, but it might be difficult to negotiate an exemption for historic vessels without creating a loophole that would allow other ships to sail through it.

Several hon. Members mentioned the experiment that P&O is conducting on vessels sailing out of Dover, which is an excellent initiative. However, if the company did not retrospectively have to address the regulations, would it be doing that? It is important that we do not rule out retrospection. We need to find a way that will allow historic vessels to sail when necessary without creating a loophole. I will write to the right hon. Gentleman about this.

The provisions of the Bill relating to oil pollution compensation will greatly improve the protection that we can give to those who suffer the consequences of tanker disasters. The experience of dealing with the effects of tanker incidents on our shores has ensured that the UK is an attentive and active participant at meetings of the International Maritime Organisation and the International Oil Pollution Compensation Fund. Through the work conducted by its technical committees, the IMO provides the framework of international standards that apply globally to maritime activities.

Working collaboratively with our maritime industry partners, we will continue to create the conditions needed to provide, in the words of Lord Donaldson, safer ships and cleaner seas. Our goal should be to encourage the highest technical and human standards in the transport of oil by sea, so as to prevent shipping incidents from happening in the first place, and to prevent the operation of substandard shipping. Whatever mechanisms are put in place, and no matter how safe modern ships and navigation systems have become, we must accept that the sea can be an unpredictable and dangerous environment, and that, by force of nature, accidents will occur from time to time, some regrettably affecting our seas and coastlines. When they do so, we must ensure that the communities, businesses and those engaged in clean-up operations are not subjected to needless difficulties when recovering their legitimate costs. The Government are determined to ensure that we provide our citizens and our coastal environment with the best legal and financial protection available.

It is also important that the UK implement annexe VI of the MARPOL convention, which the UK played a key role in negotiating at the IMO. Major oil spills are a rare occurrence, but atmospheric emissions from ships are constant. The new international standards and requirements are important because they will help to reduce air pollution from ships trading worldwide.

The UK coast is interspersed with both large and small ports. The large ports are mainly concerned with international trading ships such as container ships, tankers, bulk carriers and cruise ships. The smaller ports deal with passenger and cargo ferries and fishing vessels, and are predominantly used by domestic trading ships, although some have international trade routes to the continent. This results in many ship movements every day. Clearly, if those ships were required to make fewer polluting exhaust emissions through the use of cleaner fuels or improved technology, the air quality around UK sea ports, and hence around the UK coastline, would be improved.

For those reasons, the measures in the Bill relating to the MARPOL convention are essential. There is a vital need to provide proper compensation to our citizens in the event of oil pollution and to ensure that we are adequately covered in that regard. I look forward to engaging with hon. Members on these matters in Committee, and to working together to get the Bill on to the statute book so that our citizens can be protected as quickly as possible. I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

MERCHANT SHIPPING (POLLUTION) BILL [*LORDS*]

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6) (Programme motions),

That the following provisions shall apply to the Merchant Shipping (Pollution) Bill [*Lords*]:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 9th February 2006.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Tony Cunningham.]*

Question agreed to.

MERCHANT SHIPPING (POLLUTION) BILL [*LORDS*] [*MONEY*]

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Merchant Shipping (Pollution) Bill [*Lords*], it is expedient to authorise the payment out of money provided by Parliament of any expenditure incurred by a Minister of the Crown by virtue of the Act.—*[Tony Cunningham.]*

Question agreed to.

MERCHANT SHIPPING (POLLUTION) BILL [*LORDS*] [*WAYS AND MEANS*]

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Merchant Shipping (Pollution) Bill [*Lords*], it is expedient to authorise the making of provision under the Act requiring the payment of contributions to an international compensation fund.—*[Tony Cunningham.]*

Question agreed to.

PETITIONS

Children's Hospices

3.9 pm

Bob Spink (Castle Point) (Con): It is with a mixture of joy and humility that I rise to present this petition calling for much-needed improvement in the funding of children's hospices. The people of the United Kingdom are deeply concerned that the hospices caring for the country's sickest children get, on average, just 5 per cent., with some getting only a miserly 2 per cent., of their budget from the authorities while adult hospices get about 30 per cent. Even that is extremely low.

I have campaigned for 15 years for fair funding for children's hospices, with the support of Members of Parliament on both sides of the House. I pay tribute in particular to the hon. Member for Stoke-on-Trent, South (Mr. Flello), who is doing great work on this, along with others.

I hope that we are, at last, on track to success, greatly helped by the massive and timely hospice petition organised by *The Sun* and its online reporter, Dave Masters. It has been signed by more than 220,000 caring and thoughtful people. Presenting such a massive petition to the House would give me great difficulty, so we shall shortly present it in bulk at No. 10 Downing street to the Prime Minister, direct. Meanwhile, I present this proxy petition. It represents that of *The Sun* newspaper, which teamed up with Somerfield and Kwik Save supermarkets to collect the signatures. I pay tribute to those three excellent organisations and all petitioners.

The petition states:

To the House of Commons,

The Petition of residents of Essex and others,

Declares that there is a scandalous lack of proper funding for children's hospices which care for the most poorly kids, which means many are forced to rely on charitable and public donations.

The Petitioners therefore request that the House of Commons call upon the Government to drastically improve funding for children's hospices and further urge the Government to do all within its power to ensure that children's hospices are, at the very least, funded at the thirty per cent. level awarded to adult hospices.

And the Petitioners remain, etc.

To lie upon the Table.

Essex Police Force (Mergers)

3.11 pm

Bob Spink: I have a second petition to present, although I shall be briefer this time as I have presented another petition in similar terms. The petition rails against the merger of police forces and relates in particular to Essex police force.

The petition states:

To the House of Commons,

The Petition of residents of Essex,

Declares that they wish to support option four of a stand alone strategic police force for Essex and they object to Government plans to merge police forces which would lead to unacceptable centralisation with the possibility of political control and higher costs, and with less local control and accountability of the police; and they welcome the cross-Party actions of Essex MPs to save Essex Police Force.

The Petitioners therefore request the House of Commons to call upon the Government to withdraw its dangerous and politically motivated policy of merging police forces and retain Essex Police Force in its current format.

The Petitioners remain, etc.

To lie upon the Table.

Fire Service (Northumberland)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Coaker.]*

3.12 pm

Mr. Ronnie Campbell (Blyth Valley) (Lab): I never thought that I would be staring at four hours of debate on fire services in south-east Northumberland. This is obviously a narrow subject, but I am sure that some Members will try to get in to speak in any case.

I have raised this issue before on the Floor of the House, in a debate on the fire and rescue service initiated by the Opposition. The question involves south-east Northumberland and the loss of four fire stations. I have a picture of them here, and some are fairly new. The one in Cramlington was built only nine years ago, while the one in Blyth was built just as I was elected, nearly 18 years ago. I remember it well. The other two are a bit older—25 and, I think, 26 years old.

These fire stations are in the townships of Morpeth, which has a population of 20,000; Ashington, which has a population of 30-odd thousand; Blyth, which has a population of 30,000; and Cramlington, which has a population of about 25,000. The Bain report on fire services says that the fire stations should remain at the crux of the townships, but in south-east Northumberland we have a chief fire officer who wants to change that all around. He wants to close these stations. I believe that he wants to demolish two of them, most probably to sell off the sites for housing. That will rake a bit of money in, I suppose.

The chief officer wants to build two new super-fire stations, as they are called, but at what cost? Who knows? It will be a private finance initiative project. The PFI does not affect anyone now, but it will affect a good many people in the future. Obviously someone will build the fire stations—most probably a firm called Jarvis, which I believe is building fire stations elsewhere. We do not know what the costs or the rents will be. The existing four fire stations are perfectly adequate. Even the Fire Brigades Union says that it is quite satisfied with their condition. Indeed, money has just been spent on them: I believe that about £70,000 was spent on new showers and lockers in two of them for the female fire brigade staff who are coming on board.

There is a lot of money at stake. We talk of value for money, but where is the value here? There are four perfectly good fire stations in the townships, with staff doing their job. They can go anywhere. They can deal with road accidents and fires. I shall say more about that later. Yet the council is taking the PFI route. I do not know how much it costs to build a fire station, or a super-fire station, as the new stations are called, but I know one thing: not one of the proposed new stations is to be built in any of the four townships in south-east Northumberland. They will all be on the outskirts. The one in my area will be on an industrial estate in East Hartford.

Why is this happening? I do not know, but I have tried to find out. It seems to be the brainchild of the chief officer, but I have talked to county councillors who will have to pass the proposal, and they seem to think it is a good idea. However, in Blyth, Ashington and other areas a petition has been circulating for several months, signed by some 25,000 people who do not want their local fire station to close. That is a large number of signatures—I may even present the petition here—but as the decision has not been made yet, I hope that the petition is gathering pace. There may eventually be 27,000 or 28,000 signatures.

The county council organised a survey. It sent a questionnaire to every house to ask for people's opinions. When the response arrived, lo and behold, it was against the council. Most people said that they wanted the fire stations to remain in the townships. The council got cracking: it moved one of the PFI fire stations and then launched another consultation. I think that it hoped it would receive the response that it wanted on this occasion. It is the same with referendums: those who keep organising referendums will win eventually. I think that that is what the county council is trying to do.

Members can imagine what my meeting with the county councillors was like. They appeared to favour the proposal, whereas I totally oppose it, as do other people whom I meet and talk to regularly in my town. I had the strong impression that the councillors were telling me, "We are not to blame. The Government are telling us to get rid of the existing fire stations, to go down the PFI road and to build these smart, brand-new stations." I asked "Has the Minister been on the phone to you? Has he talked to you about the plan?" They said "Not really, but we have been told to use resources more lucratively." That means closing the four fire stations and building two new ones through the PFI.

Northumberland county council has had to raise its council tax enormously over the past few years. It has not yet proved that the PFI route will save money, although I have asked the question. I should like to see proof. It has had those fire stations for years. I do not whether any of them are paid off. As I said, the Fire Brigades Union is satisfied with the facilities, so why go down the road of the PFI and cause more disruption in raising council tax in Northumberland? The Chancellor may want to look at that. He has gone mad to save money. He has to save it. He is looking at an empty box at the minute, so it would be interesting to know whether that was costed by the Minister. He may be able to tell me whether it has been costed and whether it is cheaper to demolish some pretty new fire stations and build two new PFI stations.

I come to where the fire stations are situated. A tragedy happened a few weeks ago in Blyth town centre, not far from where I live. We have a lot of terraced houses in Blyth. One caught fire. Three people were in the fire. At the time, the two fire appliances at Blyth were on another call at a fire at a factory, so the fire appliance from Cramlington had to come down and cover for Blyth. That was well planned. The bell went. The message was sent that there was a big fire in a house in the centre of Blyth. The Cramlington appliance, which was situated at Blyth station, was there within three minutes.

Firemen pulled three people from the top part of the smoke-filled house. They brought them out. One was unconscious, another was semi-conscious. Unfortunately, the other, an older man, died on the way to hospital of a heart attack. Under fire brigade and Government

[Mr. Ronnie Campbell]

statistics, he is not a casualty because you have to be burnt to death, or in hospital more than 24 hours, to be classed as a casualty.

Mr. Denis Murphy (Wansbeck) (Lab): My hon. Friend gave an excellent example of how it is vital to have fire stations close to the centres of population. Does he agree that that was no ordinary house? It was a series of flats that had recently been inspected. It had fire doors and hard-wired smoke alarms. Everything that could have been fitted was fitted. The firemen who attended the fire said that, if they had arrived two minutes later, there would have been three fatalities. Does he agree that it is important to retain fire stations close to the centres of population?

Mr. Campbell: I thank my hon. Friend for that intervention. Obviously he, too, has been briefed by firemen in my area, as I was going to come to that point. There was all that fire apparatus in that house. I thank him for making that point for me. There could have been more deaths. That is the sad fact.

We have the figure that 80 per cent. of people who are in fires are dead before the appliance gets there. That magic figures has come from somewhere. Whether it has come from the Minister, I do not know, but 80 per cent. are dead before the appliance gets there. What about the other 20 per cent?

What are people saying? Are they writing 20 per cent. off? That is basically what they are saying. The Minister should take a cool look at the idea that we are getting into our head: people are dead, so why bother? Why bother about house fires? We are more interested in someone stuck on the motorway or jammed in a car following a car accident than we are in fires. I know that fires have decreased and we should do a lot more but, as my hon. Friend said, that house had been inspected and had all the gear: fire alarms, smoke alarms and everything were fitted. It still did not stop that fire or those people being trapped in it.

Another fire occurred a week later, just up the road from the first, on an estate called North Farm. A lady was trapped in her house, but because the fire station is at the bottom of the road, a fire engine was there in less than a minute. She was unconscious and had to be taken to hospital to be revived. Fires remain a danger, yet fire appliances are being taken away from the townships where they are needed—appliances that were put there to deal with such fires. Of course, if the Minister intends to stick to the principle behind the 80 per cent. figure, we will be writing off the other 20 per cent. If the fire engine that dealt with the fires in Bondicar terrace and North Farm had had to come from the posh new PFI fire station, it would have taken eight to nine minutes to get there.

That is the situation in a nutshell: people will die. This is a matter of life and death, yet Northumberland county council is running headlong into this issue. The fire chief says that the engines will get to the fires, but they will have to use rocket fuel. These days, getting through Blyth is very difficult. The roads are clogged—in fact, it is pandemonium. There are only two entrances into Blyth and at certain times of day, it is impossible to get through. That is a big worry. If the rail link that we have been arguing for for many years is established, problems will arise when the train barriers come down on the two roads.

We can do something to deal with these problems—there can be a plan. We can retain the existing four fire stations in the townships, which is what the people want. Of course, we can never be sure whether new Labour will go along with the people. It sometimes ignores them, but it does so at its peril. I am not ignoring my people—I am listening to them very carefully. A lot of council tax payers' money has been spent on modernising the four existing stations, which are in good shape. We could build a new station at the big training facility, and we could get PFI funding. As the fire union said to me, Blyth could transfer one of its appliances to the new fire station. We have two appliances but we only really need one—Cramlington could cover us and we could cover them. So far as I am concerned, the new station can be located anywhere in south-east Northumberland, and it can have the desired modern facilities. But we could also retain our existing township stations, which are important to the people who live in the area.

I realise that the Minister cannot tell the county council what to do—no one can—but I ask him to examine the feasibility of retaining the four existing fire stations alongside the big, PFI-financed station. I should also point out that a local business man is prepared to provide financial backing for the new fire station. That might be worth exploring, because after all, that is all PFI is: someone lending money to help build something. Of course, it is then their project, and they can do what they like with it. This man, whom I know very well—he lives in Blyth, so he must have a lot of money—is prepared to back the scheme. I hope that the Minister will consider that idea, because it is no good talking to the fire chief. His head is buried in the sand: he wants two super-fire stations, by hook or by crook. He is making a bad mistake. This is a matter of life and death for the people of Blyth Valley.

3.30 pm

Mr. Denis Murphy (Wansbeck) (Lab): I congratulate my hon. Friend the Member for Blyth Valley (Mr. Campbell) on securing this debate. When Northumberland's fire chief, Mr. Hesler, first proposed the changes to the fire and rescue cover, his department had spent about two years working up the proposals. All aspects of the current service were examined in great detail to ensure that, as he said,

"the people of Northumberland would have the very best fire and rescue cover coupled with a massive drive on fire prevention."

To that end, the proposals contained details of two new-build fire stations combining an academy and community facilities. The stations would be situated where they would provide the quickest response to the most vulnerable parts of Wansbeck and Blyth Valley. The fire chief said that the locations were crucial to providing good cover for the whole of south-east Northumberland.

I met Mr. Hesler and he took me through the project's details. He assured me that his was the very best possible model for delivering a much improved service. I was disappointed that he and his management team had not worked closely with firefighters in drawing up the new

structure. In fact, from discussions that I had with firefighters, it became obvious that I had more information than the Fire Brigades Union. I was surprised that an organisation undergoing such a major restructuring did not feel it worth while to involve in their discussions the very people who are responsible for delivering the service.

During the public consultation process, a problem arose in obtaining planning permission for the new fire station at East Sleekburn, as it was to be located in the centre of the village. The planning authority offered two other sites: the first to the west of the spine road on Brock lane and the second to the east of the spine road by the East Sleekburn bypass—in effect, just across the road from the original site. Both sites would have offered a much larger and more open space for the new community fire station. More importantly, they were in line with the original model.

For reasons that my hon. Friend the Member for Blyth Valley alluded to but which have never been clear, the fire authority rejected the offered sites and proposed instead to relocate the new station to West Hartford, five miles away. It had taken two years to complete the model for public consumption. It was the best available, but within 48 hours it had been changed dramatically.

If the latest proposals are accepted, the people that my hon. Friend the Member for Blyth Valley and I represent will be subjected to much greater fire-response times. I understand that the brigade's target is to get two pumps to a domestic house fire within 10 minutes. The available statistics make it easy to work out the highest-risk areas, and to make plans about where to target fire prevention and where fire stations should be sited to ensure the quickest response. I am informed that the new structure will cost more than £10 million. That money would be well spent if it improved fire cover and fire prevention. However, serious questions are being asked about the proposals.

Comparing the blue-light response times in the current and the new proposals shows that, taking geographical information into account, the run times from East Sleekburn would be better than the existing times in three out of four cases. However, the proposed change of location to West Hartford would lead to slower response times. For example, it would take more than six minutes longer to travel from West Hartford to Asda Ashington. Starker differences in response times are evident if we compare the East Sleekburn and West Hartford proposals. For example, the response time for the journey between West Hartford and Cambois is slower by almost five minutes. The average run time from West Hartford to Ashington is more than 10 minutes, so the implications for the journey to Newbiggin cause great concern.

It is acknowledged that the initial response for Wansbeck will come from the nearest fire station, but problems will arise when only one appliance is available, and the second appliance has to be despatched from the alternative station. A much greater proportion of Wansbeck and other areas would be at risk if the new fire station were located at West Hartford. The area north of Stakeford and south of Bedlington would be at increased risk if a second appliance had to be despatched from the other station.

Additionally, there are discrepancies between the table of run times and the geographical information supplied by the fire service. A run time from West Hartford to Woodhorn roundabout is shown as 8.2 minutes. However, the 10-minute run time boundary for West Hartford stops just north of Stakeford, which is some five miles away. Similarly, the average run time from the existing station at Ashington to Woodhorn is 5 minutes and 51 seconds, but the run time from the new station at Pegswood, which is a mile further away, is given as 5 minutes and 44 seconds.

The area to be covered by the new fire stations will be much larger and the fire crews could be anywhere in that area at any given time. It is essential, therefore, to have times from one side of the area to the other, using real addresses. A timed run is exactly that. The chief fire officer has not included the time from when a 999 call is answered to the pumps being deployed and the time it takes the fire crew to arrive at the address of the incident. In a real situation, it would obviously take longer than the quoted response times.

As my hon. Friend said, we currently have four stations covering both constituencies, providing excellent response times. For a fraction of the cost of the new structure, the existing facilities could be improved to provide a training academy and community facilities. The headquarters at Morpeth were recently refurbished at substantial cost to provide modern accommodation. There was extensive rewiring for the provision of IT facilities, and new carpets and redecoration, providing first class office accommodation. The fire station at Morpeth is also in good order and includes facilities for female staff.

The Ashington station has also received substantial investment to provide new female facilities. It has also been rewired. The Blyth station is less than 20 years old and has recently had an £80,000 extension to provide female facilities. The station is in very good order and situated in the heart of Blyth. The Cramlington station is only nine years old and understandably is state of the art. When the land was provided for the station, there was a covenant demanding its restoration to wetland in the event of the building becoming redundant. This station is not part of the new proposals, and it would be a huge waste of public money for the new facility to be demolished. It would be possible to site the academy and the garage at any existing site in south-east Northumberland, enabling the CCBRN—conventional, chemical, biological, radiological and nuclear—unit to be situated along with one pump, enabling two crews to be available for community safety.

I am confident that with a small investment we could improve the existing excellent facilities, providing a new academy with first class community facilities, which would give the response times that would protect the public and roll out the fire prevention programme. I urge my hon. Friend the Minister to question closely the new proposals from the chief fire officer as they leave important and dangerous gaps in fire cover for south-east Northumberland.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. I remind hon. Members that although on this occasion we have more than the usual time for an Adjournment debate, this subject has a narrow geographic focus.

3.38 pm

Mr. Peter Atkinson (Hexham) (Con): I shall take the chance that I can stay in order in this debate on the perhaps slightly tenuous ground that I represent a constituency in another part of Northumberland. However, fire appliances from Morpeth have been called to the eastern side of my constituency, so I have a peripheral interest that I hope will keep me in order.

I congratulate my hon. Friend the Member for Blyth Valley (Mr. Campbell)—I call him my hon. Friend because he used to be my pair in the days when we had such things—on introducing a debate on this issue of wide public concern in the county of Northumberland. I also echo the point that the hon. Member for Wansbeck (Mr. Murphy) made about that public concern. If changes are to be made to the fire service, it is essential that the public are carried along with them, but that has clearly not happened. Many people in south-east Northumberland are worried about the proposals, as are my constituents who might be affected.

Interestingly, a few years ago, the fire station in Hexham—it is not in south-east Northumberland, but is part of the Northumberland fire and rescue service—was reorganised. It was changed from a 24-hour manned station to a daytime-only manned station. The point was made that it was important that the fire station should remain in the centre of Hexham, which, despite the changes, was precisely where it went. As there was a problem serving one part of the town, a secondary unmanned fire station was built to allow a pump to be maintained there so that time constraints could be met. That station has closed for various reasons, but a few years ago the fire service was absolutely certain that it needed a fire station in the town centre.

I would like to make only one other point. The hon. Member for Blyth Valley said that he could not understand why the change was needed and the money had to be spent. I do not know whether the Minister can answer that good question, but I will be interested to hear his remarks. I suspect that there is a different agenda. It is in the back of people's minds that the fire service might be regionalised.

Mr. Ronnie Campbell: I missed that point, but the hon. Gentleman is right. There is a question of regionalisation and, at the end of the day, a question of privatisation.

Mr. Atkinson: I am not sure that I would go quite as far as that, so I will stick to regionalisation at the moment. Every other emergency service has gone that way. Even now it is proposed that Northumbria police will become even bigger through its amalgamation with the police forces of Durham and Cleveland. I cannot believe that the regionalisation agenda will not be extended to include the fire service in time. People have long said that there is no logic in having an independent fire service in Northumberland and that it should certainly amalgamate with Tyne and Wear—who knows what would happen from then on?

A person who was thinking of going for a regional service might find that the proposals and the places in which the new fire stations may be built would make absolute sense, because a much wider area would be covered that than covered by the existing four stations. I suspect that the regionalisation of our Northumberland fire services will occur, which I would oppose because I think that local services are best dealt with locally. If the Northumberland fire and rescue service needs extra equipment or specialist pieces of equipment, it has a long-standing arrangement to use the Tyne and Wear fire and rescue service's equipment. The arrangement works extremely well, and I would hate regionalisation to be extended to our fire services.

3.42 pm

John McDonnell (Hayes and Harlington) (Lab): I congratulate my hon. Friend the Member for Blyth Valley (Mr. Campbell) on securing the debate. I also congratulate him and my hon. Friend the Member for Wansbeck (Mr. Murphy) on their excellent speeches. I declare a registrable interest as the secretary of the Fire Brigades Union parliamentary group, in which capacity I wish to speak.

The decision in Northumberland has national significance. It was based on the new approach introduced by the Government, which moved away from national minimum standards towards a system of integrated risk management planning. That has enabled the fire authority and fire chief to reach a decision that has not been supported by local Members, the local population, or the FBU.

As my hon. Friend the Member for Wansbeck said, there has been hardly any consultation with the union. I am as sceptical as my hon. Friend the Member for Blyth Valley about the consultation with the general public. I have decided to speak in the debate because this is the test case for the new system to determine whether the Minister has the power to intervene so that he can at least undertake a reconsideration of decisions that have been taken to date, if not override the local decisions, which we believe may be wrong. It is quite clear from the evidence presented by my hon. Friends that serious risks could be caused by the decision to invest significantly in establishing stations that might well be white elephants and certainly will not perform effectively and with public support in the same way as the existing stations.

In the comprehensive assessments on fire authorities, Northumberland has come out not as "good" or "excellent", but simply as "fair". One key element in that document is the importance of communicating with the general public and consulting on such matters. In my view, Northumberland has not been assessed as "excellent" or "good" because it has fallen down badly in terms not only of its relationship with the union and its members, but of its communication with the general public.

The specific case, in a narrowly drawn debate, throws up a national issue. Has the Minister the powers to intervene now that we no longer have minimum standards? What is the role of the Government when a decision is made which we believe is not only inappropriate but possibly dangerous? What powers are still available to him and how will he exercise them? More importantly, will he bring to the House a report on how he will intervene? If he cannot intervene, can we consider the system again, re-examine the integrated risk-management plans and go back to the establishment of minimum standards, which served the country well and ensured the safety of the general public?

I would also welcome the Minister's comments on the fire authority's lack of consultation with the trade union and the general public, and how he will address those matters, if only to issue guidance to the authority to improve its performance.

3.46 pm

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): My hon. Friend the Member for Blyth Valley (Mr. Campbell) has raised this subject with me in the Lobby for some weeks, so I am pleased that he has been successful in securing time to raise it on the Floor of the House.

Mr. Ronnie Campbell: I did not call the Minister a murderer this time.

Jim Fitzpatrick: My hon. Friend puts that on the record before I have had a chance to do other than congratulate him on securing the debate.

We heard interesting contributions on the fire and rescue service in south-east Northumberland. Its overriding objective is to save lives. That has not changed since I was a firefighter and a Fire Brigades Union official. The Government have set out ambitious targets to drive down accidental fire deaths.

Mr. Peter Bone (Wellingborough) (Con): The Minister mentions targets. Is not it true that the Government abolished minimum response times?

Jim Fitzpatrick: The hon. Gentleman is correct and my hon. Friend the Member for Hayes and Harlington (John McDonnell) referred to that. As a result of the Fire and Rescue Services Act 2004, we have delegated responsibility for integrated risk-management planning, the determination of the siting of fire stations, the deployment of fire appliances, and the employment of crews and equipment to local chief fire officers and to fire and rescue authorities locally. There are no set national prescribed attendance times in the sense of those outlined in the Fire Services Act 1947. However, we have established public service agreement targets, the first of which is to reduce the number of accidental fire-related deaths in the home by 20 per cent. and to achieve a 10 per cent. reduction in deliberate fires by 31 March 2010.

John McDonnell: My hon. Friend the Member for Blyth Valley raised the contentious issue of the use of a PFI scheme to develop the new facilities. Has the decision making on the mechanism for use of the PFI or mainstream funding also been delegated to individual fire authorities, or is that determined by the Treasury and Government policy?

Jim Fitzpatrick: The Treasury and Government policy facilitate the use of the PFI as a mechanism for procuring and constructing assets. It is a matter for local authorities how they use the resources that are devolved to them. This is the second time that my hon. Friend and I have debated fire issues. Having started in Committee Room 10 at 9.30 this morning, I am pleased to see him back in his place and continuing to demonstrate his interest as secretary of the Fire Brigades Union parliamentary group.

We also have a floor target: by 2010, no local fire and rescue authority should have a fatality rate from accidental fires in the home higher than 1.25 times the national average. We have set performance targets for the level of protection that the public should anticipate receiving from their local fire and rescue service, but through the local consultative programme we have greatly devolved and delegated responsibility for how that is accomplished to the authorities and the chief fire officers.

The Government have put in place the framework to achieve those targets, and we believe that it is working. Our latest figures show that there was a 16 per cent. fall in the number of accidental dwelling fires between 2003–04 and 2004–05, a major achievement for the service that we must now make sure is sustained. We have put in place the framework to make the achievement of our PSA targets possible.

The 2004 Act has put prevention at the heart of the Government's agenda for improving the fire and rescue service by creating a new duty to promote fire safety. As we were discussing this morning in Committee Room 10, that is unfinished business going back to the '60s and the '70s. A number of major inquiries, including a royal commission, have said that the fire and rescue service was providing an excellent emergency response but ought to be addressing fire prevention much more in its culture. It was not until the introduction of the 2004 Act that we had the drive to accomplish that, notwithstanding the good fire prevention work that the service has been providing over recent decades. This is taking that work on to a completely different plane. It is a vital part of the work of the fire and rescue service. It is only through fire prevention that we can ensure that the risk to property and to lives is reduced.

Northumberland fire and rescue authority introduced a focus on community safety education and prevention in 2001, and it is now reaping the benefits of that approach. It achieved zero fire deaths in the home in 2004–05 and a 30 per cent. reduction in the number of deliberate fires in 2003–04, a record of which it can be proud and which it attributes to adopting a preventive approach to its work.

Mr. Campbell: I hear what my hon. Friend is saying, but in the case of the Bondicar fire in Blyth, the fire safety gear was all in place, yet a fire still occurred and the house was gutted. It is nice to have these smoke alarms and safety doors, but they are not the end of the matter—fires do happen.

Jim Fitzpatrick: My hon. Friend makes the key point that fires will happen—notwithstanding the best efforts of the fire and rescue service and of householders, accidents will occur. The Government have been trying, supported by Members on both sides of the House, to decide how best to deploy the resources of the fire and rescue service to deal with fires when they occur and now also to determine how best to prevent fires in the first place. Rather than setting prescriptive dictates in Whitehall, we delegated responsibility for that to local fire and rescue authorities because, as they know the area best, they are best placed to be able to determine the needs of local populations and the risks confronting them.

[Jim Fitzpatrick]

The tragic incident in Blyth last month to which my hon. Friend referred demonstrates the importance of working on fire prevention issues. As he said, despite the first fire crew reaching the scene in three minutes, one life could still not be saved. I argue that only preventive measures might have helped in that situation. He quoted the estimate that 80 per cent. of fire deaths occur before the 999 call is made. I had not heard 80 per cent.; I have heard 50 per cent. It is certainly accepted that a considerable number of people who die in fires do so before the call is made.

Mr. Campbell: That figure of 80 per cent. came from the fire chief himself. Is that the correct figure, or is it what my hon. Friend said?

Jim Fitzpatrick: I was trying to explain that I had not heard the figure of 80 per cent., but that I had heard the figure of 50 per cent. I cannot definitively say from the Dispatch Box what the figure is, but I can say that it is estimated to be substantial. Even if a fire station is next door, the prospects may be that some people will still die. The questions are how to deploy and balance resources, how to ensure that we have the most effective preventive arm to stop fires happening in the first place and how best to protect the most vulnerable in the community. As all hon. Members know, the majority of people who die in fires are the elderly, the sick, those with substance or alcohol abuse problems, people with disabilities or the poor who live in houses with bad or no insulation, no central heating and no double glazing.

That is one reason why the Office of the Deputy Prime Minister has embarked on its ambitious £25 million programme to carry out home fire safety checks in the 1.25 million most vulnerable homes in the country and to install smoke detectors as the best initial way to protect people by alerting them to the fact that there is a fire in their dwelling and enabling them to escape. We have already carried out almost a third of a million visits and more than 300,000 smoke detectors have been installed particularly in the premises of the elderly and the most vulnerable people in our communities. We believe that that is an important way of demonstrating that fire prevention can work and protect the most vulnerable.

We are also introducing suppression systems in homes where a smoke detector would not be of use. There is no point in introducing a smoke detector in the home of someone with disabilities and mobility problems, because it would wake them up just to tell them that there were about to suffer a major fire. Sprinkler and suppression systems provide additional protection in those circumstances. They are also being introduced across the country.

I was referring to the tragic situation in Blyth. As my hon. Friend said, it was a recent event and, at this time, there is still work to be done to ascertain the facts. A formal investigation will find out exactly what happened and the facts will be given to the coroner at the inquest. I am sure that we will all be interested to discover whether there are any lessons to be learned.

The national framework emphasises that, to make a difference, the service needs to move towards a culture of effective prevention and community fire safety work alongside its already excellent 999 response. That is exactly what is happening. My hon. Friend the Member for Hayes and Harlington mentioned the move away from prescriptive national standards to locally determined integrated risk. It is not the role of Ministers to agree the operational proposals in an authority's plan. That is for elected members of the fire authority concerned. They are best placed to act on the professional advice of principal officers and to balance the competing local demands on available resources for the benefit of the whole community that they serve.

I understand, however, that Northumberland has based its proposals on carefully gathered and validated risk assessment data, using the fire safety emergency cover toolkit provided by the ODPM. It has consulted the local community fully on all proposals contained therein and I will come back to the consultative aspects towards the end of my speech.

Mr. Denis Murphy: To be fair, that would be true of the very first set of proposals. Two years were spent working them up, but the point that I and my hon. Friend the Member for Blyth Valley (Mr. Campbell) have made is that the proposals were changed within 48 hours. All the data were pushed aside and a site five miles away from the original one was then chosen. The Minister needs to address that point with the chief fire officer to see why that happened.

Jim Fitzpatrick: I made a note of the comments that my hon. Friend made and will come to something of an explanation later. However, I also undertake to seek more information than I have at present to respond to that point. I am confident that the chief fire officer and the elected members of Northumberland county council have at heart the interests of the community, just as have my hon. Friends. I do not in any way, shape or form underestimate the integrity or seriousness of everybody involved in the issue.

The officers and elected members have at the heart of their work the best interests of their community. The chief fire officer and the fire and rescue authority are in the best position to decide where the resources of the fire and rescue authority should be deployed, using the robust data that they have available. I am sure that the fire and rescue authority would be willing to take my hon. Friends through the evidence on which its decisions are based, notwithstanding that, as they described, the position has changed since the original explanation. As I will mention later, there is still time for further discussion.

Fire and rescue services have, in general, responded well to the challenge presented by the introduction of IRMPs. They have achieved much in a short time. The introduction has given senior fire and rescue service managers flexibility to make decisions about fire cover based on existing and potential risks to their communities, within a strategic framework set by locally elected members. They have long sought that freedom and are starting to make the most of it. Fire and rescue authorities are shifting the emphasis from intervention to prevention and progressing objectives to free up resources to direct towards community safety activity. Northumberland fire and rescue service is no exception. It has pursued a number of initiatives, including working with care providers such as Sure Start to

promote safer communities. It has also sensibly joined other fire and rescue authorities in the north-east, such as Tyne and Wear and Darlington and Durham, to take forward a private finance initiative project that will help to further their objectives.

On the concerns that this is some covert path towards regionalisation, there is evidence from the Bain inquiry, and from research carried out by the Office of the Deputy Prime Minister, that collaboration and co-operation within brigades will mean better ways of working. It is not a covert regionalisation plan—nothing could be further from the truth. I have given those assurances to the Local Government Association and a variety of fire service gatherings up and down the country. There is no doubt, however, that closer co-operation and collaboration—I know that brigades in the north-east are engaged in such discussions, as are several other fire authorities across the country—will provide dividends in areas such as combining fire investigation units, human resources facilities and, as my hon. Friends will know, in relation to plans to provide a regional network of control and communications mobilisation centres, which we announced late last year.

The private finance initiative can help to provide fire and rescue authorities with the necessary infrastructure on which to base a truly modern fire and rescue service. It will assist the Northumberland fire and rescue service in achieving its aims by enabling more resources to be put into prevention work, training, community education and equipment across the whole county. The service will therefore be better prepared to deal with all risks to life—one of the fundamental aims of the fire and rescue service as a whole.

The Northumberland plans are to reduce even further deaths and injuries throughout the county, within a range of risks including road traffic accidents and potential major incidents. They will allow the whole service, across the county, to benefit from investment in better training, community safety work and equipment, through the generation of efficiencies allowing reinvestment in prevention.

John McDonnell: What will happen if they do not work? The Minister has said that we no longer have minimum standards and that we have risk management plans, but he has neither the political will nor the powers to intervene.

Jim Fitzpatrick: My hon. Friend has articulated that concern a couple of times, but the Secretary of State has reserve powers, and the Department offers professional assistance for brigades introducing new IRMP systems, which are now in their third year, to make sure that they are working effectively. The Audit Commission comprehensive performance assessment inspects fire and rescue authorities in the same way as it inspects other local authorities. At present, we are working up an operational assurance section to assist the Audit Commission in its examination of fire and rescue authorities to make sure that fire and rescue authorities and services are working effectively for their communities.

John McDonnell: I am grateful to the Minister for his explanation of the process. Will the reserve powers enable him to call the decision in if it is not operationally effective in the area?

Jim Fitzpatrick: Where there has been concern about the decisions that are being proposed, we shall take a close interest, but we are not in that position. We are confident from the evidence that we have seen, which has been presented to the Office of the Deputy Prime Minister by a research unit, that this work has been quality assured. We are confident that it will provide better protection for the people in Northumberland.

John McDonnell: I am sorry to persist and to delay the debate. The Minister said in response to a direct question about whether he has reserve powers to call the decision in that a particular interest will be taken. I ask my hon. Friend again: has he the powers to call the decision in?

Jim Fitzpatrick: I have responded to my hon. Friends in indicating that the Secretary of State has the reserve powers to direct. I cannot go further than that now. I have said also that, in this instance and at this time, from the information that has been supplied to us from the determination of the research unit within the ODPM, we are confident that these plans stand up to scrutiny. It is not the role of Ministers principally to agree operational proposals. That is a matter for the fire and rescue service.

As for the consultation exercise, from July to November the public and stakeholders were consulted on these proposals. In December 2005, the county council's executive agreed in principle to the plans and the new preferred site. The council has gone back out to engage with the public on the new preferred proposals. A letter has been sent to households in the county. Information is on the council's website and in the media. Work is planned with the key stakeholders group. It is my information that the county council will make a final decision on the proposals in March. There is an opportunity. I know that the chief fire officer and, I am sure, the fire and rescue authority, will be only too happy to meet my hon. Friend to talk through the proposals in detail. My information is that the final decision will not be made until March.

Mr. Campbell: I have not met the chief fire officer although I tried to arrange a meeting on several occasions. I wanted that meeting to include the trade union representatives. The chief fire officer would not meet me with them. If there was a meeting, he wanted it to be with me on my own. I said that I would not go unless the trade union representatives were present. We are stuck now. He will not meet anybody in the presence of the trade union representatives.

Jim Fitzpatrick: It is most unfortunate that a meeting between my hon. Friend and the chief fire officer cannot be arranged if for no other reason than to allow him to present his petition. As he suggested, it carries the weight of 25,000 signatures. Given this exchange and the concerns that my hon. Friends and the hon. Member for Hexham (Mr. Atkinson) have articulated in raising the principal issues, I hope that the fire authority will extend an invitation. Whether that means that he will meet my hon. Friend with the local trade union representatives is something that I cannot dictate to the chief fire officer. However, dialogue is clearly the way forward. I hope that there will be an opportunity for everyone to sit

[Jim Fitzpatrick]

round the table to talk through the issues that are clearly of concern to my hon. Friends. The county council will make its final decisions in March, and that makes it clear to me that there is an opportunity to present the issues in due course.

The hon. Member for Hexham raised public opinion. Local authorities have many difficult decisions to make such as on the closure of a local library or other forms of public property. People are attached to such institutions and clearly have an affinity with fire stations in particular. The fire service is held in great regard and high standing by the community even if people have never used 999. They are reassured by the very presence of a local fire station. If a fire station is likely to be moved, people are naturally alarmed. That is why there has to be even greater effort to reassure them on the nature of the proposals and to try to ensure that public confidence can be maintained.

I do not for a second imagine that people will be happy about fire stations and fire appliances being moved. The important thing is to make sure that there is a major exercise in reassurance for the public. Fire authorities and fire brigades are practical organisations and they support one another across county boundaries, as described by the hon. Member for Hexham and back each other up in various situations as my hon. Friends described.

Mr. Murphy: Initially, I was persuaded that the proposals would improve fire cover for the people whom I represent. My mind was changed dramatically by the fire chief's about-face and the decision to move the station some five miles away. That is what I do not understand and will not accept. It is not acceptable for all that work to be put in and then for the proposals to be changed overnight.

Jim Fitzpatrick: My hon. Friend has effectively expressed his concern and his dissatisfaction with the late change. I hope that a meeting can be arranged to go through, again, the nature of the changes and why they are needed. As he said, he was reassured by the explanation given for the first changes, so it is only appropriate that he be reassured about the final changes.

Mr. Campbell: I may be able to provide some clarification. Under the original programme, the two new PFI fire stations were to be built in the constituency of my hon. Friend the Member for Wansbeck (Mr. Murphy). There were to be none in mine—all the fire stations would have been closed. There was a reaction to that in Blyth Valley because there was no cover. That was a big problem. There seems to have been a change of mind, and instead of both fire stations being in my hon. Friend's constituency, one is to be on the outskirts of my constituency. That has made the situation worse, but that might be the explanation—the fire chief was trying to balance the two constituencies.

Jim Fitzpatrick: The Government have put in place a comprehensive and robust framework that will ensure that the fire and rescue service will be fit to meet the challenges of the future. There will be locally determined IRMPs that best meet the risks facing our communities and offer safety and value for money to local people, notwithstanding the genuine concerns articulated by my hon. Friends. As I mentioned earlier, a national network of regional fire and rescue control centres will increase resilience, cut response times and provide more effective fall-back. Both will contribute to increasing public safety and firefighter safety and creating fire and rescue services that save more lives, including in south-east Northumberland.

Question put and agreed to.

Adjourned accordingly at twelve minutes past Four o'clock.

House of Commons

Thursday 26 January 2006

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TREASURY

The Chancellor of the Exchequer was asked—

Self-assessment Tax Returns

1. **Andrew Rosindell** (Romford) (Con): What estimate he has made of the number of individuals who will miss the deadline for submitting the self-assessment tax return in 2005–06. [45613]

The Paymaster General (Dawn Primarolo): About three quarters of returns have already been received by Her Majesty's Revenue and Customs, and we expect the overwhelming majority to arrive by the deadline.

Andrew Rosindell: Does the Minister agree that hard-working British taxpayers are facing fines because they are overburdened by a highly complicated tax system? Will she give an assurance today that she will simplify the tax system and spend more time chasing those who habitually avoid paying tax?

Dawn Primarolo: I can confirm to the hon. Gentleman, as he has not noticed, that we are already doing that. We have removed more than 1 million—*[Interruption.]* I cannot help it if the hon. Gentleman does not do his research properly. He may have noticed that more than 1 million taxpayers have already been removed from self-assessment, and 1.5 million are now using the shortened return, which has been welcomed by the National Audit Office. In addition, the NAO's reports specifically recommended that the HMRC should use penalties in order to pursue those who persistently fail to submit their tax returns on time. That is precisely what we are doing. It is in the interest of all taxpayers and I am sure that, on reflection, the hon. Gentleman will agree that the Government are pursuing the strategy that he advocates.

David Taylor (North-West Leicestershire) (Lab/Co-op): It is a bit much for Conservative Members to talk about complexity. The system that we inherited—I speak as an accountant who was involved at the time that it was implemented—was a disastrous mess in 1995–96. It was a shambles. Will my right hon. Friend accept my thanks for improving it in the intervening nine or 10 years and introducing internet filing? Can she reassure me about one aspect on which the hon. Member for Romford (Andrew Rosindell) is right when he says that that there is unacceptable complexity—namely, the account statements sent to individuals and clients? They need to understand hieroglyphics and ancient Greek to be able to plough through such a statement.

Dawn Primarolo: I assure my hon. Friend that the self-assessment system, the returns, the forms and the advice are constantly under review. It is because of those reviews that we have been able to make returns unnecessary for 1 million people, and allow a further 1.5 million to use a shortened return. I pay attention to the points that my hon. Friend makes, but I remind him and the House that the self-assessment regime collects some £117 billion a year, and the overwhelming majority of taxpayers are complying with their obligations.

Mr. Nigel Dodds (Belfast, North) (DUP): The HMRC is encouraging more and more people to submit their returns via the internet, and as the deadline looms for this year, a number of my constituents and businesses have reported problems with using the internet and downloading the various forms. Can the Paymaster General look into that and reassure people that it will be a smooth process?

Dawn Primarolo: I shall certainly look into the point that the hon. Gentleman has raised. Internet filing has expanded considerably and is working well, but if a huge number of people leave it right to the deadline and then try to get on to the system, I cannot say what the consequences will be in terms of waiting time. All the information provided to me as the Minister is that e-filing is working very well and taxpayers should have access to it.

UK Economy (Growth)

2. **Mr. James Gray** (North Wiltshire) (Con): What his latest estimate is of growth in the UK economy in each of the next three financial years. [45614]

The Chancellor of the Exchequer (Mr. Gordon Brown): The latest estimates for growth are contained in full in the pre-Budget report. I can announce that as part of our growth strategy for equipping ourselves to tackle globalisation, we will be holding a series of international forums attended by global business leaders on the future of financial services, digital electronics, science, education, health care and modern manufacturing, the conclusions of which will inform our Budget and spending review.

Mr. Gray: Is it not astonishing that the Chancellor of the Exchequer cannot even bring himself to say the figure included in the pre-Budget report—1.75 per cent. growth for the United Kingdom? That compares with 3.6 per cent. in the United States, 2.9 per cent. in Japan and 2.6 per cent. in Australia. Why is it that those countries, which are just as exposed to the world economy and to oil prices as we are, have higher growth than ours? Why are we 19th out of 25 countries in the European Union and bottom of the growth league?

Mr. Brown: Perhaps the hon. Gentleman would add that we have been growing faster than France,

Germany, the euro area and the European Union as a whole. Perhaps he will also add that since 1997 the growth rate of the British economy has been far superior to the growth rate achieved in 18 years of Conservative Government. Perhaps he would like to remind the House that inflation is half what it was in the Conservative years, and interest rates and mortgages are half what they were in the Conservative years.

Mr. Sadiq Khan (Tooting) (Lab): Does my right hon. Friend agree that one of the reasons why we have had a record period of economic growth is our commitment to economic stability and social justice? In that regard, does he welcome the consensus—for this week, anyway—on the fact that economic stability should take priority over tax cuts?

Mr. Brown: The shadow Chancellor might want to stand to remind us of the remarks that he made only a few weeks ago congratulating Labour's success on macro-economic policy, telling us that Labour has improved the macro-economic management of the UK economy, and saying that there is public confidence in Labour's ability to manage the economy. That, I believe, is what the public think as well.

Sir Peter Tapsell (Louth and Horncastle) (Con): Are the Chancellor's growth estimates influenced by the strictures from Europe on his failure to remain within the public expenditure limits imposed on him by the stability and growth pact, of which, unlike me, he was such a great admirer when the Bill on the Maastricht treaty was before the House?

Mr. Brown: The answer is no. The reason is that we have two fiscal rules. One is the golden rule, where current expenditure should be paid for by revenues—a golden rule that we are meeting and will meet. That is in contrast to the last—*[Interruption.]* If I may so, the last Conservative Government had two economic cycles. They failed to meet the golden rule in the first economic cycle by £150 billion and they failed to meet it in the second cycle by £250 billion, so we will take no lectures from the Conservatives on that. As for the hon. Gentleman's advice on economic policy, I would have thought more of it had he supported the independence of the Bank of England.

Mr. Dennis Skinner (Bolsover) (Lab): Is the Chancellor of the Exchequer aware that growth in the Bolsover economy is pretty good, continuing on track? The Shirebrook pit enterprise is nearly completed—2,000 jobs in that area alone. There will be another 5,000 at the Markham and Bolsover industrial site, when the new motorway intersection, which I have championed for the past five years, starts at Easter. We have got unemployment down to half of what it was when the Tories carried out their brutality of closing the pits. Everything is on stream—*[Interruption.]* I want the Chancellor—

Mr. Speaker: Order.

Mr. Skinner: I have not dealt with—

Mr. Speaker: Order. Bolsover sounds like Utopia.

Mr. Brown: I think that the whole House would agree, not just in Bolsover but across the United Kingdom, that there are 2.3 million more jobs in the British economy than there were in 1997. Even in the most difficult circumstances of last year, an extra 220,000 jobs were created. Unemployment is half what it is in Germany, half what it is in France, and virtually half what it is in the euro area. Unemployment is lower than in the United States of America.

Sir Michael Spicer (West Worcestershire) (Con): Why has the rate of productivity gone down ever since this Government took office?

Mr. Brown: Productivity has been rising every year. The only years in which it has fallen in Britain were years of Conservative Government. The only years in which manufacturing productivity fell were years of Conservative Government. Productivity has been rising in every year of this Labour Government and manufacturing productivity has been rising as well. The hon. Gentleman is chairman of the 1922 committee and he should get a researcher to get his facts right.

Mr. Brian H. Donohoe (Central Ayrshire) (Lab): I disagree fundamentally with the Chancellor of the Exchequer when it comes to that God-awful tune at half-past 5 in the morning. Its demise will certainly do something to improve the economy of the country. On a particular constituency point that worries me, there are problems attached to high energy costs. I understand that assurances are about to be given to the Chancellor about that, and will he reinforce that this morning?

Mr. Brown: The signature tune at 5.30 in the morning is a good one, even if it does not include the music of Ayrshire, which is my hon. Friend's home county. On energy prices, we recognise that there has been a doubling of oil prices over the past 18 months—it has affected every economy in the world. What is remarkable in those circumstances—the Monetary Policy Committee of the Bank of England has referred to it—is that inflation in this country remains low. We remain on target for inflation, and I can think of no decade in which oil prices have doubled when inflation has been kept so low. That is a tribute to the macro-economic framework that we have developed over the past eight years.

Dr. Vincent Cable (Twickenham) (LD): As the Chancellor is committed to locking in the benefits of growth and financial stability, why has he not done more to take advantage of the extraordinarily low prevailing long-term interest rates by converting a large amount of public debt—not just a token 0.1 per cent.—through refinancing, thereby saving the taxpayer a great deal of money? Is the Treasury asleep?

Mr. Brown: We have taken advantage of that. It was this Government who announced the 50-year issue, and I hope that the hon. Gentleman will acknowledge the fact that we did so. I have to say to the hon. Gentleman, who is a rock of stability in this changing Liberal landscape—even though one of the people he is not supporting for the leadership is keeping a close eye on him today—that not even a 50-year issue would solve

the problems that the Liberals have with their public spending policies. He has dropped his tax policy, but even in the past few days all his spokesmen—on children, on transport and on London—have been announcing increased public spending plans. One time, one day, his figures will have to add up.

Anne Snelgrove (South Swindon) (Lab): What matters most to hard-working families in my constituency—which, coincidentally, is next door to that of the hon. Member for North Wiltshire (Mr. Gray), who asked the original question—is maintaining a stable economy. What assessment has my right hon. Friend made of how best we can equip workers and families in our constituencies for the future challenges of globalisation?

Mr. Brown: The first thing for families is the child tax credit. I am very disappointed that the shadow Chancellor wants to cut that credit. The second thing is education spending, which we are doubling in my hon. Friend's constituency and throughout the country. The hon. Member for North Wiltshire (Mr. Gray) complains about our economic policy and implicitly suggests that we are spending too much, but I have here the statement that he issued on his website on 11 January 2006. He stated:

"MP outraged at level of secondary school funding".

demanding that we spend more, not less. Perhaps he should have a word with the shadow Chancellor.

Mr. George Osborne (Tatton) (Con): The Office for National Statistics confirmed this week that the Chancellor's growth forecasts for last year were hopelessly wrong. Looking forward to his next growth forecasts, what does he identify as the greatest risk? Is it the inadequate savings, the large and persistent current account deficit or the slowdown in productivity growth?

Mr. Brown: The greatest risk would be to pursue the policies of the shadow Chancellor. It is absolutely clear that he would put stability at risk: he is considering a flat tax; he would introduce a third fiscal rule; he would cut the new deal; and he would cut the child tax credit. All those policies that are giving stability and prosperity to the British economy, but the hon. Gentleman's policy would put that at risk. He likes to give the impression to the public that he is a policy-free zone, but the abolition of the new deal, cuts in tax credit, the consideration of a flat tax and, if I may say so, the third version this week of a third fiscal rule, would all put the stability of the economy at risk.

Mr. Osborne: The Chancellor says that we are the same old Tories, yet the Prime Minister says that we are changing our minds. One day, they will sort out their attack. In the meantime, assuming that the Chancellor has finished planting Union jacks in everyone's front garden, will he turn his attention to productivity growth? The trend rate of productivity growth has fallen while he has been Chancellor, as the Monetary Policy Committee noted this week. In 1998, he said that productivity growth was

"the fundamental yardstick of economic performance".

How is he measuring up?

Mr. Brown: Productivity has risen every year under this Government. Manufacturing productivity continues to rise. Growth in the British economy is higher every year on average than it was in the Conservative years. The Conservatives are going to have to face up to that. Let us have a bit of consistency from the shadow Chancellor. He congratulated me on my success with macro-economic policy and said that I had improved the macro-economic management of the UK economy. He said that there was public confidence in Labour's ability to manage the economy. He said that Labour had established economic credibility. He said that it was the Conservatives who had lost their reputation for economic competence and that it was the Conservatives short-term opportunism that was hampering long-term policy. If he agrees with that, it is his own party that he should be criticising, not me.

G8 Ministerial Meeting

3. **Mr. Tobias Ellwood** (Bournemouth, East) (Con): If he will make a statement on his proposed post-Gleneagles agenda to be presented at the meeting of G8 Ministers next month in Moscow; and what discussions he has had with G8 partners on this. [45615]

9. **Judy Mallaber** (Amber Valley) (Lab): If he will make a statement on his priorities for progress towards relieving international poverty and debt relief at the forthcoming international Finance Ministers meeting. [45621]

The Chancellor of the Exchequer (Mr. Gordon Brown): Our priorities for the G8 are to extend debt relief to further numbers of the poorest countries; to ensure that aid promises that have been made are delivered in free universal education and universal health care; to set up a $20 billion fund for the environment in the poorest countries; to build on the innovative $4 billion international finance facility with new advanced market mechanisms for the purchase of life-saving drugs; and the advance of the launch tomorrow of the global plan to stop tuberculosis, which even now kills 2 million people a year. The Secretary of State for International Development will announce this morning £41.7 million from Britain for anti-TB drugs for India.

Mr. Ellwood: The Chancellor mentioned poorer countries. I think that the House will welcome many of the initiatives that resulted from the Gleneagles summit, but at the next summit in Moscow will the Chancellor take the opportunity to speak to his French and German counterparts and establish whether we can review the common agricultural policy? It is hurting those poorer countries, and hurting farmers in particular.

Mr. Brown: The answer is yes. The hon. Gentleman may know that only a few weeks ago the Treasury, together with the Department for Environment, Food and Rural Affairs, published our proposals for the reform of agriculture policy, to be implemented over the next 10 years. We will submit them to the review of agriculture policy that is taking place.

I have already expressed my belief that a trade deal in the world will require movement from America and Europe on agriculture policy. I hope that there is unanimous support for the proposals in the House.

Judy Mallaber: Pupils from 21 Amber Valley schools filled Christmas boxes for children in Mozambique who were affected by HIV/AIDS and poverty. I have also engaged in talks in many schools about the 100 million children who are not being given an education. How can my right hon. Friend convince my young constituents that Finance Ministers talking about debt relief will have a concrete effect in meeting our millennium goals, getting children into school and tackling the AIDS epidemic in Africa?

Mr. Brown: I visited Mozambique, and I think that the children in my hon. Friend's local schools should be congratulated on what they have done. Only 6,000 people in Mozambique are being helped with retroviral drugs for HIV/AIDS, when 600,000 are suffering from the disease. Until we can provide more money, either through the global fund to fight AIDS, tuberculosis and malaria or through other measures, many people will not be able to obtain the treatment that they need.

Debt relief does help, however. I believe that £6 billion of Mozambique's debt has been written off as a result of the decisions that we made last year. Mozambique is one of the biggest beneficiaries from the £170 billion of debt that is to be written off as a result of the cumulative effect of all the decisions—and so it should be, because it is an economy that is trying to grow. It is eradicating corruption, taking action to improve the functioning of its economic policy, and deliberately putting more money into education and health. When I am in Davos tomorrow, I will meet the President of Mozambique, and will be able to tell him that we shall do more in the next few years to support the global fund.

Sir Nicholas Winterton (Macclesfield) (Con): Two days ago, I had the honour of meeting the recently appointed Bangladesh high commissioner here in London. He is immensely grateful for the aid and assistance that this country gives his country, which is one of the poorest in the world, but he was very disappointed by the outcome of the meeting in Hong Kong, and particularly by the lack of progress in the introduction of genuine fair trade by Europe. What can the Chancellor do to persuade Europe, and all the countries of Europe, to support a policy of genuine free trade so that countries such as Bangladesh can trade their way out of poverty?

Mr. Brown: I know that the hon. Gentleman has taken an interest in such issues, especially those associated with countries that have been part of the British Commonwealth or the British empire in the past. I think that the proposals from India and Brazil to break the deadlock in the trade negotiations should be taken seriously. I believe that a further meeting of major players will take place in Davos this week. I hope that we shall see further progress over the next few weeks, because the longer it takes us to reach a trade settlement the more not just our country and others that are part of the advanced industrial economies, but—most of all—the poorest countries in the world, particularly those in Africa and Asia, will lose out. I hope that during the next few weeks we shall see a further attempt to restore the momentum.

Mr. John McFall (West Dunbartonshire) (Lab/Co-op): The Treasury Committee's report on the 2005 pre-Budget report, published this week, welcomed the doubling of aid to Africa, as well as the 100 per cent. multilateral debt write-off for the 38 highly indebted poor countries, but the documents issued at Gleneagles contained 212 separate commitments. Given that the G8 has no independent secretariat, will the Chancellor ensure that there are adequate mechanisms to monitor the commitments, so that we can deliver to those poor countries on the ground?

Mr. Brown: I am grateful to my right hon. Friend, who has taken a big interest in those matters over the years and has visited Africa on many occasions. The G8 Finance Ministers are meeting in Moscow in the middle of February, and I have asked that it be put on the agenda how we follow through the commitments made at Gleneagles. We will discuss education, debt relief, the health programmes and the follow-through from the commitments made on aid. I can assure him that we will do so.

I know that many people involved in the G8 summit, and some of the celebrities in particular, are following this through. Today, Bono is making proposals for enhancing the global fund, and I shall be meeting him tomorrow to discuss them. I know that another member of the Gleneagles delegation, Bob Geldof, is now on missionary work in relation to the Conservative party.

UK Economy (Competitiveness)

4. **John Bercow** (Buckingham) (Con): What factors he takes into account in assessing the competitiveness of the UK economy. [45616]

The Chief Secretary to the Treasury (Mr. Des Browne): We assess economic performance over the economic cycle using a range of measures, including gross domestic product and productivity growth, labour market performance and economic stability. The fact that the UK is the only G7 economy to have avoided any quarters of contraction in output since 2001 shows that the UK is highly competitive in today's increasingly global economy.

John Bercow: I am grateful to the right hon. Gentleman for that lamentably complacent reply. Given that skills shortages are endemic, productivity growth is at record lows, the regulatory burden upon business is more onerous than ever and this country has slumped from fourth to 13th in the international competitiveness league table since the Government took office, why does he not now accept that the Government and the Chancellor are wrong and that respected commentators—from the CBI to the Institute of Directors and from the British Chambers of Commerce to the London School of Economics—are right to criticise him?

Mr. Browne: I am disappointed that the hon. Gentleman thinks my answer is complacent.

John Bercow: Lamentably.

Mr. Browne: "Complacent" will be quite sufficient to support my disappointment. I took care to answer specifically the hon. Gentleman's question. He asked what factors are taken into account in assessing competitiveness and I answered the question. It did not seem to me that, in a factual question, there was room even for his extravagant expressions of regret.

The hon. Gentleman has expressed judgment on whether the steps that the Government have taken were appropriate, and he will recollect that he was one of the most vociferous and consistent critics of the Government's decision in the early days to give the Bank of England independence. He may well, like most of his colleagues on the Conservative Benches, have changed his view on that, and now has to accept the judgment made by the Government. He nods to indicate that he has.

The hon. Gentleman will know, from his experience and knowledge of this area, that the most important thing in relation to competitiveness and productivity for the UK is macro-economic stability. Indeed, the shadow Chancellor effectively said that in the speech that he made on Monday, when he said that he would not sacrifice the stability that we in government have won for this country for any other purpose, even tax cuts. I suggest to the hon. Gentleman that a significant number of factors are involved on which there may be differing views, but stability has been achieved.

Mr. Jim Cunningham (Coventry, South) (Lab): Does my right hon. Friend recall that under the previous Government, some of the major companies in this country refused to or could not take on apprentices?

Mr. Browne: Of course I remember that, and my constituents remember it even more painfully because they lived through those times, when they saw their young people being deskilled, effectively and substantially, by that. I celebrate the fact that, across the UK, there are now 300,000 apprentices in training.

Mr. Richard Spring (West Suffolk) (Con): What role does the Chief Secretary think the collapse in our world competitiveness has played in the fact that we have the worst trade imbalance in our history?

Mr. Browne: There has not been a collapse in the competitiveness of the UK. In fact, only this week an independent survey indicated that the UK is the No. 1 place in the world for inward investment. That is the view that other businesses take of the competitiveness environment and productivity of this country. As my right hon. Friend the Chancellor has already told the House, productivity has grown in every year of our stewardship of the economy. The hon. Gentleman's party could not say the same.

Rob Marris (Wolverhampton, South-West) (Lab): As my right hon. Friend says, one of the measures of competitiveness is productivity. There are different ways to measure productivity, one of which is average output per worker per hour. Another, and a major measure for our economy, is the average output per person of working age per year and the Government have a wonderful record in that regard because of high employment. Will my right hon. Friend assure me that we will continue with our policy of high employment because work is the best way out of poverty?

Mr. Browne: My hon. Friend is entirely correct. The challenge for the Government is to increase productivity year on year while increasing the number of people in work. We have achieved that to such an extent that there has been a record increase in the number of people in employment. I must remind Opposition Members that that contrasts with the record levels of unemployment when they were in charge of the economy.

John Hemming (Birmingham, Yardley) (LD): Is the Chief Secretary aware of the substantial damage done to competitiveness by relative gas prices in the UK vis-à-vis the continent? Prices in the forward market are around 40p a therm on the continent, while they are about twice that in the UK. What are the Government going to do about the incompetent way in which they have handled the gas market?

Mr. Browne: I do not accept that the Government have been incompetent in our handling of the gas market. I am not immediately able to confirm the particular statistics that the hon. Gentleman quoted, but I will accept them from him. Recently, however, my right hon. Friend the Secretary of State for Trade and Industry explained from the Dispatch Box exactly what we were doing to ensure that industry in this country is properly served in energy, despite the fact that we live in a globalised economy in which energy prices have increased significantly.

Mr. Lindsay Hoyle (Chorley) (Lab): Drag factors on competitiveness are over-burdensome regulation and the gold-plating of EU regulation. I know that the Government are working hard to reduce regulation, but could we set higher targets to ease the burden on small companies?

Mr. Browne: My hon. Friend will be aware that in the pre-Budget report my right hon. Friend the Chancellor announced a review of this very phenomenon—the gold-plating of EU regulation. The Government believe, as does my hon. Friend, that inefficient and over-burdensome regulation can impose a significant cost on business and we have introduced, and are seeing through, radical and thorough-going reforms to business regulation across the Government.

Mrs. Theresa Villiers (Chipping Barnet) (Con): Does the Chief Secretary accept that in a globalised economy, it is vital for our competitiveness that our tax system be as simple, efficient and user-friendly as possible? If so, is he concerned that the World Economic Forum now ranks the UK as low as 67th in the world for tax efficiency; that the length of Tolley's standard textbook on tax has doubled since Labour took power since 1997; and that only this week Mike Brewer, of the Institute for Fiscal Studies, said that the Chancellor had

"done damage to our reputation"

as a country with

"an efficient and transparent tax system"?

Mr. Browne: First, I welcome the hon. Lady to her position and congratulate her on her promotion. I look forward to working with her. I ask her to pass on my appreciation to her predecessor for the good working relationship that we had.

Mr. Gordon Brown: Her eight predecessors.

Mr. Browne: My right hon. Friend reminds me that the hon. Lady has eight predecessors.

Mr. George Osborne (Tatton) (Con): How many Chief Secretaries has the Chancellor had?

Mr. Browne: I am not sure, but I think four.

Unfortunately, the hon. Lady is wrong in her analysis of the tax situation in the UK. Since we came to power, we have cut corporation tax, income tax and small business tax and introduced research and development credits, to such an extent that many international studies consistently show the UK to be an attractive place to do business, with a relatively low tax burden. In fact, the latest OECD figures show that the UK tax burden is well below the average for the EU 15 and the EU 25 countries.

New Deal for Young People

5. **Ms Dawn Butler** (Brent, South) (Lab): What assessment he has made of the economic effects of the new deal for young people. [45617]

The Chief Secretary to the Treasury (Mr. Des Browne): Since 1998, the new deal has helped more than 630,000 young people to find jobs, contributing to a fall in long-term youth unemployment from 210,000 in May 1997 to 52,700, which compares with a high of 400,000 in the mid-1990s. Independent research has shown the new deal for young people's positive impact on the economy, with estimated benefits to the economy of up to £500 million a year.

Ms Butler: In my constituency, 3,699 young people have participated in the new deal, with 1,200 of them obtaining sustainable employment. Scrapping the new deal would have a detrimental effect on those young people, who are finally finding a means to work their way out of poverty. Will my right hon. Friend assure me that we have no intentions of scrapping the new deal?

Mr. Browne: My hon. Friend can be assured that we have no intentions of scrapping the new deal. As my right hon. Friend the Chancellor explained in the pre-Budget report, we intend to build on the new deal going forward, to learn from its success in the past and to create better opportunities for those who will take advantage of it in future. Let us contrast that with the policy of the Conservative party, which would scrap the new deal, and by doing so effectively scrap and throw all those young people who have benefited from it—

Mr. Speaker: Order.

Adam Afriyie (Windsor) (Con): Of course there are individual success stories under the new deal, and they must be welcomed. My concern continues to be for the least well-off and most vulnerable in society. With one in 10 people struggling with dyslexia or some other learning disability, will the Government persist in inflicting their complex tax system on the most vulnerable in society?

Mr. Browne: I welcome the hon. Gentleman's recognition of what he describes as the individual successes. In fact, the success of the new deal is the aggregate of all those individual successes. In all our constituencies, including his I am sure, it has taken significant numbers of young people from having no future to having significant opportunity to move themselves up the labour market and to improve their conditions. The challenge that we face in relation to the people whom he describes is that they have not had an opportunity to work in the past, rather than that they are faced with the complexity of income tax forms. My right hon. Friend the Secretary of State for Work and Pensions has set out our plans for the coming years to deal with the challenges that those people face, and to move them nearer to and into the labour market. I was delighted that those on the Conservative Front Bench supported those plans.

Mr. Wayne David (Caerphilly) (Lab): Does the Chief Secretary agree that the new deal for lone parents has been particularly successful? Reforms are needed to the welfare system, however, to enable more lone parents to work.

Mr. Browne: My hon. Friend is right. When we came into power, about 45 per cent. of lone parents were working, and that figure is now slightly beyond 55 per cent.—56 per cent., I think. There is still significantly more to do. That is why, in the pre-Budget report, my right hon. Friend the Chancellor announced additional support through the new deal for lone parents, which was augmented by the announcement this week by the Secretary of State for Work and Pensions. He is entirely correct to identify the challenge that we face, but we will only meet that challenge by redoubling our efforts through the new deal.

Mr. Paul Goodman (Wycombe) (Con): To be a success, however, the new deal could reasonably be expected to produce a consistent fall in the number of young people who are neither in employment nor full-time education. New data released since the previous Treasury questions show that number to be 1.2 million. If the new deal really is such a success, can the Chief Secretary explain why that number is now 180,000 higher than when the Chancellor launched the new deal, and at its highest since he took office?

Mr. Browne: The hon. Gentleman articulates an argument for doing more on the new deal—more investment and, as I described it, redoubling our efforts—not for scrapping it. The fact is that the statistics that he quotes do not show the whole picture. That 1.2 million includes some people who are in part-time education or training. The situation is not nearly as bad as he describes it. I do not demur from the

challenge—it is significant. We will only deal with this group of young people, however, if we are prepared to invest in them, not if we ignore them.

Barbara Keeley (Worsley) (Lab): Last Friday, a group of young people from high schools in my constituency came in to discuss their issues with me. The interesting thing is that worries about future employment did not rank among the concerns even of young people from a ward that is among the top 3 per cent. most deprived in the country. Does my right hon. Friend agree that we must redouble our efforts on the new deal, so that those young people can continue to feel that confidence?

Mr. Browne: My hon. Friend describes one of the remarkable contrasts between the situation only a decade ago and the situation now for young people. Most young people in most of our communities now have the opportunity of a job, which they did not have before this Government came to power, but there are—it has already been highlighted in some of the supplementary questions—continuing challenges. Because of the state of the labour market, the bulk of the people coming into the new deal now are those who present the greatest challenge. We need to build on, to revise and to reform the new deal in order that it can address those issues more consistently.

HMRC Estate

6. **Mr. Henry Bellingham** (North-West Norfolk) (Con): When he next expects to meet senior representatives of HM Revenue and Customs to discuss the outsourcing of their buildings and other assets. [45618]

The Paymaster General (Dawn Primarolo): I meet with senior HMRC officials regularly on a range of issues. There are no meetings planned to discuss the matter to which the hon. Gentleman refers.

Mr. Bellingham: Is it true that as part of an outsourcing deal in 2001, 600 HMRC buildings were sold to Mapeley, an offshore Guernsey company, for £220 million? Is it also true that Savills recently valued those buildings at £566.6 million, a staggering 150 per cent. increase? Is not that a rotten deal for taxpayers? Does the Paymaster General agree that if she and the Chancellor were investment bankers and made such a duff deal, they would not just be in line to lose their bonuses, but would be facing the sack?

Dawn Primarolo: No, that is not true. Let me give the hon. Gentleman the facts. The HMRC estate was independently valued prior to the Mapeley contract at £370 million. That money was paid to the Department: £220 million first, then £150 million in facility payments. The National Audit Office looked at the report, published a report on 7 May 2004, and found that the deal had delivered benefits, that more was expected over the duration of the contract, and that therefore it represented value for money for the taxpayer. Those are the facts. The speculation is incorrect.

Mr. Bob Blizzard (Waveney) (Lab): Will my right hon. Friend assure me that in future the buildings and assets of the HMRC will not be used to collect the flat tax, which has been continually advocated by the Conservative party this morning?

Dawn Primarolo: I have been the Minister responsible for the two departments for rather a long time now. I do not know how much longer that will last, but may I say on behalf of the Government that we intend to make absolutely sure that there is not an introduction of a flat tax, which would be unfair and significantly reduce resources into the Exchequer. It does not operate in any of the substantial industrial economies. It would be a disaster for us and take us away from what is a fair and proportionate tax system that ensures that public funds are invested in line with the requirements and aspirations of our electorate.

Debt Relief

7. **Ms Celia Barlow** (Hove) (Lab): If he will make a statement on proposals for debt relief to be discussed under Russia's presidency of the G8. [45619]

12. **Chris Bryant** (Rhondda) (Lab): What assessment he has made of the likely impact of Russia's presidency of the G8 for cancellation of debt in the world's poorest countries. [45624]

The Chancellor of the Exchequer (Mr. Gordon Brown): Since our last Question Time, 100 per cent. multilateral debt relief has been finally achieved for the first 19 heavily indebted poor countries, of 40 countries that are now eligible to share in the £170 billion write-off in debt. In Britain's view, however, all 67 of the poorest countries of the world should have debt reduction. By paying our share of their debt service, we will unilaterally lead debt collection for those non-HIPCs, and when I am at the G8 in Moscow I will urge other countries to follow us.

Ms Barlow: I am proud of the many achievements in international development secured under our stewardship of the G8 last year. However, those should be seen as merely one important step along a long road. Can my right hon. Friend outline what he is doing to keep those issues at the top of the agenda during the Russian presidency, and what are the prospects of future successes for the world's poor this year?

Mr. Brown: I am grateful to my hon. Friend. She has done a huge amount in her constituency to make people more aware of these important issues. Indeed, around the country hundreds of thousands of people are campaigning for greater debt relief. I will meet other Finance Ministers at Davos tomorrow when we shall undertake a session on this very set of issues. When the G8 meets in Moscow on 14 February I will propose that we go further on debt relief. We will pay 10 per cent. of the share of the debt interest payments of the non-HIPC countries—that is more than 30 countries who are not in the first list for debt relief, but who in our view should receive debt relief. Other countries, including Canada, have already announced that they will do likewise. We are trying to persuade yet other countries that this is the

right step forward. Although we have had an enormous advance in the past few months, with multilateral and bilateral debt relief agreed at 100 per cent. for some of the poorest countries in the world, there is still a great deal more to do. Our aim is that nearly 70 countries will receive the debt relief that is necessary for them to begin their economic reconstruction.

Chris Bryant: Largely thanks to this Government's determination to get a better deal for the poorest countries in the world, we have seen an amazing turnaround in the last 10 years in international public opinion on debt relief. Does my right hon. Friend the Chancellor worry a little, with changes of Government in some G8 countries, particularly with Conservatives coming to power in Canada, that sometimes Conservatives are a little Johnny-come-lately on these issues? They say a lot of things, but then never put them into practice. Earlier, my right hon. Friend talked about the missionary work of Sir Bob Geldof. Will he be undertaking it with the Conservatives in Canada?

Mr. Brown: That is all the more reason for the missionary work about which I talked earlier. I am sure that it could be effective over a period of time. Let us not forget when we are facing up to problems that involve public expenditure that the last Conservative Government halved overseas development aid; we have now doubled overseas development aid. If the Conservatives are going to support us in increasing overseas development aid, I welcome that, but it means a commitment of additional resources to enable poorer people in the world to have education and health.

Miss Julie Kirkbride (Bromsgrove) (Con): In relation to the G8, I was delighted to hear what the Chancellor said earlier about free trade and the importance of allowing countries to trade their way out of poverty. To that end, what negotiations has he had with his erstwhile friend, or perhaps foe, Commissioner Mandelson, whose support for French farmers seems to be one of the principal obstacles to freer trade in the world today?

Mr. Brown: I think we know that the European Union has made proposals which reform the agricultural policy, but that more must be done. I was describing how, at the G8 meeting in December, India and Brazil joined our discussions and made proposals to modify their position, subject to America and Europe looking at theirs. It is important over the next few weeks that America and Europe look at their position and see whether they can make the concessions that are necessary for a trade agreement to take place. Again, I hope that there will be all-party support for this.

Damian Green (Ashford) (Con): In recent years the G8 has quite properly concentrated on African debt relief. The Chancellor will be aware that in other parts of the world, notably eastern Europe, there are countries afflicted by poverty and debt. It would be particularly ironic if during the Russian presidency of the G8 those countries continue to suffer, especially as many of their economies—Ukraine and Moldova spring to mind—have been damaged by Russia's recent actions which not only threatened the cut-off of gas supplies, but the growth potential of their economies. Will the Chancellor ensure that during the Russian presidency that country does not continue to try to bully its poor neighbours, but concentrates on debt relief in that part of the world as well?

Mr. Brown: Sometimes it is difficult to see the connection that the hon. Gentleman is making between debt relief and Russian policy towards Ukraine. Two of the countries to receive debt relief under the proposal passed by the International Monetary Fund board and the World Bank board are eastern European countries. They will benefit from the measures that we are taking.

As for countries toward the east of Europe, it is remarkable that some of the poorest countries, which have now joined the European Union, are prepared to contribute aid themselves. That is a welcome sign. We will of course look at the debt relief proposals of other eastern European countries, but the priority countries are obviously those that, according to income per head, are the poorest in the world, and they are mainly in Africa, Asia and Latin America.

Public Finance Forecasts

8. **James Duddridge** (Rochford and Southend, East) (Con): What measures he is taking to improve the reliability of public finance forecasts. [45620]

The Chief Secretary to the Treasury (Mr. Des Browne): Since 1997, the Government have introduced a number of changes that have improved forecasting performance. They include the introduction of reasonable and cautious assumptions, independently audited by the National Audit Office. The Treasury regularly reviews its fiscal forecasting performance and publishes the results in end-of-year fiscal reports. They demonstrate that the Treasury's forecasts since 1997 compare well with those of major international organisations and of other EU member states.

James Duddridge: Does the Chief Secretary agree with the Treasury Committee, which said:

"It is important that official forecasts for tax receipts avoid any systemic bias either to exaggerate or underestimate revenue receipts, particularly towards the end of the economic cycle when forecasts are likely to come under particular scrutiny"?

Mr. Browne: I do agree with that. I have yet to have the advantage of reading all the Treasury Committee's report on the pre-Budget report. However, it was precisely in order to achieve that objective that we went to the trouble of introducing rules and a level of independence concerning the assumptions that underlie such forecasts.

Mr. Andrew Love (Edmonton) (Lab/Co-op): Can my right hon. Friend explain to the House the impact on public finance forecasts of the possible introduction of a flat tax?

Mr. Browne: As everybody knows, a flat tax would be significantly expensive in terms of the damage that it would do to this country. Some estimates suggest that if a flat tax were operating now, much-needed investment in public services would be reduced by as much as £7 billion for this year alone. I understand that the

Conservatives, some of whom advocate a flat tax, are keeping their powder dry on this issue—or trying to—but it is hardly likely that it will remain dry for very much longer, given that they have put Michael Forsyth in charge of consideration of taxation. Of course, and as Scotland knows, he is the ultimate flat-tax—

Mr. Speaker: Order. We are going beyond the question.

Chris Huhne (Eastleigh) (LD): May I ask the Chief Secretary—*[Interruption.]*

Mr. Speaker: Order. I called the hon. Gentleman because he is a Back Bencher, and for no other reason. Please listen to him.

Chris Huhne: Thank you, Mr. Speaker, for that promotion. May I ask the Chief Secretary carefully to consider the course of action promoted by my hon. Friend the Member for Twickenham (Dr. Cable), who points out that the issuance of long-dated Government debt would of course improve the reliability of public finance forecasts? Does the Chief Secretary recognise that not increasing such issuance would constitute a substantial threat to the sustainability of pension funds?

Mr. Browne: First, Mr. Speaker, without wishing to encourage your wrath, may I recognise that the hon. Gentleman is, I think, his party's shadow Chief Secretary to the Treasury and is in fact speaking from the Front Bench?

Mr. Speaker: Order. I am going to make something plain. I called the hon. Member for Eastleigh (Chris Huhne) as a Back Bencher, not as a spokesman. There is only one allocation to the Liberals.

Mr. Browne: I apologise, Mr. Speaker—I should have known better than to try to be that clever. I am glad to hear from the hon. Member for Eastleigh (Chris Huhne) today. He is perhaps the only candidate for the leadership of his party whom we have not heard from this week, so I am pleased that he has had an opportunity to say something. In answer to the question, I assure the hon. Gentleman that the Government appreciate his point. That is exactly why my right hon. Friend the Chancellor has introduced appropriate mechanisms.

Andrew Miller (Ellesmere Port and Neston) (Lab): But will my right hon. Friend explain the difference between the mechanisms in place now and those that applied on Black Wednesday? Could it be that my right hon. Friend the Chancellor has better special advisers?

Mr. Browne: It is substantially because this Government have learned from the mistakes of the previous Administration. When we came to power in 1997, we set out principles for fiscal management and a code for fiscal stability. We have implemented significant changes that have helped to deliver improved forecasting performance. They include, for example, the publication of full fiscal projections at each PBR and Budget that are based on all Government decisions and circumstances that may have a material impact on the fiscal outlook, the audit of key assumptions—in particular the cautious assumptions for trend growth—and the publication of a full backward-looking analysis of forecasts in the end-of-year fiscal report.

Mr. Mark Hoban (Fareham) (Con): In 1995, the then shadow Chancellor called for an independent audit of the sustainability of public expenditure and the golden rule. What progress has the sixth Chief Secretary to the Treasury since this Government came to power made in that regard?

Mr. Browne: I have already set out the rules that we have introduced. What the hon. Gentleman is arguing for requires consideration of where the proper political accountability for such decisions lies. My right hon. Friend the Chancellor has made it clear that the Government are accountable for the decisions that they announce to this House.

Manufacturing Industry

10. **Michael Fabricant** (Lichfield) (Con): What recent assessment he has made of the competitiveness of UK manufacturing industry; and if he will make a statement. [45622]

The Chief Secretary to the Treasury (Mr. Des Browne): The pre-Budget report provided an assessment of all areas of the UK economy, and action taken by the Government to provide the right environment for business competing in a global environment. Manufacturing productivity in the UK rose by 30.9 per cent. between 1997 and 2004. The Government want a successful and dynamic manufacturing sector with more companies moving to high-value production to meet the challenge of globalisation, for which the best foundation is, of course, macroeconomic stability.

Mr. Speaker: I call Mark Hoban. *[Interruption.]* My apologies; I meant Mr. Fabricant.

Michael Fabricant: We look so alike, Mr. Speaker, that getting us mixed up is easily done.

I know that the Chief Secretary will join me in offering sympathy to the 175 workers at GKN Lichfield who have just lost their jobs because the company is moving its manufacturing plant from the UK to Europe. However, that is not so surprising, given that the Engineering Employers Federation has said that extra taxes placed on manufacturing directly amount to £2.2 billion since 1997, and that the total for extra taxes in that period comes to £5.5 billion. That compares with what has happened in Europe and the US, where the overall tax burden has fallen since 1997. What can the Chief Secretary do to reverse that trend?

Mr. Browne: First, may I take the opportunity to express my condolences and support to the workers at the GKN Lichfield plant, which is now to be closed? My understanding of the situation is not exactly the same as the hon. Gentleman's. We are dealing with his constituency and I accept that I may be wrong, but I understand that GKN announced at the same time that it would relocate all the jobs to its 10 other UK plants.

That is not entirely consistent with what the hon. Gentleman said, but I recognise that he will have more accurate information.

The loss of manufacturing jobs in the west midlands and the rest of the UK has been going on for some time, but I point out that the service sector in the west midlands has expanded significantly, with more than 300,000 jobs created since we have been in government. Job opportunities exist, and I assure the hon. Gentleman that the Government will support the people who have lost their jobs today.

In relation to the meat of the hon. Gentleman's question, I suggest that his analysis of why this is happening is slightly skewed. I understand why, for political reasons, he wants to skew it, but corporation tax has gone down in this country from 33 per cent. to 30 per cent. We support manufacturing industry through research and development credits, 80 per cent. of which go to manufacturing industry.

The global challenge that we all face in relation to manufacturing will have to be met by a number of activities, and most of those my right hon. Friend the Chancellor announced in the pre-Budget report.

Mr. Michael Foster (Worcester) (Lab): Cadbury's is a highly competitive manufacturer of chocolate based in the west midlands. Does my right hon. Friend understand the dismay felt by workers in our region that Opposition Members have signed an early-day motion urging people to boycott the products—

Mr. Speaker: Order. I was doing the hon. Gentleman a favour by calling him late in the day, but he is out of order.

Business of the House

11.30 am

Mrs. Theresa May (Maidenhead) (Con): May I ask the Leader of the House to give us the Business for the next week?

The Leader of the House of Commons (Mr. Geoffrey Hoon): The business for next week will be as follows:

MONDAY 30 JANUARY—Conclusion of consideration in Committee of the Government of Wales Bill.

TUESDAY 31 JANUARY—Consideration of Lords amendments to Racial and Religious Hatred Bill, followed by a debate on pensions on a motion for the Adjournment of the House.

WEDNESDAY 1 FEBRUARY—Opposition Day [12th Allotted Day]. There will be a debate on police force amalgamations, followed by a debate entitled "Failure of the Government's 10-Year Transport Plan". Both arise on an Opposition motion.

THURSDAY 2 FEBRUARY—A debate on defence procurement on a motion for the Adjournment of the House.

FRIDAY 3 FEBRUARY—The House will not be sitting.

The provisional business for the following week will be:

MONDAY 6 FEBRUARY—Motions relating to the police grant and local government finance reports.

TUESDAY 7 FEBRUARY—Opposition Day [13th Allotted Day]. There will be a debate on an Opposition motion. Subject to be announced.

WEDNESDAY 8 FEBRUARY—Business of the House motion, followed by motions relating to parliamentary allowances and financial assistance for the representative work of Sinn Fein.

THURSDAY 9 FEBRUARY—Second Reading of the Legislative and Regulatory Reform Bill.

FRIDAY 10 FEBRUARY—The House will not be sitting.

I should also like to inform the House that the business in Westminster Hall for 2 and 9 February will be—

THURSDAY 2 FEBRUARY—A debate on employer engagement in further and higher education.

THURSDAY 9 FEBRUARY—A debate on the report from the Health Committee on new developments in sexual health and HIV/AIDS policy.

Mrs. May: Last week I asked the Leader of the House for an early statement on troop deployments in Afghanistan. That statement of course will be made today, and I should like to thank the Leader of the House for the alacrity with which he responded to my request. Dare I say it, this could be the start of a beautiful relationship—[HON. MEMBERS: "Ooh."]—that is, of course, unless it is rudely interrupted by a Cabinet reshuffle.

Talking of which, as we have Cabinet Office business in the House in a couple of weeks, will there be a Chancellor of the Duchy of Lancaster in post by then? If not, I have a suggestion for the Government. Perhaps the money saved could be used to pay the Minister for women and equality. After all, a pay gap for the Minister for women and equality of 49 per cent. is hardly a good example for others.

May I ask the right hon. Gentleman to give us the date of the Budget?

Given the constitutional implications of the Government of Wales Bill and the fact that so far only a quarter of the Bill has been discussed in Committee on the Floor of the House, will the Government give consideration to a further day of Committee debate on the Bill?

The Health Secretary's statement yesterday showed that Ministers have lost financial control in the NHS. Will she come to the House to make a statement on the financial position of the NHS? We heard only today of a hospital serving the constituents of my hon. Friend the Member for Tunbridge Wells (Greg Clark) which, as in the "Yes, Minister" sketch, seems to think that it is okay to pay staff to keep operating theatres open but then cancel operations and leave theatres lying empty. May we have a debate in Government time on health issues and their impact on patients?

Last week there was an excellent debate on international development matters. Given the importance of the issues that the Department for International Development deals with, and the fact that its budget is now larger than that of the Foreign Office, will the Government consider giving more time to oral questions for DFID?

Finally, we now know that the Government's scheme for bus passes is giving real problems to local authorities, that libraries are being closed across the country because of financial problems and that the Office of the Deputy Prime Minister has spent £168 million on consultants advising on knocking down 168,000 houses. A survey of experts involved in the Thames Gateway found that only 13 per cent. described the Deputy Prime Minister's leadership as "effective or broadly ok". Today, a Select Committee report accused the Department of double counting on efficiencies and reported that 10 per cent. of staff felt bullied in the last year, and an earlier MORI opinion poll of Government officials said that the ODPM was lacking leadership and comparable to a "pantomime horse". Given that under this Government council tax has risen by 76 per cent., may we urgently have a debate on the burdens placed by Government on local councils and the implications for council tax payers?

Mr. Hoon: I am at least grateful that the right hon. Lady's shopping list today is shorter than it was last week—

Mr. David Heath (Somerton and Frome) (LD): Not a lot.

Mr. Hoon: Well, I will leave others to judge whether it is a lot shorter: it is at least shorter. I am delighted to have the opportunity again to pay tribute to my hon. Friend the Under-Secretary of State for the Cabinet Office for the excellent work that he is doing on behalf of the Cabinet Office and the excellent way that he comes to the House to answer questions. I am sure that he is earning every penny, as is every other Minister.

The question of financial control in the NHS is of course routinely raised by Opposition Members and I understand why they have concerns about financial

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management in their local hospitals. Some three quarters of NHS bodies are in balance or in surplus and it is important to the Government that that should apply across the country. I am always slightly surprised when Opposition Members raise such issues, because if the Government were not tackling the question of the deficits in NHS bodies, they would all rise in righteous indignation to complain about that. We are of course tackling the problem and my right hon. Friend the Secretary of State has announced measures to assist those organisations to achieve financial balance and surplus. That applies just as well in Tunbridge Wells, and I was able to listen this morning to the chief executive of the primary care trust giving an extremely satisfactory explanation of the position. I suspect that the right hon. Lady did not hear that, because if she had, she might not have raised the issue today.

As for international development matters, it is important to devote the appropriate time to the very important work that the Department does on behalf of the United Kingdom, but if more time is made available for that, less time is available for other issues. That is the balance that must always be struck in the House.

The right hon. Lady also mentioned housing. I cannot resist making the point that investment in housing has risen from some £1.65 billion in the last year of the Conservative Government to more than £5 billion now. That is an astonishing improvement. It means that housing has been improved across the country. It also means that some housing has been demolished, but that is because that housing is incapable of being improved. Where it is possible to improve housing, it is being improved, but where demolition is necessary, there are demolitions. The space can then be used for better housing for people in the areas affected. There will be an opportunity next week for all hon. Members to ask questions of my right hon. Friend the Deputy Prime Minister on Wednesday, and I am sure that there will shortly be an opportunity to deal with matters affecting the NHS.

Mr. George Mudie (Leeds, East) (Lab): The Leader of the House will be aware of the questionable decision to withdraw support from Post Office accounts. That will leave 4.5 million pensioners stranded, the majority of whom were persuaded to give up pension books on the basis that Post Office accounts would be available. With no bank nearby, they will not be able to get their money. The decision will also put the viability of inner-city and rural post offices in question. Will the Leader of the House arrange an early debate and at least draw the matter to the attention of his Cabinet colleagues?

Mr. Hoon: My hon. Friend is right to raise what is an important issue, especially because it affects pensioners. I know that the matter has continued to cause great concern to hon. Members. I assure my hon. Friend that the arrangements that he describes are interim measures and that the Government are examining the ways in which the support that rightly must be given to pensioners is made available. I shall also ensure that his concerns are brought to the attention of my right hon. Friend the Secretary of State and that he is contacted directly.

Mr. Heath: The hon. Member for Leeds, East (Mr. Mudie) is absolutely right and I am afraid that the Leader of the House's answer to his question was entirely complacent. Recent parliamentary replies reveal that 5 million people use Post Office cards each week, and the revenue to the post office network is £1 billion, so the Department for Work and Pensions proposes to scrap them. That will have a real impact on sub-post offices, so we need an urgent debate on the matter.

I also support the view that there should be a debate on health, not only to deal with the efficiency and effectiveness of health expenditure—I remind the Leader of the House that hospitals are there not to make surpluses, but to treat patients effectively and efficiently—but to deal with the issues raised by the Public Accounts Committee report on cancer, which shows that there are huge inequalities throughout the country.

May we have an early debate on the report—or should I say reports—of the Education Committee, which we anticipate will be published this evening? It would be extremely useful to know whether Labour Members support the Prime Minister, whether Conservative Members support the Prime Minister, whether Conservative Members support their position of only a few weeks ago—whatever. Such a debate would be a good expedition so that we could discover people's thoughts before the publication of the education Bill.

Lastly, may we have a debate on the Arbuthnot report? Many see it as a missed opportunity, but it is nevertheless of great importance to many Scottish Members. It would be useful if the House had the early opportunity—*[Interruption.]* The Leader of the House does not know what the report is about. That is unfortunate, but no doubt he will be briefed if I carry on talking long enough.

Mr. Hoon: I do express considerable disappointment about the hon. Gentleman's decision not to stand as a candidate in the leadership election of the Liberal Democrats. All of us who routinely attend business questions on a Thursday devoted considerable effort to trying to persuade him to participate in what is quite a narrow race. There was a remarkable shortening of his odds. As I reported to the House, at one stage he was as far out as 100–1, and hon. Members piled in at those generous odds. The odds came down considerably, but he still resisted the opportunity that was made available to him. I hope he understands that I am answering his questions with the spirit of disappointment that is shared by all hon. Members, although sadly, apparently, not those in the Liberal Democrats, but then one cannot have everything.

I made it clear that the post office issue is important. All hon. Members face the problem in their constituencies. Pensioners and others throughout the country are affected, so the Government are determined to get the situation right.

The Government are delighted to debate health issues. We would be delighted to debate them every single day of the week, if only there were time, not least

because we have a remarkable record of success on increasing available funding massively, dramatically reducing waiting lists and ensuring that the national health service is a national health service of which the country can be proud.

The hon. Gentleman made reference by implication to a recent report of the Public Accounts Committee. I thought that I might read him an extract from the report. It says that

"across the country significant improvements have been made in improving cancer services and managing them more effectively, in particular, speeding access to cancer diagnosis and treatment."

There is not a doctor in the country who does not recognise that there has been significant improvement, but that is not to say—no one on the Government Benches would in any way suggest—that there is not still more to be done. We are committed to improving the position, and certainly remedying inequalities.

I am sure that in due course there will be significant opportunities for debating education. I am sure that all hon. Members will welcome that. I can confidently say that that will be happening sooner rather than later.

When I find out what the Arbuthnot report is, I will ensure that the hon. Gentleman is written to about it.

Barbara Follett (Stevenage) (Lab): Will my right hon. Friend give serious consideration to holding a debate to mark international women's day, which this year falls on Wednesday 8 March?

Mr. Hoon: My hon. Friend has raised this subject with me on a previous occasion. I know that the request will have wide support around the House. I will try to consider the request favourably, but I cannot guarantee that time can be found to hold the debate on the Floor of the House on the appropriate date. I can assure my hon. Friend that we will find time for a debate, perhaps in Westminster Hall.

Mr. Owen Paterson (North Shropshire) (Con): May I pick up the points of the hon. Members for Leeds, East (Mr. Mudie) and for Somerton and Frome (Mr. Heath) about sub-post offices and the impact of withdrawing the benefits card? I was involved in this at meetings with Ministers, on a constituency basis and in working with the all-party group. At no stage was it ever mentioned that the card, despite all the Government's attempts to bully people into direct payments, once established, would not be permanent. Driving down on Sunday, I heard some form of ministerial pond life suggesting that the card was only temporary. *[Interruption.]* I did not catch the Minister's name. I am amazed that the Leader of the House says that it was intended to be a temporary scheme. At no stage was it ever discussed. I rang Colin Bateman of the National Federation of Sub-Postmasters on that basis. Could we please have a statement—

Mr. Speaker: Order.

Mr. Hoon: I can see that we are going to have an interesting linguistic debate. The word that I used was "interim" rather than "temporary". The hon. Gentleman has used the word "temporary" to suggest somehow that the scheme was always designed to come to an end, with the risk that somehow it would fall over the edge. Temporary arrangements have that sort of feeling. If the hon. Gentleman had used the word "interim", which was the word that I used, he would recognise that we were talking about moving from one sensible arrangement to another. I know that the use of that language might appear to be something that the hon. Gentleman would not entirely share. If he thinks about the matter carefully, he will agree with what I have said.

Mr. John Spellar (Warley) (Lab): May I draw my right hon. Friend's attention to early-day motion 1479?

[That this House recognises the pleasure given to early rising listeners to BBC Radio Four by the subtle and evocative medley of British folk tunes in Fritz Spiegl's UK Theme which starts daily broadcasting and has become embedded over the years in the affections of listeners; and urges the BBC to reconsider its decision to drop this popular medley and to continue to use the UK Theme in the proud place it has occupied with such success and charm for so many years.]

The motion has received support across the House. Interestingly enough, it now has support from my right hon. Friend the Chancellor of the Exchequer and the previous Home Secretary, my right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett). In the light of that, can my right hon. Friend arrange an early debate so as to get some sense into the BBC management for restoring the UK theme to Radio 4?

Mr. Hoon: The one thing that I notice about this particularly important debate is that it divides those who get up early from those who stay in bed. I know well from my hon. Friend's time in the Ministry of Defence that he is an early riser. I have always been impressed by how well the theme was put together. It is certainly a startling beginning to the day. It is important that people who are listeners to Radio 4 at that time in the morning are given the opportunity of expressing their views clearly. Unfortunately, I suspect that many people who are not up at that time in the morning are also expressing their views.

Stewart Hosie (Dundee, East) (SNP): The Leader of the House may be aware that the Scottish quarterly GDP figures were published yesterday, which are equivalent to the UK index of production. The figures show three consecutive quarters of falling manufacturing output, the manufacturing recession in Scotland. Given the three consecutive quarterly falls in manufacturing output, can the right hon. Gentleman organise an early statement from a Treasury Minister to explain what more can be done to turn around the competitive situation in the Scottish economy and end the manufacturing recession?

Mr. Hoon: We have just had Treasury questions and the hon. Gentleman would have had the opportunity of raising that matter with my right hon. Friend the Chancellor of the Exchequer. I am sure that he would have received a robust and prudent answer. The Government take the position of manufacturing industry extremely seriously. We have given a great deal of support, not least in relation to training and education to provide the British people with the appropriate skills to contribute to our highly successful

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manufacturing industry. Where there have been closures—I know that some have recently been announced in Scotland—a significant level of assistance is given to those companies to ensure that their work force have the opportunity of retraining and developing the skills that they require to participate in an economy that is still very healthy. As I have seen in my constituency, when closures occur they are a huge shock and worry to the people affected, but in the healthy economy that we have, it is remarkable that those people are able to get opportunities of retraining and, crucially, of finding alternative employment.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): The Leader of the House may be impressed by the way that the UK theme is put together, but like many colleagues I am not very impressed by the way that the Criminal Records Bureau has been put together. It is a valuable resource, but it has been bedevilled by problems since its inception. Within the past couple of days in my area alone, I have come across three major bungles, including one of identity theft. Can the Leader of the House provide some space wherein we may debate how the Criminal Records Bureau is functioning, or at the very least, will he arrange for one of the Ministers at the Home Office to make a statement to the House?

Mr. Hoon: I certainly agree with my hon. Friend that it is important that everyone can rely with absolute certainty on the records and statistics compiled in relation to crime. I accept that from time to time there are difficulties in that respect. That is one of the reasons why, for example, the Home Office recently launched a review of the way in which criminal statistics are compiled. That does not entirely deal with my hon. Friend's concern about the accuracy of the information supplied by the CRB, but I know that the matter is taken extremely seriously in the Home Office and by my right hon. Friend the Home Secretary.

Greg Clark (Tunbridge Wells) (Con): May I support my right hon. Friend the Member for Maidenhead (Mrs. May) in her request for the Secretary of State for Health to be brought to the House to explain the crisis in NHS financing? Two weeks ago the Department of Health said:

"There is no question of doctors being asked to play games to improve finances and we have always said that improving financial management does not mean compromising patient care".

In Tunbridge Wells operations are not taking place and out-patient appointments are not been given, except in urgent cases, until 31 March. That is compromising patient care, and it exposes the gulf in perception and understanding between Ministers and doctors and nurses on the ground, who are very concerned about that.

Mr. Hoon: If there were the kind of crisis that the hon. Gentleman describes, Ministers and Labour Members would share his concern, but he must face up to the fact that huge sums of extra money have been put into the national health service, including in Tunbridge Wells. It is important that those responsible for managing that extra money do so successfully. As I told the House earlier, if the Government were not taking action to ensure effective control of that extra finance, Opposition Members would be complaining about it. I accept that it is important to deal with these matters. From what I heard from the chief executive of the PCT on the radio this morning, action is being taken in Tunbridge Wells to deal with the situation.

Mr. Jim McGovern (Dundee, West) (Lab): My right hon. Friend will no doubt be aware of the early-day motion signed and tabled by members of the Scottish National party which states that Scottish hon. Members should not vote on issues that do not directly affect Scotland. May we have a debate on that motion, which would allow the Scottish National party in particular to tell us how the Government of Wales Bill directly affects Scotland and why its Members felt compelled to vote on such burning Scottish issues as the name of the Welsh Assembly?

Mr. Hoon: My hon. Friend has made his point more effectively than I can, but as someone who believes in the Union and in the importance of the House reflecting opinion right across the United Kingdom, and who does not believe in separation and independence in the way in which the Scottish nationalists do, I believe that that is the best for this country and the best future for this country.

Mr. Peter Robinson (Belfast, East) (DUP): Will the Leader of the House reflect on the wisdom of tabling a motion for Wednesday 8 February to provide funds for IRA-Sinn Fein, and not only to provide them with the representative funds that they had on a previous occasion, but to give them a bonus of the Short funds? I expect that the Government know the outrage in Northern Ireland at the fact that at a time when IRA-Sinn Fein continue to use the proceeds of the largest bank heist ever to take place in the British Isles, and while the police are reporting the high level of criminality within the republican movement, the Government intend to reward them.

Mr. Hoon: Having just indicated my support for the Union and the importance of ensuring that the views of all parts of the United Kingdom are properly reflected in our debates here, I hope that the hon. Gentleman will accept from me that it is vital that we encourage organisations that have in the past engaged in terrorist activity to participate effectively and peacefully in the work of this country. We shall have the opportunity to debate these questions and vote on them on 8 February. This is a matter for the House to decide, and one that I am sure will be fully and thoroughly debated on that occasion.

Julie Morgan (Cardiff, North) (Lab): Is my right hon. Friend aware that the Legal Services Commission has announced the ending of all its specialist support services from July this year, without there being any apparent immediate replacement? The Welsh specialist support service provides expert advice to solicitors and front-line advisers on issues such as housing, debt and welfare benefits. Those issues are all tremendously important in Wales because of the poor housing stock and the pockets of deprivation there. Will my right hon.

Friend arrange a debate on this matter, so that we can discuss whether this decision can be reversed? It is causing extreme concern in Wales.

Mr. Hoon: I am grateful to my hon. Friend for raising this issue. It is a matter with which I am familiar from previous ministerial responsibilities, and I know how important such specialist advice services are. I will certainly ensure that the Minister of State, Department for Constitutional Affairs, my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman), is made aware of my hon. Friend's concerns.

John Bercow (Buckingham) (Con): May we please have a debate on brain tumours, with particular reference to early-day motion 1424?

[That this House notes that 16,000 people, including 450 children, each year are diagnosed with brain tumours; is disturbed that brain tumours have become the biggest single disease killing children; acknowledges that survival rates have not increased in line with the rate for childhood leukaemia and some other adult cancers; applauds the work of scientists and clinicians; supports the efforts of United Kingdom brain tumour charities which support research and raise awareness of issues surrounding brain tumour care; further notes that NHS expenditure on brain tumour patients is well below that devoted to other cancers; recognises the problems faced by brain tumour patients in accessing treatment; seeks improved NHS funding and care, including approved access to radiotherapy and rehabilitation services and treatments, such as carmustine implants and temozolomide, which are better tolerated, offer the best hope of improved survival and/or rehabilitation; and calls upon the National Institute for Clinical Health and Excellence to act quickly to approve clinically and cost effective new treatments so that they are available to all NHS patients.]

Given that 16,000 people a year are diagnosed with brain tumours, and that such tumours have now overtaken leukaemia as the biggest single cancer killer of children, would the Leader of the House accept that a debate on the matter would allow hon. Members to express their concern at the preliminary recommendation of the National Institute for Health and Clinical Excellence that carmustine implants and temozolomide should not be used in the treatment of newly diagnosed high-grade glioma? There is widespread concern about this issue, and the denial of such treatments would be a savage blow. The matter ought to be aired fully on the Floor of the House, sooner rather than later.

Mr. Hoon: The hon. Gentleman has made his point with his characteristic fairness and shown detailed knowledge of the issue. I suspect that, now that he has done so, we shall not need a debate on the subject. Nevertheless, I assure him that that matter is taken extremely seriously by the Government. We have sought always to support hon. Members' concerns about the way in which treatment in the national health service is distributed. There will be an opportunity for the hon. Gentleman to raise the issue again next week in Health questions. This issue is always taken very seriously by the Government.

Mr. David Chaytor (Bury, North) (Lab): If it were possible to have a debate on international women's day, as my hon. Friend the Member for Stevenage (Barbara Follett) suggested, it would provide an opportunity to press the case for proper payment for the post of Minister for Women and Equality. It would also provide an opportunity to remind the House that, until very recently, the Tory shadow Minister for Women and Equality was actually a man.

What I really wanted to ask my right hon. Friend was whether he would endorse the calls for a debate on the Post Office, and particularly on the way in which it renews its franchises. My constituency has been without either a sub-post office or a main post office for nine months, in spite of frequent correspondence between me and the Post Office, and between the leader of the local council and the Post Office. Does my right hon. Friend agree that that is completely unacceptable? May we have a debate on the Post Office to consider all these controversial issues?

Mr. Hoon: I think it is fair to say that questions of ministerial remuneration are above my pay grade—one step above my pay grade, anyway. Nevertheless, I will certainly ensure that that matter is drawn to the attention of the appropriate person. On the question of post offices, I do not believe that I can add to what I have already said to the House on that matter. It is an important issue, and the Government take it very seriously. It has been an issue over a number of years, and I believe that the Government have found the right answer, but that answer will need to be updated in the light of changing circumstances. That is the Government's position.

Lorely Burt (Solihull) (LD): May we have a debate on the level and allocation of this year's revenue support grant for local government? It cannot be right that some of the most deprived areas in the country, in the borough of Solihull, receive £237.86, while next door in Birmingham the rate is almost double at £560.40. We need a debate on the Floor of the House so that we can discuss that gross imbalance in local government finance.

Mr. Hoon: It will take place on 6 February.

Mr. Lindsay Hoyle (Chorley) (Lab): Will my right hon. Friend allow a debate on Lancashire county council's disgraceful proposal to withdraw funds for hot meals from the Women's Royal Voluntary Service? Thousands of volunteers in Lancashire go out to ensure that old-age pensioners have a hot meal during the week. It is not just the hot meal that those pensioners require; it is the contact with those who visit. All that is being put at risk for the sake of a few thousand pounds.

Mr. Hoon: I share my hon. Friend's admiration for the excellent work of the meals on wheels service. It does a tremendous job up and down the country, and I am sure that it does a tremendous job in Lancashire. My hon. Friend has made his point, and I entirely agree with him.

Grant Shapps (Welwyn Hatfield) (Con): Jack Saywood, a 14-year-old in my constituency, found that his details were on the national DNA database, although he had committed no crime whatever. It was

[Grant Shapps]

purely a case of mistaken identity. I was shocked to discover that 24,000 other people were in exactly the same position—all of them children who had never committed a crime. Their details should be removed from the database. Will the Leader of the House ask a Minister to come to the House and tell us when they will be removed?

Mr. Hoon: I have seen a number of references to the issue in the media. The hon. Gentleman has been assiduous in raising the case of his constituent and other such cases. My right hon. Friend the Home Secretary is currently considering the matter.

Rob Marris (Wolverhampton, South-West) (Lab): The Leader of the House may know that some avaricious train operating companies are talking of getting rid of saver tickets. The first-class return fare from my constituency is about £182, the standard return fare is about £105, and the saver ticket—which I try to buy to save the taxpayer money—costs £37.50. May we have an early statement from the Secretary of State for Transport?

Mr. Hoon: I have seen a number of rather mischievous headlines on the subject, and I have had cause to discuss it with my right hon. Friend the Secretary of State. I understand that the Department for Transport remains committed to saver tickets and to off-peak travel. The Government's ambition, in which we have largely succeeded, is to ensure that more and more people use our railways, and that will continue to be the case.

Mr. John Hayes (South Holland and The Deepings) (Con): As the Leader of the House will know, in December schools across Britain received important assessment and performance data which is considered vital both by schools and by Ofsted. It has become clear that that data was flawed and misleading. Students who received A* results at GCSE were counted as failures, and GNVQs were not included at all.

The Department for Education and Skills has said that it will withdraw and reissue the data. I want to know from the Department—I hope that the Leader of the House will arrange for a statement accordingly—how that fundamental error occurred and what it has cost the taxpayer. I also want to elicit an apology to all the teachers and students whose efforts and achievements were disregarded by the Government, and, if I may, the definition according to a simple—*[Interruption.]*

Mr. Speaker: Order. If it helps the Leader of the House, I know that the hon. Gentleman wants a dictionary definition.

Mr. Hoon: I am grateful for your consideration, Mr. Speaker. Perhaps the hon. Gentleman will drop a note to my right hon. Friend the Secretary of State for Education and Skills, whose responsibility that is. I take entirely seriously the concerns that the hon. Gentleman has expressed. This needs to be thoroughly looked at and investigated, and I am sure that my right hon. Friend will be contacting him about it.

Mr. David Drew (Stroud) (Lab/Co-op): May I refer my right hon. Friend to early-day motion 1481, which refers to the dispute within the Department for Work and Pensions?

[That this House notes with concern that members of the PCS trade union working in the Department for Work and Pensions (DWP) have felt that they have no other option but to take industrial action in the face of the Government's proposals for 30,000 job cuts and the adverse effect this is having on the DWP's services; further notes the staffing requirements of the Government's incapacity benefit reforms and that the DWP is running ahead of its job reduction target having already cut 15,000 jobs; and therefore calls upon the Government to introduce a moratorium on job cuts within the Department to enable an objective assessment to take place, in full consultation with the unions and service users concerned, of the DWP's staffing needs for delivering services.]

Today and tomorrow, a number of members of the Public and Commercial Services Union are out on strike because of the job cuts that have been imposed in their Department. Is it not appropriate that we discuss those job cuts in this place, ensure that union members are properly consulted and treated with dignity, and, more particularly, realise that those who use jobcentres and other such services within the benefit service need the best reception from people working in the service? Maybe this is not the way to go ahead. We should treat those people with dignity, because disputes do not help anyone.

Mr. Hoon: My hon. Friend is right. It is important that those who provide a vital public service are properly consulted. As I understand it, they have been. It is important that we ensure that proper support is given in the important work that they do, but may I make it clear to him that the adjustment in numbers in the service is directly the result of the significant reduction in unemployment and the significant technological improvements in the delivery of the service? I am sure he accepts very fairly that the money we devote to the Department is best paid to those who are in need of its assistance. That has to mean a balance between those who work in the service and, crucially, those who receive the benefits. Obviously, the more money available for benefits, the better the service will be.

Dr. William McCrea (South Antrim) (DUP): Can the Leader of the House find time for a debate on the review of public administration in Northern Ireland? The Government propose to remove the 26 borough, city and district councils and replace them with seven regional councils. That proposal is supported only by Sinn Fein-IRA. When will the Government unlock themselves from Sinn Fein-IRA and back the democrats?

Mr. Hoon: May I invite the hon. Gentleman to stand back a little from the rhetoric and consider the proposal? I will give him the same answer that I have just given my hon. Friend the Member for Stroud (Mr. Drew): in the delivery of all public services, whether national services of the kind dealt with by the Department for Work and Pensions or local government services, it is crucial that as much as possible of the money provided by the taxpayer is spent on the service, and as little as possible on

unnecessary bureaucratic support. The more sensible and rational the delivery arrangements, the better it is for his constituents and those of all Members of the House.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): Can my right hon. Friend arrange an early debate on the future of regional casinos? Before the election, the House concluded that there could be regeneration benefits from such casinos and that we should run a pilot scheme, but, unfortunately, we agreed that that pilot should be simply one project. I am not sure that I could find one Member of the House who now thinks that one is the right number. What might work in an old industrial area such as the lower Don valley in my constituency will not necessarily work in seaside resorts or in London. Can we have a debate so that we can reach a sensible conclusion? Yes, we should have a pilot project, but the number involved should be eight, not one.

Mr. Hoon: I am grateful to my hon. Friend for raising that issue. I recognise the importance of those questions for a number of areas that are looking to achieve the regeneration benefits that the provision of larger casinos can provide. I assure him that I will ensure that my right hon. Friend the Secretary of State for Culture, Media and Sport responds to him directly.

Bob Spink (Castle Point) (Con): The right hon. Gentleman is an excellent and assiduous Leader of the House, so he will be aware that there is rising public concern about the funding of children's hospices. I know he will be sympathetic to this concern as well: some children's hospices get just 2 per cent. of their funding from the authorities, the rest having to be raised through charitable good-cause work by excellent volunteers. Is he expecting the Secretary of State for Health to come to the House in the near future to make an announcement on Government policy changes on the funding of children's hospices?

Mr. Hoon: I am grateful to the hon. Gentleman for his comments, surprising though they are, and for raising that issue. I have been routinely involved not in the question of children's hospices, but in supporting a local hospice. I know—he put it better than I can—the excellent work done by volunteers, with the support of the national health service, in hospices up and down the country. He is right to draw attention to the work that they do.

Keith Vaz (Leicester, East) (Lab): Could we have an early debate on the progress of the Lisbon agenda? In six weeks' time, there will be a European business summit, at which EU leaders will look at the progress of the agenda over the last five years. We have reached seven of the 17 quantifiable benchmarks, whereas France has reached only three. Could we have a debate on this important issue?

Mr. Hoon: My hon. Friend worked assiduously as an effective Minister for Europe in promoting the Lisbon agenda, something that has been at the top of the Government's agenda for the EU. Providing that we continue to concentrate on the forward-looking programme that Lisbon set out—not least because it emphasises the importance to Europe and the EU of concentrating our scarce resources on investment in skills and training and on the challenge of competing with far-eastern economies—that is still the Government's agenda, and we want to see progress. But, obviously, we must persuade our partners to put the same emphasis on it as we do.

Tim Loughton (East Worthing and Shoreham) (Con): Despite being dropped from yesterday's business, and despite the fact that we finished in Committee early, back in mid-December, the Childcare Bill still does not feature in forthcoming business. Will the Leader of the House explain why that business was mysteriously dropped and replaced with a Bill that collapsed early yesterday in any case? Also, the Children and Adoption Bill, which left the other House back in November, still has to rear its head in this House. When might we see it? May I return yet again to the subject of the Mental Health Bill, which for three years has been in draft form one, draft form two and at the pre-legislative Scrutiny Committee stage, and still we have no mention of it? Is it going to appear in this Session or not?

Mr. Hoon: I take the hon. Gentleman's observations as being a considerable tribute to the energy, hard work and determination of the Government in passing a whole series of important measures to improve child care and mental health in this country, but each has to take its place in a crowded and busy programme, one that the Government will deliver during this Session, as we have set out. Obviously, the management of the business is a sometimes difficult and challenging task and that is something that business managers must take account of in bringing business to this House.

David Taylor (North-West Leicestershire) (Lab/Co-op): The minerals extraction and building materials industry is economically crucial to north-west Leicestershire and to the UK as a whole in the role that it plays in delivering new and improved infrastructure, public buildings, economic growth and so on. In light of the seriously slowed construction product activity in my area, is it not time that we had a debate on the progress towards the Government's key targets? There is a debate next Wednesday on transport in Opposition time. Could we have a debate on housing in Government time within the next two or three weeks? Also, what has happened to the Health Bill? Has it disappeared in a puff of smoke?

Mr. Hoon: I know that my hon. Friend would accept that the construction industry has boomed in recent years as a result of considerable Government investment in new hospitals, roads and schools, providing a range of opportunities for the industry. Necessarily that has implications for my hon. Friend's constituency. On the Health Bill, I hope not to delay my hon. Friend too long on a matter on which we will be able to give information to the House in due course.

David Howarth (Cambridge) (LD): I was glad to hear the Leader of the House say that he would like to see more debates on the health service in this House. May I therefore ask him for a debate on mental health services in this country, in which the Government could explain to my constituents why, yesterday, our primary care trust announced cuts of nearly £3 million in mental health funding?

Mr. Hoon: I recognise that the hon. Gentleman has taken up these issues on previous occasions and he is right to point out that, sadly, mental health has not always received the focus within the NHS that it deserves. That is something that the Government are determined to put right. I cannot answer his specific constituency point but I am sure that my right hon. Friend the Secretary of State for Health will be able to do so.

Andrew Miller (Ellesmere Port and Neston) (Lab): My right hon. Friend might have seen an article in *The Daily Telegraph* today that reports that

"three Appeal Court judges ruled that publication of"

certain

"documents by the newspaper was in the public interest and that their authenticity had never been challenged."

Would it not be helpful if those documents were made available to the Library and if we had a debate on the public interest issues to which that article refers?

Mr. Hoon: My right hon. and hon. Friends are showing more than considerable skill in bowling obscure balls to me this morning. I have not had the joy of reading *The Daily Telegraph* today, but no doubt I will do so in due course, and I will be able to answer my hon. Friend's question more effectively.

Mr. Ben Wallace (Lancaster and Wyre) (Con): Some three weeks ago, the Government announced by written statement that they would begin the process of privatising Qinetiq. Today, they published the brochure, effectively, for investors. Will the Leader of the House consider having a debate or asking the Secretary of State to make a statement on the future of Qinetiq? A number of questions need to be answered, such as why members of the British public are being denied a right to buy a stake in the company when it is floated, whether it is likely that the chief executive will get a £22 million bonus for a £150,000 investment, and what protection there is from the family secrets being flogged to the highest bidder overseas.

Mr. Hoon: The hon. Gentleman could have raised all those questions in Defence questions earlier this week, but I am grateful that he has saved them up for today. Certainly, it is important that the British taxpayer gets the best value from such sales. It is somewhat ironic that Conservative Members are raising questions of privatisation in relation to something that was done in a proper, perfectly competitive way, unlike some privatisations, of which I could give him a long list. I will simply park that. What is vital is that the process delivers the best return for the British taxpayer while safeguarding important research done by British scientists. That was part of the original way in which Qinetiq was organised. As well as the return to the British taxpayer, I am sure that the hon. Gentleman would want to see that the money invested through Qinetiq delivers material that can be sold competitively and used for the greater interest of the British taxpayer. I assure him that that is the position.

If I may deal with this point, the hon. Gentleman has revealed that he is a regular reader of *The Daily Telegraph*. I think that even readers of *The Daily Telegraph* would accept that what is important is to deliver the best return to the British taxpayer. This arrangement will do that.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): Can we have an early debate on the future funding of fire authorities? Buckinghamshire fire authority has one of the lowest precepts in the country, and yet no account has been taken by Government of the rapid expansion of Milton Keynes. In addition, the blanket 5 per cent. cap disproportionately affects low-charging authorities such as Buckinghamshire rather than higher-charging authorities elsewhere in the country.

Mr. Hoon: I have indicated that there will shortly be opportunities to discuss local government financing. The hon. Gentleman is right to raise the important issue of the fire precept. The Government keep such matters under constant review. Where there are changes in population, the ways in which financial assistance is calculated are appropriately adjusted.

Mr. Nigel Dodds (Belfast, North) (DUP): The Leader of the House will be aware that his right hon. Friend the Secretary of State for Northern Ireland has said that he is considering withdrawing emoluments and allowances to Members of the Northern Ireland Assembly, because even though they do their representative work, they do not engage in the Assembly. How on earth, therefore, can the Government justify bringing forward a motion to restore allowances, and increase them, for Sinn Fein Members for their representative work, when they do not attend the House? Will the Leader of the House give a commitment on behalf of the Government that if the Independent Monitoring Commission report confirms that, as the Chief Constable remarked recently, the IRA is still involved actively in criminality in Northern Ireland, he will withdraw the motion?

Mr. Hoon: That is an opportunity for the House to determine important questions about allowances, and I am not making observations about other institutions. My right hon. Friend the Secretary of State for Northern Ireland has made clear the importance of finding a way back to the arrangements that previously operated in Northern Ireland. I am sure that the hon. Gentleman shares that determination, but I accept his argument entirely. If organisations are not committed to a peaceful process and to democratic work, they should not be entitled to those allowances.

Mark Pritchard (The Wrekin) (Con): Will the Leader of the House find time for a debate on laser weapons? Is he aware that they can act not only as a useful offensive weapon but as a defensive measure against incoming missiles?

Mr. Hoon: Yes, I am aware of that.

Mr. Graham Stuart (Beverley and Holderness) (Con) *rose—*

Mr. Speaker: Order. The hon. Gentleman came in very late. If hon. Members want to ask a question following a statement, including the business statement, they must come in to hear the statement. If he comes in early next week, I will call him early on.

Afghanistan

12.20 pm

The Secretary of State for Defence (John Reid): With permission, Mr. Speaker, I would like to make a statement about the deployment of our armed forces to Afghanistan.

Just over four years ago, on 11 September 2001, we were given a brutal lesson in the consequences of leaving Afghanistan in the hands of the Taliban and the terrorists. Since then, we in this country have been at the forefront of the international effort, under the auspices of the United Nations, to defeat international terrorism, to free Afghanistan from the ruthless grip of the Taliban and to rid the country of the menace of the terrorists and the greed of the drug traffickers.

That will not be achieved by military means alone. Therefore, although today's statement deals with the military elements of the deployment, the British Government have undertaken an unprecedented degree of cross-governmental co-ordination to ensure that this is a fully integrated package addressing governance, security and political and social change. I am grateful for the involvement of my right hon. Friends the Secretary of State for Foreign and Commonwealth Affairs, the Chief Secretary to the Treasury and the Secretary of State for International Development.

Last September, I visited Afghanistan. I saw for myself the real hope that the international community has brought to a new generation of Afghans: the hope that at last the Afghan people can rebuild their country, the hope that Afghanistan can take its rightful place as a country where men and women alike can live in peace and freedom, the hope for a better future.

We cannot risk losing those achievements. We cannot risk Afghanistan again becoming a sanctuary for terrorists. We have seen where that leads, be it in New York or in London. We cannot ignore the opportunity to bring security to a fragile but vital part of the world, and we cannot go on accepting Afghan opium being the source of 90 per cent. of the heroin that is applied to the veins of the young people of this country. For all those reasons, it is in our interests, as the United Kingdom and as a responsible member of the international community, to act.

In helping Afghanistan, we cannot look to resolve just one of those issues. Everything connects. Stability depends on a viable, legitimate economy. That depends on rooting out corruption and finding real alternatives to the harvesting of opium. That means helping Afghanistan to develop judicial systems, her infrastructure and the capability to govern herself effectively, which in turn brings stability and security.

That is where there is a clear role for the military: helping to create and to maintain a framework of security on which legitimate Afghan institutions can grow and thrive. NATO, through its leadership of the international security assistance force, itself under the auspices of the UN, has a major role to play in making that happen.

Thanks to NATO's leadership, ISAF has already expanded its activities to cover the north and west of Afghanistan, at the request of the democratically elected Afghan Government and with the authorisation of the United Nations. It now stands on the brink of expanding its operations into southern Afghanistan as part of a planned, pre-envisaged and phased expansion—stage 3. I believe NATO is now in a position to take those plans forward.

Our allies are playing their part in ISAF. In the north we shall hand over responsibilities to Germany, Finland, Sweden and Norway; in the west Italy and Spain lead ISAF, and Lithuania and the US also provide forces; and in the south the US, Canada and Romania already have troops stationed, Estonia has pledged forces, the Danish Parliament is examining a proposal to send forces—I spoke to its Minister this morning—and we are optimistic that the Dutch, whose Minister I also spoke to this morning, will also deploy forces. In addition, Australia and New Zealand may provide forces. This truly is and will be an international, multinational effort. On the ground and in the air, this is a truly multidimensional, international force. The US, for example, has offered to provide attack helicopters and support helicopters, and we know other countries are considering providing fast jets and transport aircraft.

We need that broad level of international support as the context in which to commit our British troops. We need the capabilities and the forces because ISAF expansion is no easy or small task in stage 3. Southern Afghanistan is undeniably a more demanding area in which to operate than either the north or the west. The Taliban remains active. The authority of the Afghan Government—and the reach of their security forces—is still weak. The influence of the drugs traffickers, by contrast, is strong.

ISAF must be prepared to meet these challenges. It means different forces and it may mean different tactics—not because we want to wage war: that is not our aim. Provincial reconstruction teams, building up Afghanistan's capacity, will remain at the core of ISAF's expansion into the south, just as it was in the north and west. But just as the threat is greater, so must be our ability and willingness to deter and defend ourselves against attack. The capabilities and experience of our armed services, to whom I again today pay tribute, make us well placed to help ISAF do both.

We have previously announced our decision to deploy the headquarters group of the Allied Rapid Reaction Corps to lead ISAF from May 2006 to February 2007. ISAF, via NATO, will be under a British commander, General Richards. It will be supported by elements of 1 Signal Brigade, including troops from 7 and 16 Signal Regiments and the Allied Rapid Reaction Corps Support Battalion. This alone means a commitment of over 1,000 troops towards the headquarters based in and around Kabul.

We are also preparing for a deployment to southern Afghanistan. Next month 39 Regiment, Royal Engineers will deploy to Helmand province to build an encampment for our main deployment. A company from 42 Commando Royal Marines will provide protection and three CH-47 Chinook support helicopters from 18(B) Squadron, Royal Air Force, will offer essential lift and mobility in Afghanistan terrain largely without roads. All told, between now and July we shall send some 850 additional personnel to help prepare for our main deployment. That main deployment will have at its heart a new British-led PRT at Lashkar Gar, the capital of

[John Reid]

Helmand province. As in the north, the PRT will be based on a triumvirate of the British military commander, and officials from the Foreign and Commonwealth Office and from the Department for International Development respectively. So we are working to ensure that we provide Afghanistan with a seamless package of democratic, political, developmental and military assistance in Helmand. All of that is necessary to ensure that international terrorism never again has a base in Afghanistan.

We are also working to make sure that our goals are Afghan goals, too. Assisting Afghan counter-narcotics initiatives is an obvious example. If we help them, we help ourselves at the same time. As I mentioned earlier, 90 per cent. of the heroin injected into the veins of young people in this country originates in Afghanistan. Helmand province is the largest single source of opium in Afghanistan. We can help to train Afghan counter-narcotics forces and support their operations, and we can provide intelligence. We can assist the Afghan Government in explaining their policies to the people. Above all, we can, along with the support of the Afghans, create the environment in which economic development and institutional reform—I again emphasise that both are essential to the elimination of the opium industry—can take place.

So the range of tasks for the provincial reconstruction team is large. It will form part of a larger, more than 3,300-strong British force providing the security framework. That force will itself come under a new Multinational Brigade (South), which will initially be under Canadian, alternating with British, command. Our contribution, the Helmand taskforce, will include elements of the headquarters of 16th Air Assault Brigade, and an airborne infantry battlegroup. Based initially around the 3rd Battalion the Parachute Regiment, it will incorporate a force consisting of eight Apache attack helicopters, provided by the 9th Regiment Army Air Corps. That will be the first time that we have deployed this impressive new capability on an operation. The 9th Regiment will also supply four Lynx light utility helicopters, while 27 Squadron Royal Air Force will provide a detachment of six Chinook support helicopters.

Other major units and capabilities include Scimitar and Spartan armoured vehicles from the Household Cavalry Regiment; a battery of 105 mm light guns from 7th Parachute Regiment Royal Horse Artillery; a battery of Desert Hawk unmanned aerial vehicles from 32 Regiment Royal Artillery; 13th Air Assault Regiment and 29 Regiment Royal Logistics Corps; 7th Battalion Royal Electrical and Mechanical Engineers; and 16 Close Support Medical Regiment. We shall also deploy four additional RAF C-130 Hercules transport aircraft. It is a substantial package—one that the chiefs of staff have agreed is necessary in order to maximise our chances and minimise our danger.

We aim for these deployments to be fully operational by July this year. The total number of our troops in Afghanistan—those already there, those at the new ISAF headquarters, the Helmand taskforce and the temporary surge engineering capability—will fluctuate over the next few months. It will peak, briefly, at some 5,700, before reducing to fewer than 4,700 as—according to current plans—the engineers building the encampments return home from Helmand in July, and our Harrier GR7 detachment withdraws in June. Our forces will then comprise those needed to command ISAF, some 300 troops engaged in support and training tasks in Kabul, and the Helmand taskforce. Predominantly, they will consist of regular troops. There will, however, be a small number of reservists, most of whom will be drawn from the Royal Rifle Volunteers or from the 4th Battalion Parachute Regiment.

I want to make a few things clear. The size and structure of the task force has been guided by a careful assessment of the likely tasks and threats that it will face. What matters is that we put the right forces in to do the job and to do it safely and well, and I make no apology if that requires more soldiers than some people initially envisaged.

Attack helicopters are certainly formidable, but they are also necessary. The roads in Helmand are very poor, and that means that support helicopters are essential. They in turn need attack helicopters to protect them and the forces that they deploy. Let me stress once more: we are deploying this potent force to protect and deter. The ISAF mission is unchanged. It is focused on reconstruction.

The resources for this deployment will be made available. This will be a three- year deployment, and it will cost around £1 billion over a five-year period. The resources will be made available, commencing in this financial year.

As I said earlier, we have a clear strategic interest in the renewal of Afghanistan. Obviously, that informed our decision. Equally, we have similar interests elsewhere, and an interest in maintaining effective and capable armed forces. We took careful account of those factors as well, including our other commitments. This deployment is manageable alongside those other, wider commitments, including Iraq. It does not require drawdown in Iraq. As we have said continually, that will be based on conditions in Iraq itself.

The House will be interested to hear about the command and control arrangements. To begin with, the multinational brigade as it arrives in Afghanistan in transitional format will come under the coalition. That is a necessary transitional measure, and is what happened when we established our first PRT in the northern city of Mazar-e Sharif in 2003. Of course, Canadian, Romanian and US forces are already serving in the south of the country. However, other allies, such as Denmark, Estonia and, I hope, the Netherlands need time to build up sufficient forces in southern Afghanistan to implement ISAF's expansion into the region, just as we do. I therefore anticipate that later this year, at the earliest opportunity after the transitional period, ISAF will take control of the forces in the south from the coalition. That will happen during our command of ISAF. The Kandahar headquarters of the Helmand taskforce will alternate between Canadian and British command, but will ultimately come under the command of the ISAF headquarters. In turn, the ISAF headquarters will be commanded by the British general in command of the allied rapid reaction force headquarters that is moving there.

All of this has but one aim—a secure, stable, prosperous and democratic Afghanistan, free from terrorism and terrorist domination. The House will be concerned about the risks and dangers of the deployment. Whatever the difficulties and dangers—and I do not hide them from the House or the country—those risks are nothing compared to the dangers to our country and our people of allowing Afghanistan to fall back into the hands of the Taliban and international terrorism.

We will not allow that, and the Afghan people will not allow that. They have already made great strides towards achieving a new future. They have a democratically elected President and Parliament, and democratically elected assemblies. Their legitimate economy is growing. Children—both boys and girls—are back at school, and refugees are returning home.

I am the first to accept that there is a long, long way to go. Extending ISAF into stage 3 in the south is a small but hugely significant step on the journey. This country has pledged to help the Afghan people as they continue on that journey. I am convinced that that is something that we should do to help, and that it is something that we will do.

Dr. Liam Fox (Woodspring) (Con): I am grateful to the Secretary of State for his necessarily long and detailed statement, and for making a copy available to the Opposition in advance. He was right at the outset to remind the House why we are in Afghanistan. We are there as part of the NATO response to the 9/11 attacks on the United States and as part of a wider coalition seeking to prevent Afghanistan from collapsing into a security vacuum that could so easily be filled by al-Qaeda and other terrorist groups. It is right to state in the House that we have a duty to stand with our allies—nations large and small that have joined the war on terror.

There are two unacceptable outcomes in Afghanistan—to fail to act or to act and fail. The slaughter in New York and London reminds us that our national security is best served by denying a breeding ground to those who are opposed to our way of life. So failure to act is not an option, but if we must act decisively, we must act effectively, since strategic failure would be a disaster. We need to know exactly what the mission is, what its objectives are and how success will be measured. Especially after Iraq, it is essential that the House asks detailed questions of the Government about the proposed deployment, and that the Government respond with clarity.

Let me begin with risk assessment. Our troops will be deployed to Helmand province, focusing on anti-narcotic and reconstruction activities. The Government have already described the situation as less benign than the norm, and the situation can worsen rapidly. Insurgents are mobile and may move to where ISAF troops are located. What assessment have the Government made of the current security status in the south of Afghanistan and in Helmand province specifically? How do the Government believe that the threat to our troops would change in the event of the appearance of either new insurgents or insurgents displaced from Iraq or other areas? Do the Government have any evidence that al-Qaeda is transferring operatives from other areas, notably Iraq, to Afghanistan, and what assessment have the Government made of the degree of interaction between insurgents and Iran, given that the Iranian border is only 150 miles away from Lashkar Gar, where the British troops will be stationed?

Let me ask about reconstruction. It would be wrong for the House to regard the reconstruction element as the easy road. Reconstruction will be a difficult task, as the tribal areas and the Afghan warlords do not share our view of how society should be constructed. Traditionally, successful Afghan Governments have been those with a light touch. What risk is there of our trying to apply a model of government suited to Kabul but unsuited to the southern provinces, and so creating resentment and hostility?

Let me ask a number of questions about the deployment. There is widespread support in the House for the strategic objectives—anti-narcotic, anti-insurgency and anti-terrorist—set out by the Government, but the Secretary of State will be well aware of widespread anxieties that the level of resources committed by ISAF may not be sufficient to achieve the stated objectives, and that we may consequently be drawn into an escalated conflict. How confident is the Secretary of State that the total complement of ISAF troops in Afghanistan is or will be sufficient to achieve the Government's objectives? How sure is he that all the necessary equipment will be available? Both the National Audit Office and the Defence Committee have identified a shortage of helicopter lift capacity. Has that been addressed? If so, how, and with what effect on other operations?

Then we come to the issues of command and control dealt with by the Secretary of State later in his statement. ISAF is a stabilisation force and as such is not geared for combat operations. Operation Enduring Freedom, however, is a counter-terrorism combat operation, and British troops will serve under both commands in Afghanistan and therefore operate under different rules of engagement. For example, under OEF, attacking insurgents can be shot at and pursued, but under ISAF rules of engagement, insurgents will not be pursued because that constitutes counter-terrorist activity. Even within ISAF, individual national contingents may operate their own specific rules of engagement different from ISAF's.

The Secretary of State said that we are deploying this potent force to protect and deter, but can he confirm that that does not include a counter-terrorism role? Does not that send dangerously mixed signals? Can he tell us what arrangements have been made for increased NATO-ISAF command integration with the US-led OEF? Is he satisfied with the clarity of the chain of command under which British troops will operate?

I said yesterday that we would want to know about the issue of prisoners. Can the Secretary of State tell us what powers of arrest and detention are available to British troops engaged in peacekeeping in Afghanistan, and how do they differ from those available to those acting under OEF command and those operating under ISAF command? What is the policy of NATO on the rendition of terror suspects detained by ISAF? What agreement, if any, has been reached between NATO and the Afghan Government relating to arrest and detention

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of suspects in Afghanistan? What assessment has he made of the effects of ISAF being integrated more closely in the longer term with OEF?

There are many other questions for the Government to answer on the tension between the anti-narcotic and anti-terrorist objectives, or training, or the overstretch effects on the British armed forces generally. For clarification, can the Secretary of State tell us if the £1 billion cost that he mentions will be met from reserves? Can he tell us how much money will be specifically earmarked to compensate the farmers he mentioned for decreased poppy production?

If the Secretary of State is unable to answer specific questions today, the House will expect clear answers before any deployment takes place. Every precaution must be taken to minimise the risk to our forces, whose courage and professionalism we salute today. The defence of our national security and the construction of a free and democratic Afghanistan are noble ideals. We cannot fail to act, but we cannot act and fail. It is in that respect that we will hold the Government to account, as is our duty.

John Reid: I thank the hon. Gentleman for his supportive posture, which is balanced by legitimate and critical questions. It is important that we examine those questions. I hope that I have examined most of them, but one of the benefits of a dialogue on the issue is if someone identifies questions that I should have asked, but have not. I do not regard that as a point scored, but a benefit, especially to the armed forces, because our questions should be searching. Therefore, if I have missed any of the hon. Gentleman's questions—I tried to scribble them down—I will write to him and, if he wishes, place the answers in the Library for other hon. Members to read.

The hon. Gentleman asked about whether the resources available are from the reserve, nd the answer to that is yes. He asked why there is a five-year plan when we are looking at three years, and the answer is because just as there is a build-up period, there is also a run-down period with preparations for people coming out. We have chosen an envelope that encompasses the envisaged three-year stay.

The hon. Gentleman asked an important question about resources for indirect build-up of infrastructure, including alternative livelihoods. That will be a long task. In the first instance, we will consider compensatory transitional payments and alternative livelihoods in the medium to longer term. I am grateful to the Department for International Development and my right hon. Friend the Secretary of State who has spent so much time on this. A sum of the order of £20 million a year will be allocated to that specific area, some of it directly and much of it through Afghan Government projects. In addition, some $100 million is being spent a year and we have received assurances from the United States that that will continue for at least 18 months, so that is an additional amount. I am satisfied that the financial resources, which will complement our military intervention, are sufficient. However, how they are applied in terms of human beings working on the projects is, of course, dependent to some extent on the security situation, which is one of the reasons why we are there.

The hon. Gentleman asked how we handle prisoners at present and how they will be handled. At present, we hand prisoners over to the Afghanistan Government and we envisage that that will continue. We have done a considerable amount of work to examine the threats to the security situation that face us, which is why the task force is so configured, but, of course, we update it. We have taken account of developments in places such as Iraq, such as the changing nature of the improvised explosive devices that have been used there, so that we can reallocate resources. There has been small—some would say significant—cost growth precisely to allow for contingencies and to compensate for new threats that come in.

I confirm to the hon. Gentleman that the role is not counter-terrorist. However, I also confirm, as the House would want me to do, that if we are attacked while pursuing our reconstruction objectives and providing the framework for others so to do, including the Afghans, we will respond robustly. That is why we make a distinction between insurgency, or terrorist attacks on us, and a primarily counter-terrorist role. That role is a task for OEF.

The hon. Gentleman asked about the possible synergy between the ISAF role in stage 3 in the south and stage 4, which will attempt to bring together American forces and our armed forces. There are several ways of achieving that. One is to have a chain of command that results in a double-hatted commander under whom there are two single chains of command: one on anti-terrorism, which would be mainly led by the Americans, and the reconstruction one in which we are involved. Another alternative would be that as we successfully exclude the terrorists, compared with some years ago, American forces could transfer over to reconstruction and join ISAF in helping to rebuild the nation of Afghanistan. There are thus several options open to us, but we will keep clear lines of command.

The hon. Gentleman asked for clarity on numbers. I hope that we have given that clarity today. The total number of troops in Afghanistan through ISAF when stage 3 is completed will be about 18,500. The number of NATO troops in the south, including ours, will be 9,000. That is a hugely significant increase from the number of troops who are there are present.

I hope that I have covered most of the main points that the hon. Gentleman made—I have done so at some length I know, Madam Deputy Speaker—but as I said, I will check the record and if I have missed others, which are equally important, I will write to him.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): The Secretary of State will be aware that our forces will face not only a resurgent Taliban, but a network of warlords throughout the whole of Afghanistan, many of whom are deeply involved in the pernicious heroin trade that exists in every province. He will also be aware that that trade has gone up by a factor of 20 in the past four years. That is why I am somewhat worried about the exact objectives when our troops are being deployed as a relatively small force—including the international component—in a country that has defied the US, the Russians and, historically, ourselves. How and when will he be able to measure whether the outcomes are successful? I do not expect anything specific, but on

what criteria will he judge the success of our forces, who will be concentrated in one province of the huge country?

John Reid: I would make three points to my hon. Friend. He is quite right to point to the historical precedents, but as I said on Monday, there are two big differences between the Russian and previous British interventions, as well as those of other nations. First, we have been invited in by the Afghans themselves, including the country's democratically elected President and Government, which makes a big difference. Secondly, we are not there for imperialist reasons, unlike the situation during the several previous interventions, which the hon. Member for Louth and Horncastle (Sir Peter Tapsell) continually and correctly brings to our attention.

We are addressing not only one area because there is an incremental approach. Stage 1 was in the north and stage 2 is in the west. Stage 3 means that three quarters of Afghanistan will be covered. I fully accept that not every metre of it will be covered, but the more we go round the clock on the stages, the smaller the chances that we will end up just squeezing a balloon so that the air—the corruption and narcotics in this case—goes to another area.

I do not envisage that building a modern Afghanistan—which lacks a central corporate governance, in tradition and structure, unlike Iraq; which lacks a developed middle class, unlike Iraq; and which lacks the mineral resources of, say, Iraq—will be an easy or a short process. It will not be done during the three years in which we are there because there will be a continuing process for the Afghans themselves over many decades. I hope that we will be their friends and that we will support them over that period. I have no doubt that there will be other occasions when they will ask us for military assistance. We can make a significant difference in the south over three years by extending the writ of central Government, starting the development of alternative livelihoods and, at the end, having a force of the Afghan army and police in the order of 2,500 to 3,000 trained people, which would be similar to our numbers in Helmand. I think that my hon. Friend was asking whether there is an exit strategy for the deployment. Yes there is, and that is it.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): As I made clear yesterday, Liberal Democrats continue to back the international consensus of support on Afghanistan and agree with the aims set out by the Secretary of State in his comprehensive statement and the answers that he has given us thus far. Sadly, we cannot escape the fact that the country remains in a parlous state and that the new mission will be fraught with danger, especially in the south. We, like others, pay tribute to the bravery, professionalism and commitment of all the people who are to be deployed.

The Secretary of State has made it clear that the deployment will go ahead only if it satisfies three key criteria. The British contribution represents a huge deployment. As he said, it is bigger than we had been led to expect. Given our ongoing commitments in Iraq and elsewhere, how will we avoid serious overstretch in the armed forces? With the contributions from other NATO partners still not resolved, has he put a limit on the British forces that will be made available, or are we committed to plugging any gaps? As for economic and other assistance, is he saying that ahead of the London conference, commitments are in place to ensure that the country's next five-year development programme will be delivered?

John Reid: On the last point, I am sure that there will be commitments in place and I hope that further commitments will be made at the conference of which the hon. Gentleman speaks. The international community has a vested and enlightened self-interest in seeing Afghanistan prosper to such an extent that it is no longer a failed state that terrorists can use as a base for attacking the west.

The hon. Gentleman asked about plugging gaps over and beyond the troop numbers that I mentioned. No, we will not plug any gaps for others. I have spoken in the past 24 hours to Secretary Rumsfeld, the Secretary-General of NATO and my colleague the Dutch Defence Minister to tell them what we are planning and to say that we count on NATO. I am sure that NATO will provide all the means to fulfil the operational plans, including on numbers, but we will not fill the gaps for others.

The hon. Gentleman mentioned the state of Afghanistan itself. I have been sombre in my statement to the House, not because I think that we should lack resolution or will, but because it is right not to approach these matters with a gung-ho attitude, or any bravado. Such pessimism when studying the situation should not diminish our resolution when we decide to go in. We need 100 per cent. support for our troops and 100 per cent. will to carry this through. That will be there from the Government, and I am sure that it will be there among the vast majority of hon. Members.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. I note that the Front-Bench spokesmen have taken about 40 minutes, and that many Back-Bench Members seek to be called. I ask that supplementary questions and the answers to them might be kept as short as possible because of the limited time that is available.

Mr. Chris Mullin (Sunderland, South) (Lab): As regards counter-narcotics, I know that there are no simple solutions. However, has my right hon. Friend examined the feasibility study prepared by the Senlis Council, a reputable think tank, on the possibility of growing opium under licence for the international medical market, as happens in one or two other countries, as an alternative to the search and destroy method that is favoured by our American allies?

John Reid: Yes, we have considered that possibility, but our conclusion is that it would be hugely difficult—it would be too difficult to police legitimate and illegitimate commerce in that area. We consider all such proposals, but that one has been examined and thus far rejected.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): The Secretary of State will recall that I asked a specific question yesterday. I feel that in part he

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has answered it and that in part he has not. I have a real concern that there is now a divide—and an artificial one—between the activities that we are about to undertake in Afghanistan. In part, our strategic view is the restitution of civil authority and so on in the province, but I think that the terms of our rules of engagement should be set around what the threat is rather than our strategic aims and objectives.

What concerns me distinctly is that the rules of engagement may lead us to be far too restrictive. On the ground, people will see our soldiers deployed as part of the programme of enduring freedom. If they are unable to act in line with that, they will be in deep danger. I say this as someone who has deployed and has often been concerned about the rules of engagement. I urge the Secretary of State to look again at this matter. Such confusion is deeply dangerous.

John Reid: It is because I know that that I listen to the right hon. Gentleman with such respect.

We are convinced—that is my military advisers, the chiefs of staff and so on—that our rules of engagement are sufficiently robust. They are not the same rules of engagement as those of everyone else in Afghanistan. We do not have the same caveats as everyone else in Afghanistan. I can understand the right hon. Gentleman's concern. As I have said, we think that the rules of engagement are sufficiently robust. Given the right hon. Gentleman's experience and his previous position as leader of the Conservative party, I would be more than happy if he wanted to visit the Ministry of Defence and to discuss the matter in detail with some of my military advisers, if he wants to reassure himself on this point. I repeat that we think that the rules are adequate and robust. If they prove not to be, we will strengthen them.

Mr. Dai Havard (Merthyr Tydfil and Rhymney) (Lab): As my right hon. Friend will know, I visited Afghanistan last November with colleagues from the House. I had the privilege, under the armed forces parliamentary scheme, to visit 16th Air Assault Brigade and the various other elements of the battle group yesterday, and to see their planning and preparations for the deployment.

I also saw the Estonian troops and even the Dutch military, who are quite happy to engage in this deployment should their politicians allow them to do so.

I was told that the Air Assault Brigade were happy to test their new air manoeuvre capability. They felt that in this way they could dominate the ground sufficiently in order to carry out the task, but they wished that to be reviewed on a constant basis so that they would have adequate support in terms of helicopters in particular. In the event that the Dutch do not arrive, our personnel were also concerned to ensure that there was requisite combat air support in the form of fixed-wing aircraft and other assets.

John Reid: Yes, there will be. That is what we are insisting on. I am glad that my hon. Friend was at Operation Herrick yesterday. I will be there tomorrow. I am glad that he is able to convey to the House the morale and the resolution of our troops, which we would expect, and that of our allies.

Mr. Michael Ancram (Devizes) (Con): I thank the Secretary of State for his announcement today because it will relieve the concerns of many members of our armed forces and those of their families. That is an important point at this time.

Is it still the intention, as part of the ISAF deployment, that the Dutch troops will deploy to that part of Afghanistan between Kabul and Helmand, which I think is called the Oruzgan province, which is where many of the remnants of the Taliban reside? What would be the effect on our deployment, which the right hon. Gentleman has announced today, if the Dutch decided, either ministerially or through their Parliament, not to make that deployment, or if later, having made it, they decided to withdraw?

John Reid: The Oruzgan province is to the north. As I said, the Dutch Cabinet have unanimously decided that they wish to go ahead. The matter has to be discussed in their Parliament, although formal power does not actually lie there. However, there will be a discussion and a debate, in the way that we are having today. I believe that the Dutch will take a decision, but it is a sovereign decision for them. If they decide that they do not want to deploy there, we will have to find another way of doing that. I am confident that we will do so. We will not be plugging the gap, but the gap will be plugged.

Mr. David Winnick (Walsall, North) (Lab): Recognising, as my right hon. Friend has said, that the choice at this moment is between the continuing military role of the international community or the return of the Taliban fanatics, will the United States, in particular, be extremely careful over their intelligence, bearing in mind that some two weeks ago there was a bombing raid, and all the evidence seems to suggest that the victims, including young children, were innocent? Hearts and minds are involved in this campaign, and that includes the way that prisoners are interrogated by the Afghan authorities. I hope that all that will be very much borne in mind.

John Reid: I am sure that it is by the United States. It is always a dreadfully difficult task to balance the fight against a dreadful enemy who is unconstrained by any morality, any conventional norms of international standards and any Geneva convention. They will demean people, degrade them and show them publicly, and they are increasingly behaving in that manner. At the same time, we are fighting to a set of standards under scrutiny by the media, under international legalities, under human rights and other standards. It is always difficult to get the balance right. I would merely say that we and our allies, the United States and others, try to get the balance right continuously. I know that it is always on our mind, but we try to ensure that it does not unduly constrain our troops. In the long run, the maintenance of such standards strategically is a source of legitimacy and strength to us, and that is why we take such care.

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): The invasion of Afghanistan, unlike the invasion of Iraq, was necessary and right, and the Government

deserve our full support. Will the Secretary of State recognise that the distinction between NATO's reconstruction efforts and the counter-insurgency efforts that are led by the United States, which was always difficult to reconcile and always seemed artificial and implausible, is now infinitely more difficult to sustain if NATO troops are to be deployed to the south of Afghanistan? As the right hon. Gentleman has recognised, they may have to deal with insurgency attacks upon them. Will he therefore give slightly greater urgency than his initial remarks implied to working with our allies to try to ensure as quickly as possible some form of unified command?

John Reid: Obviously, I do not accept the premise of the right hon. and learned Gentleman's remarks, but I think that beyond that premise and his comments about Iraq he makes an important point. I do not think that it is impossible to distinguish between a mission that is led by a counter-terrorist objective and one that is led by rebuilding and re-capacity provincial reconstruction team-style objectives.

Of course, it is impossible to distinguish absolutely between the two objectives, especially if terrorists are attacking and there are insurgency attacks. I reassure the House that if terrorists and insurgents attack us, we will defend ourselves. They would be attacked back. There is no question about that. That is not a matter of caveats. We are not going there to be the armed wing of Oxfam or anything of that nature. If we are attacked, the British forces will defend themselves. On the other hand, their primary task or main task is not to seek and destroy terrorists—the United States are leading that mission. I think that as they successfully exclude terrorists and the reconstruction task force, ISAF—NATO—moves round the clock of Afghanistan, there will be a closer synergy. How that is done is a matter for discussion. However, I will discuss the matter continuously, as I have been doing, with our allies. Some are more reluctant than others to see that achieved.

Dr. Roberta Blackman-Woods (City of Durham) (Lab): I welcome my right hon. Friend's statement, especially ahead of the London conference on Afghanistan next week. Does he agree that in developing its peace-building strategy, the United Nations has emphasised the need for the task of maintaining security to go hand in hand with development and reconstruction? Will my right hon. Friend therefore assure the House that the troops that are sent to Afghanistan will not only maintain security, important though that is in the difficult terrain of south Afghanistan, but assist in reconstruction, and will he join me in reminding the House that it is important that we see though our commitment to Afghanistan and to the new democratically elected Government, as they seek to carry out the difficult task of building the country's infrastructure, services and employment base?

John Reid: Absolutely. As I said earlier, military means, though a necessary condition for success, are not a sufficient condition. We will provide the security framework within which the reconstruction of Afghanistan can take place. That is why, if we are countering narcotics and withdrawing some of the income, it is so important that there should be alternative livelihoods. People do not willingly starve to death in a state of grace. There must be something more at the end of it to allow them to maintain their families, so we must complement the intervention of the Afghan military with alternative means of livelihood.

Bob Russell (Colchester) (LD): As the Secretary of State knows, 3,000 troops from 16th Air Assault Brigade are taking part in Exercise Herrick Eagle, although less than two weeks ago the Minister of State for the armed forces stated that

"it does not mean that these units . . . will be committed to Southern Afghanistan in 2006."

The announcement from the Secretary of State today confirms that that will happen. When will the deployment commence? How long will the 3rd Battalion the Parachute Regiment and elements of the headquarters of 16th Air Assault Brigade be based in Afghanistan? Does that not yet again illustrate the overstretch? When will the right hon. Gentleman address that principal problem?

John Reid: First, if the hon. Gentleman will allow me to say so, that was a classic case of a series of non sequiturs, each of which was intrinsically mistaken, and which, compounded together, were one big mistake. Because people start contingent preparations, it does not mean that it is inevitable that a decision will be taken to deploy them. The decision to deploy 16th Air Assault Brigade was not taken when we started the contingency preparations. It was taken this morning. Matters could have been otherwise, even as late as the past week or two. Secondly, there is no contradiction between our other commitments and those in Afghanistan. It is challenging, but there is not overstretch to the extent that the hon. Gentleman suggests. Thirdly, I dare say that the morale among the troops, with whom the hon. Gentleman continually tells me he mixes, is superbly higher every time I or anyone else meets them than his morale often is on these matters.

Bob Russell: Oh, for God's sake.

John Reid: I can only relate to the hon. Gentleman my experience of these matters.

Bob Russell: Disgraceful.

John Reid: The hon. Gentleman is entitled to his view. When I meet those soldiers on exercise, they are prepared to meet the challenge. It is to their eternal credit that their morale and resolution is superior to that of most commentators in the United Kingdom.

Mr. David Hamilton (Midlothian) (Lab): As one who supported the involvement of British troops in Afghanistan and continues to do so, may I ask two quick questions? First, on our power to arrest suspected terrorists and hand them over to the authorities, does that also apply to suspected terrorists who are not of Afghan descent? What do we do after they are arrested? That is an important question that arises every so often. Secondly, the United States of America spends millions, if not billions, of pounds on reconstruction and

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development in the south and on discussions with the warlords. Will that money continue to be made available once the British troops go in?

John Reid: On the second matter, with reference to about $100 million, I am informed that the United States will continue to make that available, at least for the foreseeable future—18 months or so. On the first matter, which involves important but complicated questions about prisoners, at present we hand such prisoners over to the Afghan authorities, but there is an existing memorandum of understanding. We would take account of that in the light of the circumstances that we discover through our preliminary operations team that has been sent out to Afghanistan, and we will develop our plans and procedures accordingly with the Afghan Government. Perhaps I can write to my hon. Friend about that.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): To what extent have the harmony guidelines been sacrificed to fulfil the deployment?

John Reid: The harmony guidelines are, from memory, around 21.1. They should be around 24. I cannot give the hon. Gentleman the specific change because of the deployment, but if I may write to him, I will tell him exactly what effect it has had. At around 21.1, the harmony guidelines are not satisfactory. They should be around 24.

Jim Cousins (Newcastle upon Tyne, Central) (Lab): Can my right hon. Friend assure me that given a situation in which there are two different commands, one devoted to reconstruction and the other to security, there will be no security or counter-terrorist operations in northern Pakistan without the knowledge and approval of British forces and British commanders devoted to the task of reconstruction? Can my right hon. Friend also assure the House that if there is a deterioration in the security situation in Afghanistan or Iraq in the period leading up to July, he will reconsider these matters and come back to the House?

John Reid: I do not think I can give my hon. Friend the assurances that he seeks, if I understood his request correctly. Of course, where we are operating in close proximity, even though there are two different operations, there are enough overlapping relationships and intelligence to ensure that we work towards one common objective, but I cannot give my hon. Friend a specific assurance. However, I can assure him that we keep these matters under constant review, not least because of the potential requirement to try and achieve closer synergy between the two operations or a transfer of personnel between the two operations as we proceed.

Mr. James Gray (North Wiltshire) (Con): Would the Secretary of State mind if I asked a detailed question of key concern to my constituency? In his statement before Christmas on the loss of the Hercules, the largest single loss of life in Iraq, he stated that the only thing that he could find that was wrong was that the Hercules did not have foam retardant systems in the wings. Will he give the House an assurance this afternoon that the four Hercules aircraft to be deployed in Afghanistan will have full air defensive suites of all kinds supplied to them, as I am sure they will? Also, I know that he is in discussions with Marshalls of Cambridge about the fitting of foam retardant to the wings. Will those discussions have achieved some kind of outcome by the time of the deployment?

John Reid: Other than to say that we will have full defensive suites, it is not our policy to go into detail about the protective measures. I invite the hon. Gentleman to come and discuss that matter with me outside the Chamber.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): My right hon. Friend's statement indicates clearly that the main task for the deployment will be the implementation of the Afghan Government's anti-narcotics strategy. I noted that he referred to a medium to long-term strategy. Does he agree that we are not considering crop spraying, and that the emphasis will be on bringing new economic opportunities to the farmers who previously grew poppies, which will be a long-term project? Does he believe he has the resources for that long-term commitment?

John Reid: First, the effort will be Afghan-led. That was implicit in my hon. Friend's remarks. Secondly, there will be a heavy emphasis on the proverbial carrot—on attracting farmers away from poppy production. Thirdly, I do not rule crop spraying in or out, although it is not on our agenda, but the stick is present too, in terms of risk, not for the farmers, but for the mafia bosses who run the trade. The intention is to render the trade riskier than it currently is, while offering an alternative to the farmers. No one in the House would be particularly concerned about greedy, corrupt, nasty mafia warlords who are making a great deal of money from pumping that poison into the veins of their own people and our people, but we all have 100 per cent. sympathy and empathy with the farmers, so we must get that balance right, as my hon. Friend suggests.

Angus Robertson (Moray) (SNP): May I repeat the support of the Scottish National party and Plaid Cymru for what has always been an expressly sanctioned United Nations mission in Afghanistan? In reiterating our concerns about overstretch, may I highlight the problem of transport for service personnel, which, yesterday, the Secretary of State gave a commitment to consider? Will he tell us today what plans have been put in place to deal with the overstretch of transport flights identified by the Chief of the Air Staff?

John Reid: I mentioned in my statement the deployment of support helicopters and, indeed, of four Hercules aeroplanes in theatre. That deployment, along with the other assets that I mentioned, is assessed as appropriate and sufficient, subject always to the findings of the preliminary operations team, which we are sending out in order to gain further information and intelligence about the situation on the ground. As that develops—if there is any change in the configuration—I will speak to the hon. Gentleman. *[Interruption.]* The hon. Gentleman indicates from a sedentary position

that he also referred to the transporting home of soldiers from theatre. It is always a concern to us, given the challenges that we face and the harmony guidelines of which we were speaking earlier, to ensure that when the roulement tour is finished, soldiers get home properly and quickly—subject, always, to conditions on the ground. The Chief of the Air Staff is trying to ensure that that is the case.

I welcome the hon. Gentleman's support for the United Nations auspices under which we operate in Afghanistan. He will not need reminding of the fact that we are now operating under United Nations guidelines—the second resolution—in Iraq as well, and I take his comments as an indication of support there, too.

Chris Bryant (Rhondda) (Lab): Like my hon. Friend the Member for Merthyr Tydfil and Rhymney (Mr. Havard), I visited 16th Air Assault Brigade yesterday, and all of us were impressed not only by the unique training simulator for Apache, but by the morale of Brigadier Butler and all his troops. The Secretary of State referred to the fact that this is the first deployment of Apache for British troops and it is being used very differently from the tradition over the past 10 years. Will he keep under review the way in which that air assault works, because there might be things that we can learn for deployment in other countries?

John Reid: Yes. We always have pretty critical studies post-op and sometimes during operations. We will certainly do that. I thank my hon. Friend and every other hon. Member who has given support for their kind comments about the troops on exercise yesterday.

Hugh Robertson (Faversham and Mid-Kent) (Con): Fifteen years ago today I was deployed on active service as adjutant in my regiment; indeed, that regiment is one of those that the Secretary of State listed in this deployment. Then—as now—we deployed with the threat of a regimental reorganisation hanging over us, and I have to say to the Secretary of State that it was immensely destabilising. Will he give the House a guarantee that no serviceman or woman on that operation will be deployed with a similar threat hanging over them, and better still, will he agree to suspend the reorganisation until this period of operations is completed?

John Reid: The hon. Gentleman knows that that assurance cannot be given by anybody, because we are in the middle of the reorganisation. After six months, there will be roulement on many of these posts, so I cannot indefinitely extend such an assurance to the end of the period.

All I would say about the reorganisation of the armed forces, particularly the Army, is that I fully understand the sentiment and morale elements associated with cap badges, regiments and so on, but I am fully convinced that the Chief of the General Staff and the chiefs of staff have embarked on a reorganisation under the supervision of the Minister for the armed forces in order to make our armed forces more capable than ever before. That means that they protect to a greater extent those who serve in the Army and increases their chance of victory. That, in sentiment and substance, is why we have done it. Despite the attachments to pre-existing organisational formats, which I fully understand, that is a move for the better.

Mr. David Drew (Stroud) (Lab/Co-op): Like others here today, I had the opportunity to visit Afghanistan and 16th Air Assault Brigade as part of the armed forces parliamentary scheme and I concur with the remarks about readiness. Does my right hon. Friend accept that this is a very difficult mission and that we need an exit strategy in the short run as well as in the long run, particularly for troops who will be assigned to duty? It would be good to know that the House will be kept regularly informed of how the troops will be brought home, as well as about how other troops will replace them.

I have raised with my right hon. Friend before the relationship with the Pakistani authorities. I was led to believe from last summer that the Pakistani authorities would mount their own campaign to deal with the insurgents on their own territories, but since then we have had the problems with the earthquake. Will he say something about that, because it is particularly apposite given such a porous border?

John Reid: My hon. Friend makes a good point. It is absolutely essential that our colleagues in this struggle—particularly nations which border Afghanistan—make the maximum possible effort to ensure that terrorists cannot use their country as a base from which to attack our forces or others in Afghanistan. Even in times of great difficulty President Musharraf of Pakistan has been making such strenuous efforts. The entire House was happy to see us contributing something towards dealing with the terrible events following the earthquake. We sent helicopters and commandos not only because of the humanitarian plight, although that was sufficient, but because of the knowledge that, despite all those problems on his plate, President Musharraf had maintained troop levels at the border in order to counter terrorists. That was an indication of his resolve, and I trust that that will continue on the part of everyone in Afghanistan.

Dr. Vincent Cable (Twickenham) (LD): Will the Secretary of State confirm whether the £1 billion to which he referred is an additional Treasury commitment or whether it comes from reprioritising MOD or Department for International Development spending?

John Reid: It comes from the reserve. When we have embarked on unexpected deployments—and over a period of years until 9/11, Afghanistan was unexpected—the Chancellor has been prepared, sometimes under very difficult circumstances, and in addition to the money spent on maintaining the defence posture, to support Her Majesty's armed forces in the tasks that this House asks them to carry out. If everyone supports the armed forces as the Chancellor has done in resources—and I am sure will continue to do—we will be better off. I am glad to respond in such emollient form. Perhaps I was unduly unemollient to the hon. Member for Colchester (Bob Russell); if I was, I apologise.

Mr. Keith Simpson (Mid-Norfolk) (Con): The Secretary of State quite rightly outlined the fact that this

[Mr. Keith Simpson]

would be a coalition operation. I do not think that any Members are necessarily blaming the British Government, but many of us are concerned about his talking in his statement about the Danish Parliament examining the proposal, and about being optimistic that the Dutch, Australia and New Zealand may also provide forces. At such a late stage, the fact that those Governments are still looking at that proposal is very worrying. He made the point that British forces will not plug any gap. If, to speak pessimistically, any of those Governments fail to provide those forces, who will plug the gap?

John Reid: The commensurate and roughly equivalent force levels will be engendered through a NATO force generation process. We have spoken to the Supreme Allied Commander, and we are committed to doing this. I believe that all those nations will, at the end of the day, be part of this, but one waits on the others to make the deployment announcement. The Canadians have already done that, and they will be about 2,500 strong in Kandahar. The British have, in a sense, led on this and made our position known by saying, "We will not wait any longer, because of events on the ground. The Afghan people, the new governor in the area and our troops expect us to make a decision on this; let's make it." I hope that that will be a catalyst for these decisions.

Mr. Nigel Dodds (Belfast, North) (DUP): I thank the right hon. Gentleman for his very full statement. May I assure him, the Government and, more importantly, our troops and service personnel, of our full support as they seek to prevent the return of the terrorist-supporting regime in Kabul? On the issue of counter-narcotics initiatives, will the Secretary of State tell us how he is going to measure progress in that area over the next three to five years?

John Reid: We have a series of measures, which has been one of the benefits of having several months more than we envisaged in which to consider this matter. There are fairly detailed plans of how we might judge the progress, including a list of criteria by which such judgments may be made. An example is the acreage of poppy cultivation, but there are several others. These will make it possible, although not with perfect scientific accuracy, to make a judgment after several years, certainly about the trend and not only the relative but probably the absolute success.

Tony Baldry (Banbury) (Con): The Secretary of State says that the reconstruction and provision of alternative livelihoods will be Afghan-led. Is he aware, however, that, on a number of occasions, President Karzai has prevailed on farmers in Afghanistan, including in Helmand, to destroy their crops, only for the promised compensation from the international community not to be paid in time for the farmers to plant an alternative crop the next year? If this plan is going to work, two things must happen. The international community must deliver on its promises, and we must build up the capacity of the Afghan Government and President Karzai to deliver. If that does not work, it would not be fair on colleagues in the Department for International Development to come back and say that DFID had failed. We must give that capacity to the Government of Afghanistan. That has not happened in the past; if this is going to work, it must happen now.

John Reid: I agree with every word the hon. Gentleman has said, and I know that these matters are high among the priorities of our excellent ambassador and embassy in Kabul.

Sir Peter Tapsell (Louth and Horncastle) (Con): Notwithstanding the points that I made to the Secretary of State at Defence questions earlier in the week, I supported the original intervention in Afghanistan to clean out the al-Qaeda training camps in the Tora Bora mountains. I would remind the House, however, that Ministers assured us at the time that it was a temporary intervention and that we had no intention of occupying the country. The situation in Afghanistan, and in the middle east as a whole, is now very different. Now, al-Qaeda is able to train all over Iraq, which was formerly closed to it, as well as over large areas of the Islamic world. The Secretary of State says that we have been invited into Afghanistan by a democratic Government, but the sad truth is that President Karzai's writ runs only in the immediate environs of Kabul. Most of the country is governed by the so-called warlords that the Secretary of State has described. In Afghanistan, we face terrain that is vastly more difficult than that of Iraq or Vietnam, and a people who are far more war-like than the Iraqis or the Vietnamese. I have known Afghanistan well over a long span of years, and, in my judgment, we are asking the British Army to go into a country in pursuit of unobtainable objectives.

John Reid: The hon. Gentleman has made many points. Obviously, I do not accept his equivalence of the rag-tag international terrorists and former fascists in Iraq with the national liberation struggle of the Vietnamese people. I do not put the two in the same category. Furthermore, we do not intend to be in Afghanistan as an imperialist power. I would have thought that a man of such wide reading as the hon. Gentleman would see the differences, as well as the similarities, between the Afghan interventions. I do not think that he really believes that we have any long-term colonial ambitions in Afghanistan.

I would not say that the writ of the democratically elected President ran no further than the borders of Kabul. For instance, he has just moved the Governor in Helmand and put in a new one, Engineer Daud, who is pursuing with some robustness the policies that we all want to see being pursued. That is one reason why we should not leave the governance there without the necessary military support. Those are among the reasons why I have made my statement today. It is true that the central governance of Afghanistan, which was a pre-feudal society, does not run to every area of the country. That is one of the points of our being there. We want to help the democratically elected Government to extend such governmental control.

Several hon. Members *rose—*

Madam Deputy Speaker: Order.

Orders of the Day

Criminal Defence Service Bill [*Lords*] (Programme) (No. 2)

Motion made, and Question proposed, pursuant to Standing Order No. 83A(8) (Programme motions),

That the Order of 13th December 2005 (Criminal Defence Service Bill [*Lords*] (Programme)) be varied as follows:

1. Paragraphs 4 and 5 of the Order shall be omitted.

2. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion two hours after the commencement of proceedings on the motion for this Order.

3. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of proceedings on the motion for this Order.—*[Bridget Prentice.]*

1.36 pm

Mr. Jonathan Djanogly (Huntingdon) (Con): The short length of the Committee stage, and the expediency of dealing with this business by hon. Members on both sides of the Committee, might lead the Government, or their Whips, to assume that this programming might not be objectionable. I am concerned, however, not least because of the expediency of the Bill's earlier stages. Why do the Government now feel it necessary to place this straitjacket on our debate? To table this motion seems unnecessarily dismissive of the positive attitude that hon. Members have shown throughout the course of the Bill. It signifies a bullying attitude that was not present in Committee and that sets the wrong tone for our debate this afternoon.

1.37 pm

Keith Vaz (Leicester, East) (Lab): I, too, am surprised by the need for the Government to table a programme motion on this Bill. Judging from the reports of the Committee stage, everything was extremely amicable, and the Minister herself said earlier this week during Constitutional Affairs questions that the Opposition had been pretty supportive of the Government's proposals. If we are to have a programme motion, presumably the Opposition will support it, because there are so few amendments to be discussed on Report that we could go on to have a Third Reading debate that would last longer than the Report stage and possibly even the Committee stage.

1.38 pm

Mr. Eric Forth (Bromley and Chislehurst) (Con): I am really disappointed in my constituency neighbour, the Under-Secretary of State for Constitutional Affairs, the hon. Member for Lewisham, East (Bridget Prentice). I should have thought that she would know better than to treat the House in this contemptuous way. We have become used to Ministers assuming that these so-called programme motions—or guillotines, as we used to call them—will be quietly nodded through and that they need give no explanation to the House as to why they have been tabled. I shall have to have a word with the Minister about this afterwards, because our neighbourliness could come under severe strain.

The motion reveals all about the philosophy behind programme motions. Let us look back at the original programme motion of 13 December, which is referred to in the motion that we are now considering. I will assume, in a generous spirit—which, of course, is typical of me—that the Government had envisaged that this debate would take place on a Thursday, so I shall cast my remarks in terms of Thursday business, although I could range more widely than that. I could, but probably will not—I say "probably"—pursue an analysis of how Monday's, Tuesday's and Wednesday's business might have been affected as well. For the sake of brevity, however, I will limit myself to Thursday's business.

The original motion assumed that Report stage would end one hour before the moment of interruption, which implied that on a Thursday, Report stage would last until 5 pm and the Third Reading debate would last from then until 6 pm. Question Time would run from 10.30 am until 11.30 am, and let us assume for the sake of argument that business questions would run from then until 12.15 pm or thereabouts. According to my calculation, that would have allowed some four and three quarter hours for the Report stage.

At the time when the programme is originally envisaged, we have no means of knowing what will transpire in Committee. The hon. Member for Leicester, East (Keith Vaz) has said that the Committee stage was amicable, and that the Opposition seemed to be giving the Government their full support, something that happens all too frequently nowadays. Let us assume that this is one of those ghastly non-controversial consensual measures to which we all sign up without too much debate—but the Government did not necessarily know that at the time. The problem with these programme motions is that when they are drawn up, the Government have no regard to what might happen in Committee or, indeed, on Report. So the Government allowed four and three quarter hours for the Report stage, still not knowing what might transpire.

It might be said that that would have been bad enough. Who knows how many amendments might have been tabled on Report by Members who had not served on the Standing Committee, and for whom the Report stage provides an opportunity to contribute? The Government, however, swept all that aside. They said, "We, the Government, will generously allow you, the House of Commons, a whole four and three quarter hours in which to deliberate on Report." Several hundred Members, potentially—there are several hundred Members who are not in the Government—would have had four and three quarter hours in which to consider all the changes that they might wish to make on Report.

That was then. This is now. Now, the Minister has the gall to present us with the motion that is before us, and to say, "Never mind all that. It has all changed now. We are going to make an even more draconian assumption: that the House will require even less time in which to discuss the Bill"—and, as I shall make clear in a moment, it is a substantial Bill.

We began our debate on this programme motion at 1.36 pm. The Government are now saying that we have a total of three hours in which to consider all the remaining stages of the Bill. Potentially, one hour of that time will be taken up by this part of our deliberations—45 minutes for the debate on the

[Mr. Eric Forth]

programme motion plus a Division at the end. I now give warning that unless the Minister can persuade me more than she has so far that the motion has any merit at all, I shall seek to divide the House on it, because it is a disgrace.

Keith Vaz: It is always fascinating to hear the right hon. Gentleman speak about these issues because he is such an expert on them, but may I urge him not to prolong the debate too much? As he says, there are a good many important issues for us to discuss. In view of what he has said about her, the Minister may withdraw the programme motion and allow us a longer debate on Report. Only two amendments have been selected, and we might then be able to discuss them even more fully. If the right hon. Gentleman speaks for too long, however, we shall not have a chance to debate those substantive issues.

Mr. Forth: Having seen the Minister's face during the hon. Gentleman's remarks, I can only say, "In your dreams". I can predict that the Minister will have no intention of withdrawing the motion.

The hon. Gentleman—this is very uncharacteristic of him—seeks somehow to blame me for the fact that the House may not have sufficient time in which to consider this important motion. It is the Government's motion, however, that gives us but three hours in total to consider the Bill. If I, or indeed my hon. Friends, wish to examine the motion in rather more detail, that is surely our right. We are being given only 45 minutes in which to do it.

Let me continue my analysis. If we assume that the first hour will be taken up by the debate on the programme motion and the Division which I hope will follow—it will, if it is anything to do with me—and the last hour is taken up by the Third Reading debate, we are left with but one hour in which to consider the two amendments, or more accurately the new clause and amendment.

These are not trivial matters. The hon. Member for Leicester, East, who is an eminent legal expert, and the other eminent lawyers who are with me on the Conservative Benches, will doubtless want to bring their analyses to bear, but they will have hardly any opportunity in which to do so. The proposer of an amendment or new clause usually wants to explain it properly to the House. Others will undoubtedly wish to contribute, especially those with legal knowledge and expertise, and we shall wish to hear from them. I cannot imagine that that can happen satisfactorily in the time that we have been allowed.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): I am listening carefully to the right hon. Gentleman. I happen to agree with him about the programme, but will he tell me why Conservative Front Benchers do not oppose every programme motion on every Bill? That would at least draw attention to the issue.

Mr. Forth: I wish they would, but my party's Front Benchers are in consensual mode at present. They seem to think that we will attract more support from the electorate if we oppose the Government as little as possible rather than as much as possible. This is the new mood of the Conservative party.

Madam Deputy Speaker (Sylvia Heal): Order. Notwithstanding any new mood in the Conservative party, perhaps we could now address the motion, which is somewhat restrictive.

Mr. Forth: I shall be delighted to do so, Madam Deputy Speaker. You always challenge me in this regard, do you not? You think that saying that the motion is restrictive will somehow constrain my remarks. I think you will find that it does not work quite like that, Madam Deputy Speaker.

I was about to probe further in my analysis. In the one hour that I have identified between the programme motion and Division and the Third Reading debate, we have two matters of substance to consider: a new clause that is of some importance and an amendment, which is similarly important. Let us say, arbitrarily, that we allot half an hour to each. That means that the Government are seriously suggesting that in a mere half hour we as the House of Commons, with an obligation to our voters to scrutinise legislation, are expected at one and the same time to listen to the proposer of the new clause or the amendment, to hear Back-Bench contributions from the eminent lawyers here gathered on both sides of the House, and to hear the ministerial response. In one half hour—30 minutes—we as the House of Commons are expected to do justice to our responsibility to scrutinise legislation properly.

Mr. Mark Francois (Rayleigh) (Con): I apologise for delaying my right hon. Friend's probing, and I intervene as one who is not a lawyer, eminent or otherwise.

I suspect that the Government's response will be that part of their rationale was today's statement on Afghanistan. They felt that they must constrain the House's time in some way. Even if we allow what I believe may be the Government's justification, however, and given that both Front Benchers and Back Benchers have described the Bill as a relatively non-controversial measure, should this not have been one of those cases in which the business is allowed to find its own level?

Mr. Forth: Of course I agree with my hon. Friend's last point, but how can he possibly have known that the Bill was non-controversial? The fact that my hon. Friend the Member for Huntingdon (Mr. Djanogly) has a cosy arrangement with the Government according to which it is allegedly non-controversial does not mean, as far as the rest of us are concerned—we may not have participated in Committee, but we may have come along with fresh ideas, or we may have been approached by constituents or interest groups—that a measure that may have looked bland and uncontroversial at first will remain the same throughout its passage. I object to the assumption that measures can be deemed uncontroversial by those who know better than my hon. Friend the Member for Rayleigh (Mr. Francois) and me, and that we must then row in behind that regardless.

Mr. Francois: I thank my right hon. Friend for his courtesy. I would never accuse him of being non-controversial in any context: it would be more than my

life is worth. I believe, however, that the hon. Member for Leicester, East (Keith Vaz), who I think served on the Standing Committee and knows the detail of the Bill, seemed also to suggest that it was not the most controversial legislation that had ever been presented to the House. That being the case, I offer again my argument that the Government might have been wiser in this instance to allow the business to find its own level in the traditional way.

Mr. Forth: That may be my hon. Friend's view, but I see in the Chamber more than one Member from Leicestershire. Indeed, the hon. Member for North-West Leicestershire (David Taylor) is well known for his dedication to the parliamentary process and his power of analysis. He is looking very thoughtful, and he may well have thoughts on the Bill other than those of the hon. Member for Leicester, East, eminent lawyer though he is, who was not on the Committee and who may or may not have views yet to be revealed. My hon. Friend the Member for Rayleigh has shown us that, in every respect, the programme motion is a disgrace and an outrage to the parliamentary process. That is the long and short of it.

Following on from what the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) said, I hope that my hon. Friend the Member for Huntingdon takes the message back to our Front-Bench colleagues that we should not allow these programme motions to slip through uncontested, because again and again they illustrate a number of interrelated facts. The first is that the Government now assume that they, not the House, must control all aspects of the parliamentary process. They are saying to us, effectively, "When we introduce our legislation, we will decide how much time the House of Commons will have to consider it." That is what is so unacceptable.

David Taylor (North-West Leicestershire) (Lab/Co-op): The right hon. Gentleman's remarks in relation to me were probably over-generous. Will he not acknowledge that there have been in this consensual period a good number of Bills without a programme motion? After looking at Division lists from before and during that period, I know that he was present, so presumably—at least for a brief period—he was infected by this warm, fluffy desire to get on with things.

Mr. Forth: Rarely am I accused of being warm and fluffy—I will treasure the moment—but the honest answer is that, from time to time, I find it difficult to persuade even one colleague to help me in dividing the House. If the hon. Gentleman is prepared to join me in changing Standing Orders so that one Member can divide the House, he will have a lot more fun. However, I accept his criticism, and perhaps I have not been as diligent as I should. I shall try to do better and see whether I can, following his advice, divide the House more often.

There is an implication in what the hon. Member for Leicester, East said, which is that, somehow, the Bill might not be that important, and certainly is not that controversial, so it does not require so much time for consideration. Let us look at the gist of the Bill. The explanatory notes, which usefully provide a summary, say that it

> "changes the arrangements for the grant of public funding for representation in criminal proceedings in England and Wales."

I can think of few things that could be more important in terms of our criminal law and representation of our citizenry within it.

Mark Pritchard (The Wrekin) (Con): Does my right hon. Friend think that this is a programme motion to help the Minister on a difficult Thursday for the Government or is it part of a worrying trend of having contempt for the House?

Mr. Forth: It is a very well established trend, if I may say so to my hon. Friend, and one that has developed over the last eight years or so. In the good old days, the Government would not have dreamed of doing anything like this. The tradition was observed that the Opposition by and large could control the pace of proceedings in the House and in Committee, rightly in my view, and only in the extreme would the Government introduce a guillotine or timetable motion to bring business to a proper close. That is the way it should have been. Now, the Government routinely and arbitrarily decide how much time will be allocated to business, leaving us simply to try to fit in as best we can.

James Brokenshire (Hornchurch) (Con): My right hon. Friend makes an interesting point. Will he acknowledge that certain important clarifications were made during consideration of the Bill in another place in terms of the appeal rights in respect of decisions of the commission in determining whether access to justice had been properly granted? Guillotining a Bill in such a way obviously reduces the amount of discussion, and perhaps the progress that we might make on other issues of such import.

Mr. Forth: Indeed, my hon. Friend is correct. He, of course, is one of the experts to whom I referred earlier, and I look forward to his contribution, although it will necessarily be brief because of the overly restrictive programme motion.

New clause 1, which stands in the name of several of my hon. Friends—all of whom are here present, I am happy to note—says:

> "Notwithstanding powers conferred on the Legal Services Commission by section 1, the Court shall retain the power to grant a representation order upon oral application".

Those are momentous matters, yet we now know, having arrived here on this day in these circumstances—the shape taken by today's business, such as business questions and the important statement, which rightly was allowed to run for some time a short while ago—that we have been left with this insultingly brief period in which to consider them.

Mark Pritchard: My right hon. Friend has mentioned a trend. In view of such programme motions being introduced in the House, does he think there is a link between that trend and controversial changes in public expenditure?

Mr. Forth: Programme motions, as they have developed over recent years, have begun to have more and more adverse impact on our effectiveness as a legislature that is there properly to scrutinise—

Madam Deputy Speaker: Order. May I remind the right hon. Gentleman that we are discussing not programme motions in general, but this specific programme motion?

Mr. Forth: Of course that is true, Madam Deputy Speaker, and I must not allow myself to be seduced by my enthusiastic hon. Friends into straying more widely than the motion itself allows. I shall try to resist that in future.

I want briefly to discuss amendment No. 1, which stands in the name of the hon. Member for Somerton and Frome (Mr. Heath), who is, as ever, in his place. If one considers the explanatory notes as they relate to clause 2(2), one can see the potential importance of that proposal. I do not seek to judge its substance, but I want simply to put in context the time that might properly be required to consider it. The explanatory notes say that paragraph 3B

"provides that power to grant a right to representation can only be exercised where an individual's financial resources are such that the body considering the application is satisfied that he is eligible."

The amendment would make an important change to that.

Again, with regard to the substance in these matters, I am looking forward enormously to the Minister's explanation of why she believes, having arrived where we are today in these circumstances, that we can do justice to the gravity and substance of the new clause and the amendment in the time left to us.

James Brokenshire: My right hon. Friend is making some interesting points about the proposals to be considered on Report, but clearly it is for the House to determine how it wants the debate to proceed. Under the original programme motion, more limited debate on the amendments would have allowed extended debate on Third Reading. In terms of the overall impression of the Bill and certain issues that may arise, such extended debate on Third Reading might be constructive.

Mr. Forth: Indeed, but that takes us back to the attempt made earlier by the hon. Member for Leicester, East somehow to blame me for the fact that we might find ourselves rather constrained in terms of the time available on Third Reading.

Keith Vaz *rose—*

Mr. Forth: The hon. Gentleman is going to have another go. I give way again.

Keith Vaz: The right hon. Gentleman has only himself to blame. I understand from Members who sat on the Committee that four sittings were allocated for scrutiny of the Bill, but that consideration lasted only about half an hour. There was the opportunity to scrutinise the Bill at that stage, and we have further opportunities now, but he is letting the Government get away with not debating the substance of the Bill. Will he put his great eloquence on hold and call his Division?

Mr. Forth: It is not my fault if the Committee did not do its job; I was not on the Committee. I did not frame this disgraceful motion; the Government did. I did not put on a statement earlier, knowing that this important business was to follow; the Government did. For the hon. Gentleman to seek somehow to blame me for the fact that we find ourselves in this invidious parliamentary position will not do.

Mark Pritchard: Does my right hon. Friend agree that the hon. Member for Leicester, East (Keith Vaz) is a little confused? Earlier he suggested that he was surprised that the Government had tabled the motion. For him to point the finger over here is unfriendly at best. Perhaps he should have words with the Minister.

Mr. Forth: I look forward to the hon. Gentleman seeking to catch your eye, Madam Deputy Speaker, to indicate whether he believes that the programme motion is remotely justifiable.

I do not want to delay the House for too long because I want to leave time for the Minister—after my hon. Friends have spoken—to justify this outrageous, disgraceful and unacceptable programme motion, which I hope that the House will throw out.

2.1 pm

Mr. David Heath (Somerton and Frome) (LD): The right hon. Member for Bromley and Chislehurst (Mr. Forth) is right in two respects. First, the programme motion replaces a previous one, which was determined at Second Reading. It cannot be right to determine the length of Report at Second Reading when no one—not the Whips, the Minister or the Opposition—can know the interests that Back-Bench Members may have in the Bill.

Secondly, I suspect that the right hon. Gentleman is right that had the programme motion not been moved today, proceedings on the Bill would have been completed well within the time allotted by the motion. We have now spent a substantial part of that time discussing a programme motion that I believe to be entirely otiose. Even at this point, the Minister may wish to withdraw it so that we can get on with the important substance of debate.

2.2 pm

Mark Pritchard (The Wrekin) (Con): Hon. Members will be pleased to hear that I will keep my comments short. There are long-standing principles with regard to guillotining debate in this House. As the Committee on the Bill was amicable, I am surprised that the Government have moved this unhelpful and unfortunate motion. There was cross-party consensus in Committee and on the Floor of the House today, with the hon. Member for Leicester, East (Keith Vaz) foremost among those indicating surprise that the motion was tabled.

My right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) rightly and eloquently pointed out that this is an important Bill containing important elements of public expenditure. Therefore, it is

incumbent on all hon. Members to come along on behalf of their constituents, whose taxes will be taken as a result of changes in the Bill, and to be accountable. We need to hear the Minister respond at length to the debate and we need an opportunity to look at the details fully and frankly.

Too many programme motions are being tabled and there is too much curbing of debate. We often hear that this House is no longer taken seriously and, regrettably, I often think that the Government are setting a bad example to new Members like myself. At a later point, I would like to compliment the Government for noting this debate, reading *Hansard* and changing their mind on tabling so many programme motions. This place is the better for rigorous debate and it is better served by robust debate. That is what this Chamber is for.

Madam Deputy Speaker: Order. Could the hon. Gentleman relate his remarks to this motion?

Mark Pritchard: I was about to do so in my concluding remarks, Madam Deputy Speaker. It is unfortunate that the Government have taken this course of action. I hope that they will have a rethink and allow all hon. Members who wish to speak to do so.

2.5 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Bridget Prentice): My friend and neighbour the right hon. Member for Bromley and Chislehurst (Mr. Forth) is one of the great debaters and is always charming. He is someone with whom I like to think that I get on extremely well and I am always loth to disagree with him. However, I must do so today. I hope that that will not harm our deep and long friendship.

I am aware that the right hon. Gentleman has a loathing of programme motions and he has a right to take that point of view. However, I must tell him that the debate in Committee was comprehensive, if not lengthy, and that the programme motion was agreed with both Opposition Front Benches.

James Duddridge (Rochford and Southend, East) (Con): Will the Minister give way on that point?

Bridget Prentice: I will not. I understand why the right hon. Member for Bromley and Chislehurst takes the view that he does, but the consensual politics about which he spoke has clearly broken down somewhere along the line. The motion was agreed by the usual channels and for that reason I would like to proceed with the rest of the debate.

Question put:—

The House divided: Ayes 262, Noes 65.

Division No. 143] **[2.7 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Bailey, Mr. Adrian
Baker, Norman
Balls, Ed
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beith, rh Mr. Alan
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Bradshaw, Mr. Ben
Brake, Tom
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Browne, rh Mr. Des
Browne, Mr. Jeremy
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Cable, Dr. Vincent
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clegg, Mr. Nick
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Dismore, Mr. Andrew
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Engel, Natascha
Ennis, Jeff
Featherstone, Lynne
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, Andrew
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Goodman, Helen
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Havard, Mr. Dai
Healey, John
Heath, Mr. David
Hendrick, Mr. Mark
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Laws, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Love, Mr. Andrew
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCarthy-Fry, Sarah
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Merron, Gillian
Miliband, rh Mr. David
Miliband, Edward

Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Moran, Margaret
Morden, Jessica
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mulholland, Greg
Mullin, Mr. Chris
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Öpik, Lembit
Palmer, Dr. Nick
Plaskitt, Mr. James
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Riordan, Mrs. Linda
Robertson, John
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Short, rh Clare
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watts, Mr. Dave
Whitehead, Dr. Alan
Williams, Mrs. Betty
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Mr. John Heppell and Mr. Vernon Coaker

NOES

Afriyie, Adam
Ancram, rh Mr. Michael
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Baron, Mr. John
Bercow, John
Binley, Mr. Brian
Bottomley, Peter
Brokenshire, James
Burrowes, Mr. David
Clappison, Mr. James
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davies, Philip
Dodds, Mr. Nigel
Dorries, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Fallon, Mr. Michael
Gale, Mr. Roger
Goodwill, Mr. Robert
Greening, Justine
Gummer, rh Mr. John
Heathcoat-Amory, rh Mr. David
Herbert, Nick
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Lancaster, Mr. Mark
Leigh, Mr. Edward
Liddell-Grainger, Mr. Ian
Llwyd, Mr. Elfyn
Luff, Peter
Main, Anne
Malins, Mr. Humfrey
Newmark, Mr. Brooks
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Scott, Mr. Lee
Shepherd, Mr. Richard
Spicer, Sir Michael
Spink, Bob
Steen, Mr. Anthony
Stuart, Mr. Graham
Tredinnick, David
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Walker, Mr. Charles
Wallace, Mr. Ben
Whittingdale, Mr. John
Williams, Hywel
Wilson, Mr. Rob
Winterton, Ann

Tellers for the Noes:
Mr. Eric Forth and Mark Pritchard

Question accordingly agreed to.

Criminal Defence Service Bill [*Lords*]

[Relevant documents: The Fifth Report from the Constitutional Affairs Committee, Session 2003–04, on the Draft Criminal Defence Service Bill, HC 746, and the Government's response thereto, Cm 6410.]

As amended in the Standing Committee, considered.

New Clause 1

POWER OF COURT TO GRANT A REPRESENTATION ORDER

'(1) Notwithstanding powers conferred on the Legal Services Commission by section 1, the Court shall retain the power to grant a representation order upon oral application to the Court under circumstances in which it would not be practicable to refer the matter to the Commission.

(2) Paragraph 3B of Schedule 3 to the Access to Justice Act 1999 (c. 22) (financial eligibility) applies to the power in subsection (1) as if it were a power under that Schedule.'.—*[Mr. Burrowes.]*

Brought up, and read the First time.

2.19 pm

Mr. David Burrowes (Enfield, Southgate) (Con): I beg to move, That the clause be read a Second time.

I am grateful for the opportunity to present the new clause, having heard the earlier debate on the programme motion in which my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) put properly in context what are important measures in the Bill. The new clause is of great importance in terms both of principle and practice. It is its importance in terms of practice that I wish to concentrate on in the next few minutes.

The context is important. The Government announced their intentions in respect of improving the criminal justice system and legal aid by titling their documentation, "Delivering a fairer deal: swifter and more effective criminal justice". I am sure all hon. Members would sign up to such a laudable aim. Indeed, the new clause seeks to achieve in practice a swifter, more effective criminal justice system. At this stage I must declare an interest as a criminal solicitor of 11 years, a criminal advocate and consultant at a local firm in Enfield.

When one tries to put the legislation that is passed with great intentions by the House into practice in court, there is often a gap. It is that gap that I seek to plug today with the assistance of the House. I seek to avoid the vacuum that we can sometimes fall into when debating criminal legal aid and to look at the reality of the situation.

The new clause properly reflects the need for means-testing and the financial requirements that are the essence of the Bill. It recognises the concerns of the Government in relation to consistency in granting representation orders. It also properly seeks to deal with concerns that have been raised by practitioners local to me and by a chief clerk of a local magistrates court about issues that have arisen as a result of the Bill: primarily, the fact that it would effectively prevent an oral application from being made to the court. An important principle has been put forward by the Government in the Bill: to confer powers on the Legal Services Commission that are presently before the court. While the Government would no doubt say that those powers are being devolved back to court staff and that, for all intents and purposes, in practice, the court staff who grant legal aid on administrative applications now will do the same after the Bill becomes law, there is still the prospect of that being removed from court staff. Even if it is devolved to court staff, as is proposed, within regulations, there is a fundamental gap in terms of preventing an oral application from being made to the court.

It is important to look at the practical context. On the nature of the court process, a magistrates court hearing is not always as we would imagine. There is often a full court list as a result of perhaps operations that have taken place in the locality involving a number of members of the public being arrested for particular practices. It may involve a number of people who have been arrested and need interpretation skills. It may involve a number of people who are in the cells and who need other assistance. They may often be vulnerable. They may be mentally ill and need other assistance. They may require assistance and legal advice from an early stage.

A magistrates court may have occasional court sittings on a Saturday or at holiday times. Those often involve just one magistrate and one court clerk dealing with what can be a very busy list. They have to deal with what we are discussing today, which is a fundamental change in relation to the process of criminal legal aid.

We also have to be aware of the context in relation to the applicant. The applicant is not the straightforward applicant one can describe. The applicant could be illiterate, have learning difficulties, be unable to read or write. There are occasions when the applicant is mute and one has to deal with that situation. In all those circumstances, the option is available to the court to allow the matter to come before the court by way of an oral application, rather than through the administrative route of filling out a legal aid application. That option would not be available if we do not accept the new clause.

I want to look at the example of someone who is mentally ill. It is the case that, increasingly, sadly, many people come before the courts who suffer from mental illness. The provision for them is often patchy and inappropriate. Often, a mentally ill person comes before the court without having any legal representation, despite the fact that under the Police and Criminal Evidence Act 1984 there is the right to have an appropriate adult to direct them to the need for legal advice. For one reason or another, they come before the court having been charged with an offence, they are before the magistrates and they need legal representation. The magistrates can see it clearly; indeed they can probably see on the basis of the charge that it is in the interests of justice that they receive legal aid.

David Taylor (North-West Leicestershire) (Lab/Co-op): Having sat on the bench for a good number of years, I recognise some of the circumstances to which the hon. Gentleman refers, but can the new clause be used in cases, for example, of fraud, where the person being charged is not in the category concerned? Although prosecuting fraud can never be justified in purely financial terms, there has been at least one significant case that involved fraudulent legal aid claims by a firm of solicitors, which cost the legal aid fund £10 million. That same fund, when that firm was

[David Taylor]

prosecuted, incurred costs of £34 million in defence costs and £10 million in administration—£44 million in total. Would that be covered by the weakening that he describes in respect of new clause 1?

Mr. Burrowes: The purpose of the new clause is perhaps not so much to deal with that circumstance. No doubt any first application in relation to someone who is charged with fraud would involve filling out the financial eligibility form, which would be complicated and require the administrative route that is followed in the Bill. The point of the new clause is to deal with those exceptional circumstances that I described: primarily, those applicants who have great difficulty following through with a written application, who have come before the court without any legal representation and whose need is great. That is particularly the case with those who are vulnerable or mentally ill, where there is a great urgency to deal with the matter as quickly, as expeditiously and as fairly as possible.

David Taylor: The new clause does not make clear the circumstances in which it would not be practicable to refer the matter to the commission. Would the intention be to include that in a schedule to the Bill if the new clause were accepted?

Mr. Burrowes: A statutory framework of regulations will seek to go into detail in relation, for example, to people who originally fail the means test but who, it is recognised, suffer hardship and are unable to afford legal representation. That framework is, I understand, to be published after the Bill becomes law. It would no doubt also involve definitions in relation to practicability.

The issue is that the Bill would without exception confer all the powers upon the Legal Services Commission that at present are devolved to court staff. The new clause seeks to give flexibility in the exceptional circumstances that I described. The term "when it is not practicable" can be judged properly; it is used in other legislation. The clerk can advise the magistrates on whether that is the situation. Plainly, if it is practical for the normal route to be followed—the administrative route of devolved powers to court staff—that can be followed. No doubt the advice can be taken from the clerk. However, there are the exceptional circumstances that I have sought to outline. As is the case presently, some of those who come before the bench will need a decision to be made on the basis of an oral application. The new clause seeks to be constructive. It would give effect to what is in place now and give the option. Perhaps it will be used rarely, although I hear from local magistrates that oral applications increasingly need to be made to deal with the position of the applicant.

2.30 pm

The need is perhaps greater now than before the Bill was mooted. Now there will be a financial requirement upon the applicant. If the client is mentally ill or mute, as one of my cases was, and comes before the court without legal representation, the magistrates will realise that there is a need for representation and to determine the issue of legal aid expeditiously. The applicant then needs a solicitor to go through the process of applying for legal aid.

Without the new clause, the solicitor would need to consider the general criminal contract, whether the client was defined as a patient under that contract and whether an application could be made on behalf of the client. The solicitor would also have to have sufficient knowledge of the client's financial circumstances because now there will be a requirement to complete the financial side of the application. The burden is more onerous properly to complete an application for legal aid. Without the new clause, that will happen by the administrative route of going through the process of completing a form. Indeed, if it was refused, there could be an appeal process, which could be lengthy, delay the process and not be in the interests of either justice or the applicant.

In that exceptional circumstance the new clause would allow the matter to be dealt with there and then within the court building and hearing. It would allow the application to be made to the magistrates who can plainly see that it is in the interests of justice for legal aid to be granted. They can determine also the issue of financial eligibility in court orally to allow the matter to move on expeditiously.

James Brokenshire (Hornchurch) (Con): My hon. Friend makes some interesting points based on his experience in the criminal sector. Does he agree that if there is the delay that he is talking about, in terms of properly assessing whether legal aid should be given if we follow the current procedure rather than the oral hearing procedure which he is outlining in his new clause, that could be a burden in terms of not giving proper access to justice and seeing that justice is expeditious, and could increase the potential administration and costs if there are continuing delays in ensuring that a particular case or hearing is dealt with appropriately?

Mr. Burrowes: I am grateful to my hon. Friend for that intervention. I agree that the new clause would seek to prevent the potential for increased delays and costs. The new clause seeks to meet the intentions of consultations on criminal legal aid. I seek to plug a gap which will be in the legislation without the new clause.

Why not include the new clause as part of the armoury available to deal properly and expeditiously with legal aid, and allow the justice system to move on without delay? Is the issue primarily about wanting to speed up justice and to make it fairer, or is the Government's prevailing concern to confer all powers on the Legal Services Commission, not the courts, in order to gain control over the budget; rather than the prime motivation being, as it is in the new clause, to deliver effective criminal justice?

I urge the House to support the new clause which not only plugs the gap in the one example that I have given, but also provides a safety net for the system so that we can properly achieve the goals that we all have.

Keith Vaz (Leicester, East) (Lab): I wish to speak only briefly on the new clause. It is sad that we have lost the eloquent skills of the right hon. Member for Bromley

and Chislehurst (Mr. Forth) who argued so strongly earlier for more time to scrutinise the legislation. As soon as the motion was passed, he disappeared from the Chamber.

I pay tribute to the hon. Member for Enfield, Southgate (Mr. Burrowes) for the way in which he moved the new clause. I have sympathy with it, but cannot support it because it does not deal with the fundamental problem of transferring the granting of legal aid from the courts to the Legal Services Commission.

The Under-Secretary of State for Constitutional Affairs, my hon. Friend the Member for Lewisham, East (Bridget Prentice), is doing a splendid job at the Department. I have no problems with her being able to deal with, supervise and monitor the work of the Legal Services Commission, but she is creating a framework which will make it difficult in future for people to challenge decisions made by that commission.

I was pleased when an amendment was passed in the other place to allow for the right of appeal on such cases. It gives people who apply for legal aid the opportunity to have that decision scrutinised by a body other than the Legal Services Commission. The most worrying aspect of some steps that the Government have taken on legal services and the court system is their wish to abolish rights of appeal and place decisions with the very organisations or individuals who are commissioned to make the original decisions. That is wrong.

I thought that the new clause would give us the opportunity to restore that right of appeal, but it deals with applications in the first instance. It deals with those circumstances where for some reason an application cannot be referred to the Legal Services Commission. Therefore, it concedes the point that the first decision should be made by the Legal Services Commission. That worries me because there should be scrutiny and an opportunity for individuals to have their cases assessed by those other than the decision makers. In addition, it puts a great deal of trust and faith in the operation of the Legal Services Commission.

It is clear from all the information that I have from individuals and practitioners who have had to deal with the Legal Services Commission that they are dealing with a highly bureaucratic organisation which seems to compound the delays that already exist in our legal system. Of course in reply the Minister could announce some radical shake-up of the way in which the commission operates to satisfy me and others that her faith in the organisation is justified, but neither that nor the new clause deals with the fundamental principle that others should review the decision.

My hon. Friend the Member for North-West Leicestershire (David Taylor) made an important point. We need to know before the passage of the Bill the circumstances in which the new clause will operate. Where are those exceptions which would take us out of the procedures set down by the Government in the proposed statute and allow an oral application? The hon. Gentleman said that perhaps they could be included in draft regulations or by some other method by which Ministers can supplement legislation. That is a real problem. We need to know that information. Otherwise, people will have a choice and, given the choice, most would choose to make their application to the courts rather than to the Legal Services Commission.

The purpose of the Bill is not just to make the system more efficient, which hopefully it will; it is to save money because of the large increase in the legal aid budget over the last 20 years. I think that it now stands at £1.1 billion. The Bill seeks to save about £35 million. It would not be difficult to devise a scheme—we cannot do so now that we have reached Report stage—that will enable people who feel that they have not been treated fairly and have additional information to put before the bodies to go to another body to put their views forward. The new clause would not allow us to do that. It moves us in the right direction, but it is not quite the strengthening amendment that I wanted to see.

Mr. David Heath (Somerton and Frome) (LD): I listened with great care to the hon. Member for Leicester, East (Keith Vaz) and I have a great deal of sympathy with his views. We debated in Committee amendments from another place proposed by my noble Friend Lord Goodhart. Here, I must take care not to pre-empt the debate on the next amendment, which forms its own separate group. I hope that we can reach a satisfactory conclusion on the question of the financial eligibility test. The Minister rejected the amendments from another place because she did not want to allow appeals on the strict matter of financial eligibility. However, on the wider, interest-of-justice test, the capacity does exist for someone to apply to the court, and thereby to short-circuit the legal services review system.

The point made by the hon. Member for Enfield, Southgate (Mr. Burrowes) is a slightly different one. It concerns, in effect, having an appeal of last resort: a court's having the residual power to do that which is sensible and in the interests of justice within the confines of a court, rather than entering into a bureaucratic procedure. Indeed, the same point was made by the hon. Member for Leicester, East. The hon. Member for Enfield, Southgate is building on the amendment tabled by the hon. Member for Huntingdon (Mr. Djanogly) in Committee. We had a short debate on it in Committee and, as I recall, we divided on it and I gave my support to the hon. Gentleman. The Minister had a couple of problems with that amendment, but today's new clause addresses them. She was concerned about consistency, which subsection (2) of the new clause addresses. She was also worried about the provision's scope; however, subsection (1) of the new clause would introduce an element of conditionality.

We are not talking about a great matter of principle, but simply about expediency. The question is, when matters have arisen during a hearing that make it clear to the court that the person in question should be granted representation, how do we deal with that situation without the need to enter into a bureaucratic process involving the Legal Services Commission? Such a process is not in the interests of the court hearing, the expedition of the case or of all the other people involved in the case, let alone the person receiving aid under the court's direction. Under such exceptional circumstances—clearly, they are indeed exceptional—restoring the residual power through the new clause would be of value to the court system. Such restoration

[Mr. David Heath]

should commend itself to the Minister as being entirely consistent with her approach to the legal aid system, and with achieving the result that we all want to achieve: a better, faster, more efficient and more effective court system.

James Brokenshire: I shall take just a brief moment of the House's time to speak in support of the new clause tabled by my hon. Friend the Member for Enfield, Southgate (Mr. Burrowes). In essence, this is a matter of justice and of ensuring that those members of our society who are vulnerable and less advantaged are not put at risk by the Bill's overall framework. My hon. Friend's comments about people with mental health problems and the obstacles that might ultimately prevent them from receiving legal aid that they are properly entitled to were particularly germane; indeed, that is a very important issue. I should at this stage declare an interest, in that I am a solicitor. However, I am not a criminal solicitor, so the Bill falls outside my area of practice; even so, it to some extent touches on issues of legality with which I am familiar.

2.45 pm

The comments of the hon. Member for Leicester, East (Keith Vaz) about bureaucracy and the Legal Services Commission were also relevant. The Bill attempts to streamline the system and to save the cost to the public purse. But we must also ensure effective access to justice, and if the new clause is not accepted, there could be further delays, leading to further costs. In essence, the question is: what is the sensible approach in such circumstances? We need a safety net that allows applications to the court in exceptional circumstances, as my hon. Friend the Member for Enfield, Southgate made clear. Indeed, his new clause uses the phrase,

"under circumstances in which it would not be practicable to refer the matter to the Commission."

So the new clause makes clear the circumstances in which it would provide a safety net and protection.

The new clause might well need to be supplemented by some form of framework along the lines described by my hon. Friend, but there is much merit in it. It would aid access to justice for all in circumstances where bureaucracy, form-filling and over-regulation might otherwise prevent such access. It has my support and I commend it to the Minister. I look forward to hearing what she has to say about the key issues raised by my hon. Friend: ensuring effective access to justice in a timely manner, and ensuring that people who would otherwise be entitled to legal support from the state are not overlooked.

Mr. Jonathan Djanogly (Huntingdon) (Con): My hon. Friend the Member for Enfield, Southgate (Mr. Burrowes) is a gentleman with no little experience of the practice of criminal law, and I, too, should at this stage declare my interest as a practising solicitor. This is a practical, administrative Bill, and it is important that the views of people such as my hon. Friend be aired and listened to—hopefully—by the Government. He has made an important contribution to this debate.

The hon. Member for Somerton and Frome (Mr. Heath) suggested that we divided on a similar amendment in Committee, but I think that he will now acknowledge that we did not.

Mr. Heath *indicated assent.*

Mr. Djanogly: We did not do so because I was not happy with the Government's position at that stage, and I wanted to ensure that we revisited this issue on Report. I am very pleased that my hon. Friend has dealt with it so comprehensively and well. Of course, I did indeed propose a similar amendment in Committee, and I still believe that the Bill should incorporate such an amendment in the interest of justice. It is important that, in exceptional circumstances where a defendant is incapable of making a written application, and where the situation is sufficiently urgent, there should be a residual platform enabling an oral application to be made in court. The Government rebutted that point of practicality in Committee, on the basis that granting courts such a power could lead to its being abused by applicants. As has been pointed out, such a power would apply in circumstances that courts would recognise as being exceptional, so such abuse would be obvious to any court. As has also been mentioned, the new clause deals with the problem by referring to issues such as practicability.

The proposed procedure deals with real-life scenarios. It would expedite the court procedure, and it could prevent unnecessary delays in the facilitation of the access to justice that the Bill is trying to entrench.

The support of practitioners in that regard should not be ignored. If my hon. Friend wishes to press the new clause to a Division, I assure him that he will have his colleagues' support.

The Parliamentary Under-Secretary of State for Constitutional Affairs (Bridget Prentice): This Bill has two key objectives—to transfer the power to grant representation from the court to the Legal Services Commission, and to introduce a compulsory means test element that must be satisfied before any grant of legal aid can be made. The transfer of grant from the court to the LSC is designed to help achieve greater consistency in the grant of representation, as well as ensuring, as my hon. Friend the Member for Leicester, East (Keith Vaz) noted, that the LSC achieves greater control over criminal legal aid expenditure.

By giving the courts—in other words the bench or the Crown Court judge—a residual power to grant representation, this new clause would threaten to undermine these objectives. It is for that reason that I shall ask the House to resist it, and I shall set out my reasons in some detail.

The new clause would almost certainly generate the potential for more inconsistency, as each bench would be using its own discretion to reach decisions. Such inconsistency might therefore create an inherent unfairness in the system and undermine one of the key precepts of this Bill.

Let me make it clear that the Bill will mean that the bench will have the power, ultimately, to determine whether the interests of justice have been satisfied. But it will not have the power to grant legal aid: that power

will remain with the LSC, which will be able to make the grant only if the means test and the interests of justice test have both been satisfied. It is important for the House to understand that both limbs must be satisfied before legal aid is granted.

We do not accept that there should be an exception to the two-limbed test. The interests of justice test determines whether it is desirable that a defendant be represented, and the means test determines who should pay for that representation—the state or the defendant. It is only when financial eligibility has been determined that the question of the interests of justice arises.

Mr. Heath: Does the Minister agree that new clause 1(2) deals with precisely that point? It would require the financial eligibility test to be met for the interest of justice test to be agreed by the court.

Bridget Prentice: My point is that the new clause does not add to the Bill, which is perfectly capable of dealing with the problems that the hon. Member for Enfield, Southgate identified forcefully and correctly.

New clause 1 proposes that there should be a procedure allowing the bench to grant representation, following an oral application. That procedure is said to be subject to paragraph 3B of schedule 3 to the Access to Justice Act 1999, which reintroduces the means test. That seems rather odd, when the court-based staff would be available to conduct that test.

I am conscious of the argument put forward by the hon. Gentleman, who stressed that practitioners need to be able to apply in court for a grant of representation. He said that that need might arise when dealing with an urgent matter, and that that would work in favour of the court by helping to avoid unnecessary delays in the administrative process.

I emphasise again that the Government are confident that the means test will be sufficiently straightforward for the court-based teams to be able to conduct it swiftly and accurately. Under our system, an electronic database in each court will allow instant access to means information.

The hon. Gentleman was also concerned about first hearings involving defendants who are ill, illiterate or who have mental health problems. The hon. Member for Hornchurch (James Brokenshire) made the same point. However, the early-cover scheme will enable defendants to be represented at the first hearing without legal aid being granted. Solicitors will then be able to help their clients to complete the application form.

Mr. Djanogly: The Minister referred to a new electronic system. Will she give us an idea of what that is, and when it will be introduced?

Bridget Prentice: I am no electronics whizz, so I cannot go into much detail. However, work on the programme is already in hand, and I can assure the House that it will be ready in time, if the Bill is passed and implemented. Moreover, plans have been made to train court staff to ensure that they are familiar and comfortable with the new system.

The hon. Member for Hornchurch also said that a matter might arise suddenly before a court and that a person might need to be represented quickly. That might indeed happen, but a determination about who pays would still have to be made. If a late application became a route to free legal aid, I would be concerned that the practice might not remain exceptional for very long.

Where there is a fundamental change on the issue of the interests of justice in relation to a defendant, we anticipate that it will be a relatively speedy process to obtain and process the necessary information on the means test. I do not agree with the hon. Member for Huntingdon that the matter would be dealt with more speedily by a bench or a Crown Court judge. In effect, a bench or a Crown Court judge will have to call an adjournment while determining whether a defendant should be legally represented, and for solicitors and counsel to be appointed and properly instructed. The system proposed in the Bill will take advantage of that inevitable and natural pause to seek the information pertinent to the means test. I see no reason why the need to refer back to the court-based grant teams should cause any significant additional delay in the process.

The hon. Member for Enfield, Southgate also suggested that the new clause would further safeguard compliance with the European convention on human rights. I disagree: article 6(3) of the convention says that a person with insufficient means to pay for legal assistance should be given it free when the interests of justice so require. The Bill complies with that, and we will ensure that the regulations under the Bill do so too.

The House should be aware that article 6(3) also gives the accused a right to defend himself in person.

Mr. Djanogly: With respect to the Minister, I remind her that I did not mention human rights in my remarks—although I shall when I speak to amendment No. 1.

Bridget Prentice: The hon. Gentleman mentioned human rights in our debate on this matter in Committee. The fact that he did not mention them again today perhaps shows that my response then was more than adequate.

As I was saying, article 6(3) of the ECHR also gives the accused the right to defend himself—even in circumstances where other people might think that he would be better off with legal representation.

There are therefore three possibilities: the state pays for legal representation if the defendant cannot afford it; the person defends himself, or he pays for his legal representation. The first two alternatives are a person's rights: the Bill does not change that position, and the new clause would do nothing to safeguard it.

The House will be aware that the bench will also be allowed to hear appeals against a decision to refuse to grant a defendant a representation order on the grounds that the interests of justice have not been satisfied. Although the bench may substitute its own decision on the interests of justice, as before, the responsibility for granting representation will continue to reside with the grant teams, as they must be satisfied that the defendant is also financially eligible.

I emphasise that the Government are not seeking to deny the right to representation in circumstances in which the interests of justice test are met. However, let me repeat that by reintroducing a means test, the

[Bridget Prentice]

Government are legitimately seeking to determine whether the burden of defence costs should be met by the state or the individual.

We believe that in designing the new system we have struck the right balance in defining the role to be played by the court in that process. Any proposal to arm the bench or a crown court judge with a residual power to grant representation runs counter to the consensus that has been built up in negotiations with our key stakeholders. I therefore call on hon. Members to reject the amendment.

3 pm

Mr. Burrowes: The Minister suggests that the new clause should be rejected because allowing oral applications will perpetuate inconsistency in the grant of legal aid. I suggest that that is away from reality. Almost all applications are by way of a written process already. It is only in exceptional cases such as when a mentally ill client is before the court—I will not repeat the examples—that one wants to have the option that remains in the new clause of allowing an oral application. It is hard to rationalise and find statistics to support the suggestion that oral applications that take place at present in exceptional circumstances create inconsistency in the grant of legal aid. The rationale for refusing, I suggest, is not valid.

The Minister also suggested that ultimately the courts have the discretion to determine the interests of justice test. However, we cannot rest assured with that when the supplement to the framework document contains the threat that if the Legal Services Commission considers on monitoring that there is an inconsistency across the country, as the conclusion says on page 13, the Government

> "could choose to have the award of grant, including determination of the interests of justice test, administered solely and directly by the LSC, without the involvement of court staff."

—without the involvement of the computer programme to which the Minister referred to allow proper processing of applications for legal aid. The heart of the concern among practitioners and other members of profession is that the essence of the Bill is a measure to remove all powers from those closest at hand to make the proper decisions. Particularly in exceptional cases, magistrates are in the best position in the court to hear an oral application. On that basis, I invite the House to vote.

Question put, That the clause be read a Second time:—

The House divided: Ayes 145, Noes 234.

Division No. 144] **[3.2 pm**

AYES

Afriyie, Adam
Amess, Mr. David
Ancram, rh Mr. Michael
Atkinson, Mr. Peter
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Bercow, John
Binley, Mr. Brian
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Brokenshire, James
Brooke, Annette
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Cable, Dr. Vincent
Clappison, Mr. James
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davey, Mr. Edward
Davies, Philip
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Dorries, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Green, Damian
Greening, Justine
Hammond, Stephen
Harper, Mr. Mark
Harris, Dr. Evan
Hayes, Mr. John
Heath, Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howarth, David
Howarth, Mr. Gerald
Huhne, Chris
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Luff, Peter
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
McIntosh, Miss Anne
Mercer, Patrick
Miller, Mrs. Maria
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Öpik, Lembit
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rosindell, Andrew
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Steen, Mr. Anthony
Stunell, Andrew
Syms, Mr. Robert
Teather, Sarah
Tredinnick, David
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Waterson, Mr. Nigel
Watkinson, Angela
Whittingdale, Mr. John
Wiggin, Bill
Williams, Hywel
Williams, Mr. Roger
Williams, Stephen
Wilson, Mr. Rob
Winterton, Ann
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Andrew Selous and
Mr. Tobias Ellwood

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Anderson, Janet
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Bradshaw, Mr. Ben

Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Butler, Ms Dawn
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Corbyn, Jeremy
Cousins, Jim
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Dismore, Mr. Andrew
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Engel, Natascha
Ennis, Jeff
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Goodman, Helen
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Iranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Love, Mr. Andrew
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
McAvoy, rh Mr. Thomas
McCarthy-Fry, Sarah
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Palmer, Dr. Nick
Plaskitt, Mr. James
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Walther, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Mrs. Betty
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. John Heppell and Gillian Merron

Question accordingly negatived.

Clause 2

RIGHTS TO REPRESENTATION: FINANCIAL ELIGIBILITY

Mr. Heath: I beg to move amendment No. 1, in page 3, line 21, at end insert--

'(5) The provision which may be made under sub-paragraph (4)(c) includes provision prescribing circumstances in which the person or body reviewing a decision may refer a question to the High Court for its decision.

(6) Section 16 of the Supreme Court Act 1981 (c. 54) (appeals from the High Court) shall not apply to decisions of the High Court on a reference under regulations under this paragraph.'.

Two improvements were made to the Bill in the other place. One was to extend the appeal in the interests of justice and the second was to introduce the capacity for an appeal on the grounds of financial eligibility. It is the latter to which we now turn. I still prefer the proposals made by Lord Goodhart in the other place and I regret that the Government were not able to accept them. However, in Committee I told the Minister that I was prepared to consider ways in which we could accomplish at least part of our objective by another route that was more acceptable to her and the Department. She was kind enough to suggest that we could have further discussions on that matter, and I pay tribute to her advisers who met with me to consider possible alternatives.

The amendment is a compromise based on those discussions, and that is how Parliament should work. A Minister has a position and Opposition Members have a contrary position, and if it is possible to reach an accommodation—sometimes it is not possible—we should seek to do so, especially if it improves the legislation.

[Mr. Heath]

The objections that the Minister raised in Committee were threefold. First, she was concerned that we should not have appeals based simply on the arithmetic of the Legal Services Commission. If financial eligibility is simply a question of adding up the sums and coming to a conclusion, it would be wrong for judicial arbitration to be used to decide whether the sums were done properly. That was, as the Minister put it, an administrative matter and an administrative review was the right way forward.

The second concern was that a right of appeal against the financial eligibility conclusions of the commission might lead to vexatious appeals and, therefore, not only a slowing down of the system, but additional costs, without any gain for the outcome as far as the appellant was concerned. There was an additional and more subtle point that if an appeal against a decision of the Legal Services Commission was made to a magistrates court, the court would hear it on the basis of the advice of the clerk to the justices who had made the original decision. That seemed to be a rather circular process that would not get us much further.

It is my strong view that there are occasions when the determination of a person's financial eligibility can be open to doubt when it is judged against the specific criteria laid down by the Legal Services Commission. The system involves a bureaucratic exercise and when dealing with any set of regulations, as we know, there will be exceptions when people do not fit neatly into arrangements. For example, a person might have a nominal income that could not be used because there was a challenge in law regarding the person's right to that income, or because it was being paid into a bank account in a country to which the person had no access, so the funds could not possibly be used to support the representation. It was my concern all the way through to ensure that in such exceptional circumstances, there could not be simply an iteration of the bureaucratic system of the Legal Services Commission to produce a negative outcome when the interests of the person applying for legal aid would clearly be served by a successful outcome, although that could not be achieved by administrative review.

The Minister said from the start that everything is open to judicial review, which is of course right. It could be argued that judicial review might satisfy the article 6 test, although I am not entirely convinced. However, the problem is that judicial review is expensive and slow. A person in such a position would be in a catch-22 situation of not having the funds to mount a defence case, but needing to find funds to undertake judicial review to unlock funds for that defence case. That would be impossible, so it would be an unsatisfactory position.

The amendment satisfies my basic requirements and I hope that it satisfies those of the Minister, too. We are suggesting that when a question of financial eligibility that falls outside the strict criteria arises—when a doubt arises in law, or because of other circumstances, about whether the financial criteria should apply—there should be a duty on the Legal Services Commission to refer the matter to the High Court for adjudication. Under such circumstances, the High Court could determine the funds that should be properly considered under the criteria of the Legal Services Commission and make an award of representation.

The importance of the process is purely that it is a means for appeal, albeit one that is filtered by the Legal Services Commission. There would be a route for circumventing bureaucracy in the exceptional circumstances that I have predicted. The advantage for applicants would be that they would still have the capacity to obtain judicial review on the decision of the Legal Services Commission. If the commission unreasonably decided not to refer a case to the High Court, that decision could be subject to judicial review.

Amendment No. 1 addresses the exceptional circumstances that were in the mind of my noble Friend Lord Goodhart, although the situation is not as satisfactory as it would have been if his amendment had been acceptable to the Government. I again pay tribute to the Minister and her officials for listening carefully to the points that I have made to allow us to come up with an amendment that should represent an agreed solution. I commend the amendment to the House and hope that it will satisfy those in another place who take an interest in such matters.

Keith Vaz: I will speak only briefly to welcome the amendment. I think that it is the sensible way forward. I, too, would have preferred a provision to allow the right of appeal. I understand that there will be exceptional circumstances. I very much hope that the Government will accept this sensible amendment.

Mr. Djanogly: It is at this stage that we see the real implications of the programme motion. I want the Minister to have time to reply, so I shall be brief.

As for the amendment, I have a certain feeling of déjà vu. It has been the determination of the Government to eliminate the appeal process, which was astutely introduced by my noble friends and Liberal peers in the other place. Once again, I feel obliged, as was the case with the hon. Member for Somerton and Frome (Mr. Heath), to reiterate our belief in the importance of an appeal process forming part of the Bill, and in turn upholding the principle of access to justice. However, in the light of the amendment, it seems that we have a compromise. I welcome that to the extent that a right of appeal is not completely removed from the Bill, as would have been the case otherwise. For that, I am grateful.

I must reiterate the importance of an appeal process rather than simply having a judicial review process that the Government seemed to want to stick by. Our noble friends and Opposition peers in the other place felt it appropriate to allow for an appeal process in relation to the eligibility test reintroduced by the Government. We welcomed that because we believed that it was important that the courts should be able to hear appeals on the interest of justice test as well as on the eligibility test, and that the courts should be able to consider these matters afresh.

We therefore found the Government's decision to overturn the amendment moved in the other place to be irrational and potentially damaging to the Bill, but in essence we give our support. I note that Members from all parties, including the hon. Member for Leicester, East (Keith Vaz), have come to roughly the same position.

Their noble Lords ultimately understood the complicated nature of an eligibility test that cannot be accurate on every occasion. The Government stated in their supplement to the framework document that there will be regulations for the consideration of cases in which exceptional circumstances require funding for those who do not meet the eligibility criteria, but not by appeal. Page 12 of the supplement states that the test is whether the cases require a fine judgment that warrants the intervention of the courts. Surely exceptional cases meet that test.

The Government seem to resist the Lords contribution on the foundation that it is a waste of court time to have to deal with administrative matters. That they are administrative is quite clear. However, the Government should consider the circumstances recognised by their lordships in the other place whereby a defendant's financial, legal and social means fall not within the realms of administration but within the remit of the administration of justice.

The Government have conceded that there are exceptional circumstances where the eligibility test does not simply apply to factual issues, but say that these can be dealt with simply by judicial review. To our mind, that is misguided. The process of judicial review is too cumbersome suitably to address the rights of those whose plight has been worsened by non-financial issues under the merits test. Judicial review demands a new and separate process that can only prove more costly than referring back to a judge or court that has already dealt with the matter.

Hon. Members may now appreciate that the potential compromise that the amendment presents is not one that we would see as the perfect answer to an issue on which we have argued strongly throughout the passage of the Bill. At the same time, we can accept an amendment that provides a platform for referring the question to a court. With the amendment, we accept that nothing will be lost by the defendant and that in the correct circumstances the correct decision will be reached.

3.30 pm

Bridget Prentice: I am grateful to the hon. Member for Somerton and Frome (Mr. Heath) and to those Members who served in Committee, who realise how important it is that I manage to get the hon. Gentleman's constituency correctly pronounced for once. I am grateful to the hon. Gentleman for what he has expressed about officials. I will ensure that they are all aware of his gratitude and positive remarks.

It has always been our firm view that an administrative review was the most appropriate mechanism in the situations under discussion. However, we are sensitive to the concerns raised by the hon. Member for Somerton and Frome and others in Committee and on Report. I accept that there may be a very limited number of cases which are not just about number-crunching, but which may raise points of interpretation of the regulations. That is likely to happen at the beginning of the scheme particularly, and we can then set a precedent for what the scheme is intended to achieve.

Having listened carefully to the arguments presented by the hon. Gentleman and others, we are willing to consider his amendment. The proposal has advantages over both consideration by a magistrates court and reliance solely on judicial review. The amendment does not undermine the broad principle that a challenge to the means test where the applicant alleges an administrative error or miscalculation would be most appropriately provided through the administrative review mechanism. However, I acknowledge that in the rare cases where it is anticipated that a difficult issue such as a point of law may arise, the amendment represents a practical and measured response to the concerns expressed.

The amendment marks a coincidence of desire, so to speak. It offers the sensible balance that we have been aiming for, and I am pleased to urge the House to accept it.

Mr. Heath: I hugely welcome the Minister's remarks. An outbreak of consensus seems to have spread to all Benches. That is a remarkable occurrence at the end of Report, and in this case it has the merits of improving the Bill and makes the Legal Services Commission work better at administering legal aid than it would otherwise have done. I am grateful to the Minister, her officials and hon. Members in all parts of the Chamber who have supported my amendment.

Amendment agreed to.

Order for Third Reading read.

3.32 pm

Bridget Prentice: I beg to move, That the Bill be now read the Third time.

The Bill marks a significant stride forward in ensuring that the criminal legal aid system becomes fairer and more effective. It will achieve this by re-introducing an updated and revised means test, as well as transferring responsibility for the grant of criminal legal aid representation from the courts to the Legal Services Commission. The Bill reflects our firm view that those who can afford to pay for their criminal defence costs, not least wealthy Premiership footballers or lottery winners, should be asked to do so.

By targeting resources on those who most need them, we will be able to deliver a sustainable legal aid system that continues to serve the needs of this and future generations. In short, the Bill will help provide for a criminal legal aid scheme that ensures access to justice for all, while giving better value for money to the taxpayer. I am sure all hon. Members will be pleased that their constituents can welcome the Bill knowing that those who earn vast sums of money or gain vast sums by other means will no longer be eligible for legal aid.

I have been encouraged that the key principles that underpin the Bill have broadly met with unanimity from both Houses. I am delighted that on the one issue where debate has been most intense—the policy on reviews in respect of the new means test—we have been able to reach a consensus and a practical solution. I hope that the House of Lords will take the same view. The fact that we have been able to work closely with the hon. Member for Somerton and Frome (Mr. Heath) demonstrates the constructive spirit in which the House has debated the important issues raised by the Bill. I pay tribute to him and others, including the hon. Member for Huntingdon

[Bridget Prentice]

(Mr. Djanogly), for their contributions today, in Committee and on Second Reading, which have got the Bill to this stage.

I also take the opportunity to thank all hon. Members who served on the Committee and my hon. Friends in the Whips Office, particularly my hon. Friend the Member for Cardiff, West (Kevin Brennan), for ensuring that we have had an informative, albeit concise, debate.

May I express through you, Mr. Deputy Speaker, my apologies to my hon. Friend the Member for Hyndburn (Mr. Pope), who was one of the Chairmen of the Committee, but who, unfortunately, owing to the precise and concise way in which we dealt with matters, was unable to chair part of our proceedings. I thank, too, everyone on both sides of the House who has participated today and throughout our proceedings for ensuring that we pass a Bill that will stand us in good stead for the future.

Finally, I thank the officials in my Department for the excellent work that they have done, not just on my behalf but on behalf of everyone in the House in ensuring that we have a Criminal Defence Service Bill which will last long into the future. I commend the Bill to the House.

3.36 pm

Mr. Djanogly: I join the Minister in thanking all those Members on both sides of the House who have been involved with the Bill. I thank the Minister and her officials generally for being constructive and prepared to consult, and I thank the hon. Member for Somerton and Frome (Mr. Heath) for his important contribution to the Bill's progress. I pay tribute to my hon. Friends the Members for Rugby and Kenilworth (Jeremy Wright) and for Enfield, Southgate (Mr. Burrowes), who provided me with valuable assistance in Committee and today, and to my hon. Friend the Member for Upminster (Angela Watkinson), who has worked hard on the Bill. I also pay tribute to those in the other place who so ably assisted in allowing this worthwhile Bill to come this far.

The Bill has been a work in progress, and a significant part of that was achieved by their lordships. We remain supportive of the principle that those who can afford to pay for their defence should do so as a necessary prerequisite to a fair, effective justice system that gives taxpayers value for their money.

The Bill was subject to a number of amendments in Committee and on Report, some of which were non-contentious Government amendments, but many others were tabled in an attempt to forge an effective piece of legislation, which is essential in stabilising the current failing legal aid system. Much good work has been achieved. For example, significant progress has been made on producing a thorough and comprehensive set of regulations that set out the detailed calculations necessary to assess whether individuals will be entitled to relief.

Issues raised in debates in both Houses that have been addressed in the supplement and by amendments to the Bill include: that the interests of justice test should be a judicial rather than an administrative decision; that it should be possible for an applicant to be granted legal aid when the interests of justice clearly require it, even if the applicant has failed the means test; that some contribution should be made, by those who qualify for representation and are capable of making it, to costs in the magistrates court; and that responsibility for legal aid matters be restored to the Lord Chancellor's Office. We have supported or proposed those changes.

Throughout the passage of the Bill, one issue, appeals, has persisted despite what has been achieved. Under the scheme originally envisaged, the court could consider an appeal as if it were merely hearing a judicial review rather than making the decision itself. Following strong arguments against that on Second Reading and in Committee in the House of Lords, the Government updated the supplementary framework document published in October 2005, which sets out the details of the regulations that the Secretary of State proposes to make under the Bill. That now makes it clear that the court will be able to hear appeals in the interests of justice, with its own decision replacing that of the Legal Services Commission. That would, however, have applied only to appeals on the misapplication of the interests of justice test. Therefore, under the leadership of our noble Friend Lord Kingsland and Liberal peer Lord Goodhart, an amendment to extend appeals to the eligibility test as well as the interests of justice test was passed on Report.

The amendment tabled by Lord Goodhart and Lord Kingsland appeared to remove the thorn in the side of the Bill, for which we were grateful at the time. However, it was a shame that, in Committee in this House, amendment No. 1 overturned that amendment. We strongly opposed that, and the eligibility test became the remaining issue. It is unsatisfactory that those who are unable to afford to go to court because they have been denied legal aid can seek redress only through an expensive and cumbersome review. In Committee, I tabled an amendment to give the courts a residual power to grant a representation order upon oral application to the court. We thought that that would prevent unnecessary delay in court proceedings in exceptional circumstances. That move would have been all the more important in the context of the Government's amendment that I have just described. We have revisited these issues today. As my hon. Friends have argued in Committee, it is cheaper, faster and better to put such matters into an appeal before the court, rather than through judicial review.

In other respects, the Bill is a good measure, and I hope that the Minister will not allow failure to act on the outstanding issues to overshadow the wider achievements. The Conservative Opposition feel that access to justice is a serious matter that requires full and detailed consideration. Through the determined efforts of our noble Friends in another place, such detailed consideration has been possible. The Conservative party has long been in favour of many of the measures in the Bill, including means-testing for those who can afford it. The Government abolished that means test in 2001. Now, somewhat bizarrely, five years later they are bringing it back.

James Duddridge (Rochford and Southend, East) (Con): What assessment has my hon. Friend made of the additional cost involved in that change? My impression

is that the Government simply got it wrong and that, while I welcome the Bill, it seems to be backtracking. What assessment has my hon. Friend made of the amount of money that has been wasted?

Mr. Djanogly: My hon. Friend asks a good question. Perhaps the Minister will be able to tell the House the answer.

We support the Bill in principle, but there are various questions that the Government need to address. While we largely welcome the Bill, especially the introduction of means-testing, it represents only a very small step towards the reform of the legal aid system. Yes, the growth in spending on the criminal defence service has to be checked, but we also need a focused and sustainable plan of action to address these serious issues.

The Department for Constitutional Affairs press briefing on the Bill stated—rather grandly, I thought—that the Bill would

"ensure that the cost of criminal legal aid does not continue to threaten to erode the civil legal aid scheme, which is recognised as a vital first line of defence against social exclusion".

I am afraid that, on its own, the Bill does no such thing. Much as we agree with the basic premise of the Bill, it does nothing to tackle the other main factors driving the increase in criminal legal aid costs, in particular the very high cost criminal cases and the way in which the Crown Prosecution Service manages prosecutions, especially complex ones. It certainly has nothing to do with helping civil legal aid, as the Department's press release suggests.

As the Department for Constitutional Affairs itself acknowledged in its recent White Paper, more than 50 per cent. of Crown Court legal aid is now consumed by just 1 per cent. of the cases involved. My noble Friend Lord Kingsland said in another place in relation to means-testing:

"I hazard that however much money it will save, it will save nothing like the amount of money that high cost cases cost the criminal legal aid system."—[*Official Report, House of Lords* 13 June 2005; Vol. 672, c. 1083.]

The Government will no doubt argue that all these matters are being examined by Lord Carter's review of legal aid—in fact, the Minister has done so already—and that we should await the outcome of that review. If so, we should like to know when that review is to be published. Why is it not available now, when it is so clearly needed in the context of this debate?

It is self-evident that we need a far greater emphasis on reducing expenditure in high cost cases, and that we need to pursue initiatives aimed at achieving better value for money across the criminal justice system, such as more effective trial management. Irrespective of Carter's review, the Government should be seeking urgently to make progress. What we need are imaginative solutions if we are to achieve a sustainable legal aid system and an application of basic management skills to criminal case management.

We attempted to deal with the issue of a Crown court scheme on Second Reading and in Committee. The Government had made a fairly convincing response to our earlier request for the contemporaneous introduction of the Crown court scheme, and we are prepared to accept the concept of a phased roll-out of a similar regime in the Crown court on the basis that it is expeditious. We should, however, like to know from the Government when that is likely to happen. We should also like a review of the Bill's effects before the means-testing scheme is implemented in the Crown court. Will the Minister please confirm that that will happen, and explain how it is likely to happen? We recognise the benefits of a so-called phased roll-out, but that can only be effective if there is a full and expeditious appraisal of the consequences of the changes proposed in the Bill.

As we discussed these points during the Bill's earlier stages, I shall not discuss them now in great detail. However, if we are to have split magistrates and Crown court systems and starting dates, we—along with our noble Friends in the other place—have concerns about the perverse incentive that may result if the Crown court scheme is implemented at a later date. Defendants may opt for the Crown court route in cases that are triable in either way in order to ensure a more favourable position in regard to legal aid. That is another reason why the Government should be expeditious in applying the scheme to the Crown court.

The aim of the Bill was to address the funding crisis that beset the Government who abolished means-testing. Now they have recognised the error of their ways, it is important also to recognise the drain of high cost cases—particularly in the Crown court—that could hinder the merits, in practice, of what we ultimately support in the Bill.

The problem is not that the Government are spending too little; the problem is that cases need to be managed more efficiently, and there needs to be clarity about what legal aid is spent on. The Crown Prosecution Service, and judges themselves, need to manage cases more efficiently. Dealing with the management issues at an early stage will help to prevent even bigger problems from spiralling later. Yet the Government seem unable to get to grips with the difficulties. This must be seen as a significant failure on the part of the Department for Constitutional Affairs, and it must know that the reintroduction of means-testing in itself will not solve the problem or make significant savings in relative terms. A review before implementation in the Crown court will, we believe, be intrinsic to the fulfilment of what the Minister said on Second Reading was the aim of the Bill:

"a legal aid system that balances fairness with administrative simplicity and that is based on affordability yet is sensitive to an applicant's individual circumstances."—[*Official Report*, 13 December 2005; Vol. 440, c. 1238.]

All in all, the Government must recognise that the Bill is not a panacea for all the problems to which the legal aid system has been exposed. Although we welcome it in principle, it is only a small step towards desperately needed reform of a legal aid system that the Government have allowed to fall into disrepair, and much more remains to be done. The Department for Constitutional Affairs must know that the Bill in itself will not solve the problems.

The Government must recognise, particularly when producing the regulations that will follow the Bill but also when introducing the scheme into the Crown court, that what is needed is not simply restriction of the number of people being helped by the legal aid system as

[Mr. Djanogly]

the Bill proposes, but what was proposed in the Government's own report "A fairer deal for legal aid": a system that is

"fair and effective, providing access to justice for all who need it."

I remain to be convinced that the Government have responded to their own message.

If, despite our general support for the Bill, the Minister thinks that we or the legal profession will accept the Bill as the answer to the legal aid crisis, she will need to think again.

3.49 pm

Keith Vaz: In response to the amendment tabled by the hon. Member for Somerton and Frome (Mr. Heath) in the last debate, the Minister referred to a coincidence of desire. Until the hon. Member for Huntingdon (Mr. Djanogly) got to the last part of his speech, I felt like a gooseberry watching not consideration in Committee being reported back to the House, but a love-in, so generous was the praise between those on the Front Benches and so amicable the discussions and various deliberations in Committee and in the House since consideration of the Bill began.

I pay tribute to the Minister and her colleagues at the Department for Constitutional Affairs on the modernising agenda that they have adopted since my noble Friend Lord Falconer became Lord Chancellor. There must be something of a whirlwind in the Department. I remember my time there as a Minister six years ago, when it was not so much sleepy, but at least not as dynamic as it is now. Legislation rushes out the door at breakneck speed and Ministers appear before the House practically every week to tell us about new legislation that is to be passed.

The Bill is important, primarily because we want to save money on the very large legal aid budget. The hon. Member for Huntingdon will not remember the debates held in the House when I was first elected, when the legal aid budget was, even under the last Conservative Government, spiralling out of control. The current legal aid budget is £1.1 billion, which makes the DCA one of the biggest-spending Departments.

The savings that the Bill envisages are quite small—only £35 million out of £1.1 billion—but £35 million is a lot of money. It is better than a poke in the eye, and any legislation that saves money for the taxpayer so that it can be spent wisely is to be welcomed. Therefore, I welcome the Government's approach of targeting legal aid so that it is spent on those who need it. The Minister gave the examples of the lottery winner and the football player, but there are a lot of people in between them and the very poor who must not be left out.

My main concern, in accepting what the Government have done and supporting the Minister in the good work that she does at the Department, is that too much trust and faith are being put in the Legal Services Commission. Once the decision-making process is taken away from the judges and the courts, removing that degree of independence and putting it in the hands of bureaucrats, some of whom are ex-civil servants—not that we have anything against them; I shall use the term "officials", if I may call them that—our ability as Parliament and that of people who apply for legal aid to feel that they have had their case justly treated are also removed.

The Minister accepted the amendment tabled by the hon. Member for Somerton and Frome, and I welcome the spirit in which she did that, but I ask her to spend her time and efforts in supervising and monitoring what the Legal Services Commission does. It is dispensing a huge amount of public money, so both ministerial eyes need to be firmly on those who govern the commission. The Minister should be willing to respond to the concerns of Members of the House, the public and the professions when they point out that things are going wrong.

My hon. Friend the Member for Cardiff, North (Julie Morgan), who unfortunately has had to leave the House, has raised with the Minister, as I am doing again today, her concern and mine about the proposals to stop the specialist support services in England and Wales, which are, instead, to be provided by the Legal Services Commission. My hon. Friend tells me that they will be stopped in July. I see that the Chairman of the Constitutional Affairs Committee, the right hon. Member for Berwick-upon-Tweed (Mr. Beith), and other members of the Committee are here today. We discussed this very matter yesterday.

The concern held by my hon. Friend the Member for Cardiff, North and by me is that these services are being stopped when the Government should be ensuring that we target our money so that services that work—providing assistance and advice to voluntary organisations on issues such as debt, housing and welfare benefits—should continue. I ask the Minister to look into that point at the same time as she is asking us to put our faith in her judgment and that of the Lord Chancellor in transferring yet again so many powers to the Legal Services Commission.

The hon. Member for Huntingdon is right; in a sense, the Government are the victims of their own success. Having taken power in 1997 and having told the public that they would catch criminals faster, that is what they have been doing. But that puts pressure on the court system, which goes back to an earlier point concerning the relationship between the DCA and the Home Office. The DCA is an equal partner with the Home Office. The Home Office is not in charge and the Home Secretary does not tell the Lord Chancellor what to do; I am quite sure that the Lord Chancellor is robust in his dealings with the Home Office. But our great success in catching criminals and reducing the number of crimes committed has resulted in an increase in the legal aid budget.

I see my hon. Friend the Member for Rhondda (Chris Bryant) looking at me. Clearly he will soon be gesticulating to tell me to bring my speech to a close and, as I am quite afraid of him, I will do so. I have enormous respect for my hon. Friend the Under-Secretary, who has done good work on immigration appeals. I ask her to listen to the professions and not to fight with them.

I have read the Law Society brief on this and it has no problems with what the Government are doing, apart from the effect on the right of appeal. I ask my hon. Friend to work with the professions and with those who help those going through the legal system. I am sure that the good will generated for most of this afternoon will be generated again by similar legislation that I am sure my hon. Friend will propose in the years to come.

3.56 pm

Mr. Heath: I must say to the hon. Member for Leicester, East (Keith Vaz) that it is paranoia of the highest order to be afraid of the hon. Member for Rhondda (Chris Bryant). However, I agree with some of what the hon. Member for Leicester, East said.

There are few months of the year in which I bemoan the dearth of legislation coming from the DCA and the Home Office. Indeed, sometimes it feels as though one does nothing else but read new legislation. However, the hon. Gentleman is right about the relationship between the two, although I would argue that we should have a ministry of justice to take on all criminal justice responsibilities. If we create 800 new offences, people will be tried for them and that costs money, which is where the increase in legal aid comes from.

I believe legal aid to be one of the great glories of this country. The fact that we are prepared to institute a pillar of our welfare state to provide for people who need representation before our courts is something to be rejoiced and not slighted; it is a necessary part of a civilised society.

I pay tribute to the Under-Secretary, who has finally discovered how to pronounce my constituency, to the point that she corrects others. That is a wonderful advance in a short time. She and other Committee members have done a fine job. We debated the Bill and, we hope, improved it, but we did not take an unnecessary amount of time to do so. The fact that we have managed to complete consideration does not suggest a lack of care or scrutiny. It is a simple fact that this is a brief Bill with few complicated proposals that, therefore, does not require long consideration. But we have pointed out what is lacking in it.

It would be easy, were it not for the constraints of the rules of the House on Third Reading, to launch into a much wider debate on the future of legal aid, as it is a serious issue that needs debating. This debate, however, deals with a narrow point. It would also be extremely valuable to pick up on the point made by the hon. Member for Leicester, East and his hon. Friend the Member for Cardiff, North (Julie Morgan), and I hope that the Minister can enlighten us as to the loss of specialist officers in the Legal Services Commission.

This measure deals with eligibility for criminal defence legal aid. Two issues arose in Committee, the other place having dealt with the major issue of the capacity to appeal in the interests of justice. One was the issue of the residual power, which was raised by the new clause. I still maintain that that would have been an improvement to the Bill, that it would have created a better, more appropriate way of dealing with exceptional cases, and that it would have saved a little money in the process. The Minister has not, however, accepted that.

The other issue was that of appeal. I have said that I believe that the amendment from the other place was wider and better in its scope, but I repeat that I am grateful to the Minister for listening to my points and arranging for me to meet her officials to discuss whether a compromise was possible, and for accepting the amendment to the Bill today. I say with a degree of confidence that I think that it will satisfy those in another place who will consider the matter later.

The Minister must not be allowed to get away with the fact that the Government marched us up this hill only a few years ago and are now marching us down again. Consistency is not the Government's strongest point in their approach to this issue. That said, I welcome what has been put in place today to curb what, to the layman, and to an interested observer, are abuses of the system. I welcome the fact that the Government have not reintroduced a crude threshold for means tests but have taken a more sensitive and sensible view about the taper that should be applied, which I commend.

I return to a basic point: nobody wants to see a lot of money spent on legal aid until they need that support to defend themselves in court. It not just millionaires, or those without means, that we are dealing with. It is those in the middle who are most affected when, in extreme circumstances, they find themselves before the court and unable to receive the support that they need to present their case properly. Those people must be clearly in our minds when addressing the Bill. The Bill goes a long way to deal with some of those issues. The wider issues of legal aid in the criminal and civil courts will wait another day, but the Minister can be assured that we have extremely strong opinions on those.

4.3 pm

Mr. Burrowes: I support the Bill, particularly in relation to the restoration of the means test and the fact that the Government have learned from their mistakes. In terms of the detail, I welcome the fact that the application of the means test will be much more straightforward and less bureaucratic. I remember the days of the old means applications, when a paper trail among a pile of wage slips or statements was necessary, but I understand that the regulations will introduce a much more straightforward procedure.

I have some fundamental reservations, however, which revolve around the conferring of powers on the Legal Services Commission. In that regard, I support the comments of the hon. Member for Leicester, East (Keith Vaz). On grounds of principle and practice, we are concerned that the courts' remit will be taken from them. We sought in Committee to retain the residual power. We sought through new clause 1 to retain it as an exceptional power. Both those attempts failed.

Can the Minister give us assurances in relation to the practical application of the conferring of powers to the Legal Services Commission? I draw her attention to page 13 of the supplement to the framework document. It states:

"If ... the Interests of Justice test is not applied consistently across the country ... the LSC would issue guidance to court staff about the application of the test."

Then the threat, which raises those fundamental concerns, comes into play. The document suggests that there are two options:

"Ultimately, the Government could amend schedule 3 to the Access to Justice Act 1999 to clarify the working of the Interests of Justice test. Alternatively"—

this is the nuclear option—

"it could choose to have the award of grant, including determination of the Interests of Justice test, administered solely and directly by the LSC, without the involvement of court staff."

That option was a matter of concern on principle, but now that we have moved beyond that, it is a concern in practice.

[Mr. Burrowes]

The Minister has justified the Bill on the basis that court staff will be involved in the application of the new regulations. That makes sense because they are on the ground. They know the best way of maintaining the system in terms of granting legal aid and assessing financial eligibility. They are closest to the decision making. They will be able, practically and quickly, to make the decision. Therefore, I ask her to give an assurance that the final option of devolving the practical powers so as not to involve court staff will not be proceeded with and that, at the very least, if the guidance does not work in the Government's eyes, they will seek to bring the matter back before the House to amend schedule 3 to the Access to Justice Act 1999 to deal with the working of the interests of justice test, and will not go straight to the final option, take all the practical powers away from court staff and give them to the LSC. At that point, the concerns of the hon. Member for Leicester, East, practitioners, court staff and others would come into play: decision making would be far removed from where it should take place, which is in the court building. Will the Minister directly respond to that?

This is not the place to do it, but I point out that it is estimated that there will be a saving of £35 million through the application of the scheme. Can that be properly taken into account when Lord Carter's review is published and when consideration is given to how to deal with lower courts' work? It has been accepted by the Department that lower court costs are under control already. We now face the prospect of £35 million savings. Can we properly take account of that and allow that to form part of the judgment before proceeding to, from the practitioners' point of view, another nuclear option: competitive price tendering, which raises concern that the work and service of many local practitioners for the community, not least black, minority and ethnic firms, will be threatened?

Primarily, I seek assurances on the practical implementation of the system in terms of transferring powers from court staff and conferring them on others.

4.8 pm

James Brokenshire (Hornchurch) (Con): I broadly welcome the introduction of the Bill, particularly in the context of the cost issues affecting legal aid. Since 1997, the legal aid bill has grown from £1.5 billion to around £2.36 billion for the current year. That emphasises the need to tackle that issue urgently, particularly when one considers the different balance between civil legal aid and criminal legal aid. The funding to civil legal aid has gone down by about 1 per cent. during that time, showing that it is the criminal side of legal aid that has seen growth in expenditure.

It is interesting that, when the Government introduced their previous proposals, which effectively scrapped means-testing, in the "Modernising Justice" White Paper, they described means-testing as complex and costly, highlighting issues where lack of documentation led to delays and the further costs associated with that. They talked about it being an unjustifiable waste of money. It is interesting to see how the debate about and, perhaps, the recognition of the need for some form of means-testing has come back. For this to work and to make the potential savings of £35 million that my hon. Friend the Member for Enfield, Southgate (Mr. Burrowes) talked about, it will require good administration, not the bureaucracy that some hon. Members fear may exist in the Legal Services Commission. That needs to be monitored carefully if we are to get the hoped-for cutbacks in the increase in spend through means-testing. For that to happen, we must not get bogged down in a mire of bureaucracy and administration.

Keith Vaz: The problem remains that good legal aid practitioners are leaving legal aid work because the rates are so low. It is not that they wish to make a huge profit from it; it is the fact that they cannot afford to continue in that work. That means that those who are not particularly good may remain to do the work because they can afford those rates.

James Brokenshire: The hon. Gentleman makes a valid point, which I was coming to, about access to justice and the quality of justice, support, advice and guidance that is received by the beneficiaries of legal aid. There is still a much wider debate to be had on the future of legal aid and legal services, which falls outside the scope of today's debate. Clearly, we need to ensure that legal support is there where it is needed and that where it is needed, it is robust and of sufficient quality to ensure that those individuals are properly represented. I agree with the hon. Gentleman, who also sits with me on the Constitutional Affairs Committee. I suspect that we in that Committee will continue to monitor this in the months and years ahead.

We need to monitor the impact of these provisions. I understand that they will be introduced in magistrates courts first and the Crown court thereafter. Obviously, the Minister will closely monitor the impact of that, particularly where offences can be tried in either court, and whether people elect to go down the Crown court route because of the flexibility that might remain there following the introduction of these provisions.

There have been interesting comments about the reasons for the growth in the budget. The hon. Member for Somerton and Frome (Mr. Heath) highlighted the fact that we have seen an increasing number of offences on the statute book. Clearly, changes to sentencing guidelines have had some impact, in terms of the greater risk of imprisonment, giving rise to demands and needs for access to justice and fair justice, ensuring that people are properly represented. We must not forget the argument about the inequality of arms. We cannot have people feeling intimidated or threatened by the power of the state seeking to impose criminal penalties, and the fact that they cannot be adequately represented or defend themselves.

I remain struck by the comments of my hon. Friend the Member for Enfield, Southgate when he moved his new clause in an attempt to ensure that the less advantaged and perhaps people with mental health problems are not disadvantaged by the Bill. I urge the Minister to monitor this closely to ensure that people from less advantaged backgrounds, people who are illiterate or people with a disability are not prevented from gaining access to justice. I am sure that that is not the intent of the Department for Constitutional Affairs.

I ask the Minister to keep this under review and ensure that the fairness that is the hallmark of our justice system remains.

I am pleased that there has been some movement—particularly in another place—on the clarification of appeal rights; such clarification has been an important part of this legislation's development. We must make it clear that there is a separate means of ensuring that, where necessary, the Legal Services Commission's decisions are scrutinised in court. We will need to monitor the system's operation and performance in order to establish how many of the LSC's decisions are successfully appealed. If many are, that would tend to suggest that there are problems with the system's administration, and with the way in which decisions are being determined.

Last July, the Constitutional Affairs Committee's report on the Bill stated:

> "Legal aid plays a vital role in ensuring that those who cannot afford their own defence costs can still obtain legal representation. It also protects against unfair trials and 'inequality of arms' between the defendant and the prosecution and makes it easier to protect defendants' rights."

They must be the underlying principles driving the changes being implemented today. I welcome the Bill, but I hope that it will continue to be scrutinised as it completes its legislative passage, that the aims and objectives effectively summarised by the Constitutional Affairs Committee are put into practice, and that we have a strong and robust system that continues to deliver high-quality, effective and cost-effective justice.

Question put and agreed to.

Bill accordingly read the Third time, and passed, with an amendment.

Public Accounts

4.16 pm

Mr. Edward Leigh (Gainsborough) (Con): I beg to move,

> That this House takes note of the 17th and the 20th to the 52nd Reports of the Committee of Public Accounts of Session 2003–04, the 1st to the 30th Reports of the Committee of Public Accounts of Session 2004–05, and the 1st to the 3rd, the 5th, 6th, 10th and 11th Reports and the First Special Report of the Committee of Public Accounts of Session 2005–06, and of the Treasury Minutes and the Northern Ireland Department of Finance and Personnel Memoranda on these Reports, Cm 6271, 6282, 6302, 6303, 6304, 6332, 6355, 6416, 6441, 6458, 6468, 6496, 6577, 6578, 6579, 6609, 6667, 6668, 6682, 6689, 6712 and 6724.

I am pleased to welcome Members to the Public Accounts Committee debate. It is the first of its kind since June 2004, and in the lengthy intervening period the profile of public sector efficiency, which has been at the heart of the Committee's work ever since its creation 140 years ago, has been raised, certainly in part, by the Gershon review. Given this context, we have a lot of highly topical issues to cover today.

The Committee is proud of its work since our last debate. We have published no fewer than 76 reports on issues at the very top of the policy agenda, including 21 in this Session so far. Our high profile and hard-hitting output has included a report on UK military operations in Iraq. That report recognised the commitment, bravery and professionalism of our armed forces, but noted shortcomings in the channelling of supplies to front-line forces.

We also considered the uncertain future of renewable energy, advising the Government to subsidise the development of new technologies and to engage fully in the nuclear power debate. We further concluded that the operation of tax credits has been an absolute nightmare for a significant minority of claimants, who cannot understand how much they are due, or why, in so many cases, such large overpayments have been made.

We also highlighted a simply unacceptable postcode lottery in the prescription of anti-cancer drugs, waiting times for scans and chemotherapy treatments. We found that people who live in a northern city are almost twice as likely to die of cancer as those who live in an affluent area in the south. The cancer of those who happen to live in a deprived area is likely to be much more advanced by the time that it is diagnosed, and they are less likely to survive. We urged the Government to address that issue as a matter of urgency.

Many of the Committee's recommendations have been implemented in the past 18 months, thereby translating them into practical service improvements for the taxpayer. Some 276 of the Committee's recommendations—93 per cent., which is way above the percentage achieved by any other Committee—were accepted by the Government in 2004–05. I pay tribute to the Treasury for accepting 93 per cent. of our recommendations; its doing so is entirely in line with the cross-party nature of our work.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): The hon. Gentleman said that 93 per cent. of the Committee's recommendations had been accepted. For

[Mr. Ian Davidson]

purposes of comparison, what was its record under previous Chairmen? Has he achieved a higher or lower proportion, and does he set himself a target?

Mr. Leigh: I am sure that my very distinguished predecessor as PAC Chairman achieved just as high a rate. He has moved on to even better things, and I do not want to criticise him in any way, but the Committee has gone from strength to strength over the past four or five years. That has nothing to do with me—I have just happened to be Chairman in that time—but it does have to do with the structure of the Committee, the National Audit Office and many other factors. Things have gone pretty well.

I shall offer only three or four examples of our successes, although I could go on and on. However, I regret that the Committee is also the Public Accounts Committee for Northern Ireland while Stormont is suspended.

The Committee does not pull its punches, and our recommendations are hard hitting. We are consensual, but that does not mean that we go for the lowest common denominator. On the Jobskills programme in Northern Ireland, we said:

"Our overall impression is that Jobskills is one of the worst-run programmes that this Committee has examined in recent years. We noted a quite astonishing catalogue of failures and control weaknesses, all of which pointed to a disturbing level of complacency within the Department."

That programme has since been axed.

The Committee's report on light rail projects stressed the need for rigorous financial viability tests prior to approval. As a result, the Department for Transport shelved plans for three new light rail developments because it realised that it could not guarantee against price escalation. Last year, the Committee highlighted the fact that the Inland Revenue had adopted many of the recommendations proposed by the PAC six years previously. As a result, it had become 66 per cent. more efficient in its administration of inheritance tax.

The Committee also reported recently on Energywatch and Postwatch, which we described as "feeble". We suggested that those bodies could reduce costs by re-examining their regional structures and sharing administrative functions. In response, Postwatch centralised its complaint handling function in Belfast, and Energywatch, with the support of Postwatch, set up a consumer action network to find ways to achieve better joint working.

It is a testament to the Committee's work that our recommendations on the private finance initiative and on public-private partnerships have saved the taxpayer no less than £750 million, according to the NAO. If the Committee's members were paid on a commission basis, we would not need to remain Members of this House for very long.

Complementing the impacts that I have described is the increasing scale of media coverage enjoyed by the Committee, which is greater than that received by other Committees. That degree of attention to our work can only aid us in pressing for value for money.

Mr. Sadiq Khan (Tooting) (Lab): Is the hon. Gentleman concerned that the media sometimes highlight our criticism of the Government, and pay less attention to the occasions when we praise Departments on their efficiency?

Mr. Leigh: That is the media's besetting sin, but we try to structure our reports and press releases so as to strike a balance. We try to pay tribute to the Government when things go right, but it is the nature of the media that they engage in negativity and prefer criticism to congratulation. However, in its reports, the Committee tries hard to congratulate the Government—the customer—when they have done well. We do our best in that regard.

It is a tribute to the Committee that we do not get involved in policy. We deal in the nuts and bolts of things. We are not policy wonks, as we engage in what people care about. That is why we get considerable coverage. For instance, the entire front page of today's edition of *The Independent* is devoted to one of our reports, and the same happened with *The Guardian* earlier this week. It is proof of my consensual nature that I have actually started to read those newspapers.

Credit for the Committee's achievements should go, in part, to hon. Members who have departed the House since the last PAC debate. We are sad that they have left, although I see the hon. Member for Dagenham (Jon Cruddas) in his seat. However, I am confident that the new members will help carry forward the momentum generated by their predecessors. I welcome to the Committee my hon. Friend the Member for Tunbridge Wells (Greg Clark) and the hon. Members for Burnley (Kitty Ussher), for Bishop Auckland (Helen Goodman), for Bristol, West (Stephen Williams), for Orkney and Shetland (Mr. Carmichael), for Portsmouth, North (Sarah McCarthy-Fry) and for Tooting (Mr. Khan). I also welcome to the Committee the hon. Member for Great Grimsby (Mr. Mitchell), who, ironically given the relative youth of some of the members of the Committee, is the newest member of the Committee, and a valuable member too. He has already turned up pretty well every time and, in his usual robust style, has given permanent secretaries a real grilling. We welcome him.

Irrespective of how long hon. Members have been in the House, I am sure that each and every member of the Committee will continue to add something uniquely valuable to our work. Members of the Committee both past and present will understand the hard work and commitment that membership demands. We meet twice as often as any other Committee. So I know that I will not be alone in expressing my thanks and deep gratitude to Mr. Nick Wright, our Clerk, and others who support the Committee, especially the National Audit Office. It is no secret that without the NAO we would not be able to do anything.

We must also remember all those who have served on or worked for the Public Accounts Committee in the past decade. The Committee has issued more than 400 reports and questioned hundreds of senior officials. Witnesses have provided the Committee with vital insights into the challenges that they face in their ongoing battle to improve public services.

I want to outline this afternoon the key findings emanating from the Committee's reports over the past 10 years—findings that are present in the Committee's

work since my last address and which lie at the heart of current policy discourse on achieving value for money in the delivery of public services.

Indeed, as the parties come closer and closer together on policy—[HON. MEMBERS: "Ah."] I make no comment on that, of course. The debate on how policy is implemented is even more important. That is why the role of the PAC is ever more central.

If one lesson stands out from the work of the PAC over the years, it is that Government Departments in any Government are masters of spending public money, but often far less proficient at ensuring that it translates into better public services. It is in keeping with the non-partisan nature of today's debate and of the Committee to say that the problem has plagued Governments of all persuasions over the years. The Committee recognises the difficulties involved and that often the processes are much more complex and much larger than those in the private sector, especially with IT projects. However, some progress has been made. The Committee has commended the Government's efforts to develop more effective services for older people. Our report on emergency hospital care identified a large and sustained reduction in the length of time that patients spent in accident and emergency.

Welcome as such improvements are, for many years the Committee has also pressed Governments to devote greater attention to public sector efficiency as, all too often, they have failed to learn the wider lessons of the Committee's recommendations. While supporting the good intentions expressed by Gershon, the Committee would like to see practical evidence of real-life efficiency savings being realised. Departments are responsible for delivering those savings, and the Government's programme of departmental capability reviews designed to assess Whitehall's ability to implement policy effectively is significant. The Committee has noted many times that policies are too often cursed by weak management and implementation approaches. We welcome the recent development, but we would like more information on how the programme will be taken forward and rolled out.

Despite those welcome initiatives, however, more must be done to achieve value for money in public services. I shall devote the rest of my speech to outlining the Committee's seven recommendations for getting more out of our public services. Hon. Members can study those recommendations in greater depth by referring to the Committee's 17th report of the current Session, entitled "Achieving value for money in the delivery of public services."

The first recommendation is that those responsible should properly prepare and plan project implementation. Successful implementation rests on careful planning that takes into account a programme's risks and business requirements. Now, all that can be just anorak talk, but let us look into some practical examples. The Committee concluded in its report on asylum decisions that the Home Office failed to put in place sufficient staff and structure to cope with a significant rise in asylum applications in 1999 and 2000. In its report on road congestion, the Committee criticised the Highways Agency for installing cheaper, less sophisticated technology in the south-east in order to close a technology gap between the regions on the basis that it would be upgraded at a later date. Had the agency not reversed that decision, it would have cost £64 million more than progressively installing more sophisticated technology from the outset. To avoid such fiascos in future, Departments need to draw up realistic timetables and leave plenty of time for planning and detailed specification. The Committee would also like to see greater use of pilots to test schemes before their large scale implementation.

Secondly, Departments must strengthen project management. Time after time, the Committee has come across poorly managed Government projects. One of the most alarming examples of poor project management was the Government's purchase of eight Chinook Mark 3 helicopters that could not be used because the Department failed to specify the avionics system when it drew up the contract. No doubt the Chinooks have been consigned to some remote aircraft hangar, but it is something of an understatement to say that they are doing very little to promote our national security.

Like defence procurement, IT procurement is all too often synonymous with delay, overspends, poor performance and even abandonment. Encouragingly, our report assessing the impact of the Office of Government Commerce's initiatives on the delivery of major IT-enabled projects recognised the potential for gateway reviews to secure significant improvements in IT procurement. We also called for gateway reviews to be published, and recommended that the Comptroller and Auditor General be notified where IT projects get "double reds" within that process. I am encouraged by the OGC's agreement to our latter recommendation, but disappointed that it has rejected the former.

The Committee continues to recognise the need to strengthen project management capabilities. Departments need more realistic business cases and time scales, and risk must be understood and better managed. Large, complex projects should be broken into smaller, more manageable components, and reliable contingency plans should be put in place.

Our third proposal concerns the need to reduce complexity and bureaucracy. Too often, public services are unnecessarily complex and bureaucratic. For example, the difference in error rates in passport application forms that are checked by the Post Office for a fee and those submitted directly by customers—1 per cent. and 15 per cent. respectively—shows that people have difficulties with that particular form. The Committee has pointed out that Departments have an obligation to make sure that their forms are straightforward and easy to complete. Looking across Government, the Committee has called for the simplification and streamlining of complex processes that increase costs. For example, the structure of the social fund is so complicated that mistakes are made in almost half of the applications for certain benefits.

The fourth recommendation is the need to improve public service productivity. Delivering quality public services rests on their efficiency and productivity. Our report into sickness absence in prisons confirmed that unusually high levels of sick leave were detrimental to the overall efficiency and productivity of the Prison Service. As well as costing the taxpayer around £80 million in 2002–03, sickness absence increases stress and lowers the morale of other staff. In that particular case, I am pleased to note that the Minister recently reported that in nine of the 10 prisons with the highest

[Mr. Leigh]

levels of sickness absence as identified in our report, sick leave has been reduced by 36 per cent. since 2002–03, which is an example of a report making a difference.

Much still remains to be done to improve public service productivity. The introduction of resource-based accounting and budgeting is certainly a step in the right direction, because it helps Departments to use their resources more productively and deliver their services more efficiently. Welcome though these developments may be, Departments still have some way to go in improving public service productivity. They need to match resources better to work load to meet the public's demand for services, and they should tackle bottlenecks in service delivery chains.

Fifthly, we believe that Departments need to be more commercially astute. Such measures have already been introduced in Britain's biggest and best companies. Indeed, the Committee thinks that Government Departments can learn a lot from boardrooms throughout the country. When one considers that central civil service Departments alone spent more than £15 billion a year on goods and services, it is vital that they demonstrate that they are commercially astute. All too often we find that Departments are lacking in that area. The Committee reported that fewer than a quarter of procurement staff in Departments had Chartered Institute of Purchasing and Supply qualifications. Of the 20 Departments, agencies and non-departmental public bodies that spent the most on procurement in 2002–03, only three had commercial directors. Their role explicitly covered all corporate engagement with the private sector and the wider business world, as well as procurement strategy.

I am pleased to note that the situation has since improved, but Departments must do more to strengthen their commercial expertise if they are to maximise their assets for public benefit. Across the Government as a whole, the Committee wants Departments to take greater advantage of their buying power to secure better deals, to award contracts on the basis of value for money instead of lowest price and to make greater use of partnership arrangements with suppliers.

Sixthly, there is a need to tackle fraud. Fraud has been a long-term concern of the Committee. In addition to producing a report on benefit fraud, it found during its investigation on VAT that a staggering £11 billion of VAT that is meant for the public purse is going into the pockets of fraudsters, cheats and those making genuine errors. We urged Customs to introduce tougher penalties for evasion and the under-declaring of VAT. We called for it to take full advantage of its merger with the Inland Revenue to improve data matching as a means of identifying traders in the shadow economy.

We also highlighted the problems among European member states on agreeing what actually constitutes fraud. In our report entitled "Financial management of the European Union", we recommended that the UK presidency of the European Union should be used to support the Commission in its action to improve accountability in the European Union through the development of a road map towards a positive statement of assurance. We also called on the Government to press for the simplification of the rules and regulations governing the common agricultural policy and structural funds to reduce the scope for fraud and error. Now that the UK presidency has come to an end, can the Minister detail the extent to which the Government have implemented those recommendations? Will he give assurances that the UK will continue to press for those vital reforms during the Austrian and French presidencies and beyond?

Seventhly, I urge the Government to implement policies better and in a more timely way. It is important that they have clearly thought-through implementation plans and reliable information on which to base decisions about new policies. For example, the Committee's progress report on hospital-acquired infection highlighted the worrying dearth of information about the extent and cost of such infections. For example, the regularly cited figure of 5,000 deaths each year due to hospital-acquired infections is unreliable and dates from the 1980s. Good policies and successful implementation rest on the availability of reliable and up-to-date information. It is imperative that Departments understand the scope of problems before they set about addressing them.

As I have outlined, the Committee makes a valuable contribution towards the development of more efficient and effective Government policies. In the coming months, we shall face numerous opportunities to add to our work. We shall continue to deal with the access issues raised by Lord Sharman's report of 2002 on the audit and accountability of central Government. The Committee is delighted that Lord Sharman's recommendation that the Comptroller and Auditor General be given audit access to non-departmental public bodies that are companies and their subsidiaries has been taken forward in the Company Law Reform Bill. The Committee would like to thank the Treasury and the Department of Trade and Industry for their support on this matter and looks forward to the smooth passage of the Bill in the near future. However, we just hope that similar progress can now be made on gaining full access to the BBC's accounts. The Committee has valued the experiment that has allowed the Comptroller and Auditor General, under special arrangements, to have limited access to the BBC. However, as I have said in the past there should be no limit on the freedom of choice of the Comptroller and Auditor General if the licence fee payer is to be assured of value for money. The expected renewal of the BBC charter, which is scheduled for later this year, provides the perfect opportunity to address the matter.

The Committee's formal agenda includes hearings on the National Audit Office's major defence projects report for 2005, and reports on supporting elite athletes, faster access to better stroke care, the closure of MG Rover, corporation tax, and improving poorly performing schools, to name but a few.

In conclusion, the distinguished Committee of which I am proud to be Chairman continues to serve the nation well, analysing important and topical issues and recommending practical improvements to our public services. I commend its work to the House.

4.40 pm

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): On a point of order, Mr. Deputy Speaker. I do not usually raise points of order, and this has nothing to do with the debate. It has struck me in the

past 24 hours, particularly in the past two hours, that developments of remarkable significance are taking place in the Gaza strip and Israel, with Hamas claiming to be the majority party after the recent election.

We have had statements from most countries concerned, including the United States. We know what Israel's attitude is—it refuses to deal with Hamas until certain conditions are met. We know that large sums of money may be withdrawn from the Palestinians as a result of the election, and there are pending possibilities even of military action in the area. What we do not have is any sense of the Government's position with regard to that remarkable election result.

I have just heard that within the past hour the Prime Minister made some form of statement to the media, yet no member of the Government sees fit to come to the House. As we are not sitting tomorrow, have the Government indicated to you when they are likely to treat the House with courtesy and give us some indication of what their attitude is and what their responsibilities will be as a result of the election?

Mr. Deputy Speaker (Sir Alan Haselhurst): I am not aware of any request from the Government to make a statement on the matter. Equally, the Chair is unaware of the contents of anything that is being said by the Prime Minister or any other senior Minister on the subject. The Minister on the Government Front Bench will have heard what the right hon. Gentleman said. The situation could be remedied within the earliest possible period and the right hon. Gentleman could seek to encourage that by putting in a request for an urgent question. Mr. Speaker has always indicated that Members impatient for information can try that route, even though he does not guarantee that he will be able to grant it. The House will also have heard what the right hon. Gentleman said, and we must await developments at the earliest possible moment.

4.42 pm

Jon Cruddas (Dagenham) (Lab): I want to say a few words about my experience as a member of the Public Accounts Committee, although I feel a little like an impostor this evening, as I ceased to be a member of the Committee just before the last election because of issues that were developing locally in my constituency relating to community cohesion and demography. In one sense, the reason that I came off the Committee is one of the reasons that I am interested in the debate about the workings of the PAC and am keen to participate in its work in the future.

I am particularly interested in the relative efficiency of state activity through investment in the reform of public services, alongside a more dynamic analysis of demography and resource allocation with reference to spatial economic development and population movements, especially in urban communities. That is the context for my remarks. I was a member of the Committee at the time that it prepared some of the reports to be discussed today, and some of the comments that I made then related to the question of how the state could keep up with and make sense of rapid movements of populations, especially in urban communities in cities such as London, and especially in poorer parts of the city, such as the east side of London, which I represent.

First, on the working of the Committee, I, too, want to put on record the extraordinary servicing of the Committee supplied by Nick Wright and his team. They do an admirable job and are a credit to the public service. I pay tribute to the work of the National Audit Office, the rigour of its analysis and contribution to public debate, and the amount of money that it saves taxpayers. The PAC is a unique space to consider the relative efficiency of state activity, in that it allows for discussion of a pan-governmental strategy and with accounting officers and key civil servants. We are not just awash with the contributions of politicians.

The issues that the PAC covers are centre stage politically. The unanimity reached on the Committee's work, despite the fundamental fault lines between the departure points from which the different parties consider the activities of the state, has always interested me. I sense that the Conservative party, for example, sees state intervention as essentially destructive to the efficiency of economic interrelationships, whereas the Labour party deems the relative properties of state activity from a more benign departure point. It is interesting to see how those are reconciled in the Committee's work, which is a comment on the abilities of the Chairman.

On investment and reform, I want to address the issue of demographic movements in urban communities. A number of the debates in and reports of the PAC inherently assume that there are static populations and therefore static issues of resource allocation, but there might be a case for trying to build in a more dynamic analysis of the sheer scale of population movement below the radar. I shall give a couple of examples.

I recently asked a number of parliamentary questions about the population of the borough of Barking and Dagenham, of which I am one of the representatives. The Office for National Statistics replied that the population stands at 164,600 and that that has fallen since 2001, when it was 165,700. Anyone who lives in the community that I represent is aware that there has been massive migration into the borough. However, that is not caught in the headline assumptions for public policy purposes of the baseline quantitative allocation of resources to any public service.

The Government have accepted that there is a minimum of 570,000 unauthorised migrants in the country, not including dependants, and the NAO has said that there are 280,000 failed asylum seekers in the system. From informal discussions with Ministers it seems that the assumption is that the majority of those people are in London, and they do not live in Kensington and Chelsea. There is a magnetic pull towards poorer communities and areas with lower cost housing. The cost of housing in Barking and Dagenham is the lowest across the city.

Alongside those unauthorised migrants, the massive house price inflation over the past four or five years has created a magnetic pull to the area for families who aspire to their first step on the property ladder. The third element is that, as a result of the consequential effects of the right to buy, the private housing market has become much more vibrant. That has meant lower rents, which other local authorities have used as a reason to transfer a lot of their priority-housing families.

[Jon Cruddas]

Cumulatively, therefore, there has been a massive transfer of people into the borough. That is off the radar of the headcount for public policy making. I do not see how a dynamic analysis can be pulled together in order to interpret the relative efficiency of state activity—arguably in communities that are most in need of a dynamic form of state intervention. We have an extraordinary legacy of poverty and under-investment in poor quality public services. In trying to reconcile that legacy with the dynamics at work in global cities such as London, we return to the question of how to gauge the relative properties of state activity.

The massive movement of people into the borough has not just happened over the past two or three years. Dagenham also sits centre stage in the so-called Thames Gateway, the population of which is set to rise by 700,000 or 800,000 over the next 10 or 15 years.

The headcount in my borough, for public purposes, is about 165,000, and the assumption is that it will grow by 35,000 to 40,000 over the next 10 years. We can therefore assume a 33 per cent. increase in the number of people in the borough, even on the basis of the statistics that we currently use for public policy making. The data supplied by the Mayor of London from the Greater London Authority's data management and analysis group—"Statistics of schools in London"—demonstrate that, over the past three years, there has been an increase of more than 10 per cent. in the school roll in the borough. This is despite the fact that, for public policy purposes, the communities are deemed to be quantitatively static, in that they remain at 165,000. If we assume an increase in the population proportionate to the increase in the school roll, we can assume that the population figures could be at least 10 per cent. higher than 165,000.

The tabulations showing the breakdown according to ethnic background in the borough's schools show an extraordinary demographic shift in the qualitative makeup or heterogeneity of the community. Over the past two years, the proportion of white British kids in the schools has dropped by more than 9 per cent., and, year on year, there has been a 4.5 to 5 per cent. increase in the number of children from black African communities in the primary and secondary schools. We can therefore begin to piece together the extraordinary transformation that is occurring in the size of the borough and, within that, the massive change in the demography of the racial makeup of the borough, neither of which is being caught by the analysis supplied by the Office for National Statistics for the purposes of public policy making in relation to the population of the borough.

I shall tell the House why this is important. The reason that I left the working of the Public Accounts Committee was because we were having a massive outburst of far-right activity in our community. Over the past year and a half, we have had five local council elections, at each of which the British National party has polled an average of 35 per cent. of the vote.

Mr. John Hayes (South Holland and The Deepings) (Con): The hon. Gentleman is absolutely right about migration being a key factor in housing demand, and consequently a factor in driving forward house price inflation. Does he agree that, since this Government came to power, public sector house building has roughly halved from its mid-1990s level? In addition, does he agree that a way of satisfying that additional housing demand would be to create a more fluid housing market in which more people owned their own home—as many people in public sector housing want to—which would create space for people currently in temporary accommodation who cannot get on to the public sector housing ladder?

Jon Cruddas: The purpose of my rather protracted walk through these statistics is to come to the issue of public service allocation, and public policy issues such as housing. We have seen a tripling of the number of people on the housing allocation and transfer lists as the population has expanded, which puts huge pressures on public services and deserves an adequate public policy response. The far-right activity to which I referred is one of the barometers of the pressures that are building up, and housing is one of the critical issues in that regard, as are health inequalities. Every issue relating to public policy investment needs an adequate public response, in order to make sense of the dynamic and extraordinary movements of population 10 miles down the road.

That is why I want to come back to the workings of the Public Accounts Committee. The Chairman has talked about seven issues relating to the relative merits of public sector activity. I would like the Committee to add another. I would like it to develop an adequate analysis of the relative ability of the state to deal with the demography at work in our urban communities that is creating such pressure points in urban areas of Britain. My urban community is extraordinary, because of the sheer scale of the population movement into it and the qualitative changes within it. As I said earlier, the epiphenomenon of the far right is materially grounded in such dynamics.

I want to return to some of the issues of public policy-making that lie behind that. I know that my hon. Friend the Financial Secretary is interested in the subject. Indeed, next week he will visit my constituency to examine some of those issues. There is a collision between a long-term legacy of poorly performing public services and poverty, and the extraordinary change that has created the scene on which the far right is operating. Some of its activities are grounded in issues of distribution that are geared by that extraordinary movement of people.

The situation puts enormous pressures on the state, both nationally and locally. The Government have an incremental strategy to refinance public services; the question is, can they tread water, let alone tackle a moving target in the form of growing populations that are not captured in the headline head count on which public policy is based? All the change has occurred since the last census, and the population figures on which public policy is based assume that the population is falling. None of that includes unauthorised migrant workers. According to some estimates, this city has a population of 7.4 million and could contain 100,000 extra people somewhere, over and above the formal head count.

I realise that all that raises huge issues of public policy, but I ask the Chairman and the Committee to bear it in mind when considering their future programme.

Kitty Ussher (Burnley) (Lab): I believe that my constituency contains more BNP councillors than any other constituency in the country. We certainly need to consider the way in which Government policy responds to extreme and fast changes in demography, but the population is increasing not just in urban areas but in all areas where there is a sudden shift in the economy. My constituency is simply a town, not a city, and house prices have collapsed in recent years, although they are now improving to some extent. We should take account of the critical nature of change in the economy, rather than the direction in which it moves.

Jon Cruddas: I do not want to be too definitive in identifying the turning points that create such phenomena. I merely wish to draw attention to certain issues that need to be considered in different ways in different parts of the country. East London has a rapidly growing population. Public policy-makers cannot keep track of it, let alone get ahead of it. That is before account is taken of illegal migrants who are invisible for public policy-making purposes. Then there is real-terms house price inflation, and on top of that the long-term legacies of poverty, underinvestment and poor-quality public services. A rich seam is created on which, given our social formation, the far right is manifestly able to work. That takes different forms in different parts of the country, but we should be acutely aware of the way in which demography can contract or expand, and the effect on social cohesion in any part of the communities that we represent.

My borough has long-term problems of health inequality. I believe that, apart from Easington, it has the worst health-equality profile in terms of investment per head. Two years ago, the Government said that they would overcome some of the health inequalities and move us closer to the formula for investment. The resulting increase will kick in this April. Arguably, since the Government decided to invest so that we could move to where we should have been in 2001, the population has moved even further from the baseline for such decisions. In real terms, therefore, the health inequalities are worsening despite the Government's attempts to resolve them. I use that as an illustrative example of the tensions that this creates in terms of policy making.

Housing is the other acute issue in terms of public sector provision, not least in a community that was built on the principle of socialised housing—council estates.

Mr. Hayes: I am reluctant to interrupt the hon. Gentleman's fascinating account of his local experiences a second time, but I am sure he agrees that, given the fallen nature of man, the best that any Government can do is mitigate the inevitable sorrows of human existence. The point that I was really making to him is that that is partly about what government does and does not do. By encouraging greater housing ownership, we could reduce the demand on public policy and on the Government to supply housing. That would enable social sector housing to pick up some of the slack, which, unfortunately, ends with people being housed in unacceptable temporary accommodation. The fluidity in the housing market that I have described is beneficial in that it reduces pressure on the Government and allows them perhaps to accommodate those who find themselves in difficult circumstances.

Jon Cruddas: It seems to me that that argument always rests on the assumption that there are sufficient economic activity and wage rates in a community to sustain people so that they can purchase any extra supply of private housing. In my community, which is the lowest wage-cost economy in Greater London, and given the house price inflation of the last four or five years, the private housing market is disappearing in front of people's eyes in terms of their capacity to get into it. That means that all roads lead back to public housing investment, which is part of the discussion that I will have with my colleague the Financial Secretary next week.

I shall conclude, as I think I have made the point. I enjoyed working on the Committee and hope to sit on it again in future. It should begin to consider how it might add in a dynamic analysis of demography, especially in our urban communities, alongside this rigorous analysis of the relative efficiency of public sector activity in the economy.

5.2 pm

Mr. David Heath (Somerton and Frome) (LD): It is a great pleasure to follow the hon. Member for Dagenham (Jon Cruddas), who is right to point to the potential effects of failure of public policy in creating division in a community. I am glad he had the opportunity to make that speech.

I applaud the work of the Public Accounts Committee, and indeed of the National Audit Office. It does an inestimably important job. I have never had the privilege to serve on the Committee, but before I became a Member of the House I was an audit commissioner, working in a similar area. The co-ordination between the Audit Commission and the National Audit Office is hugely important in itself. One thing that I hope we can establish is that there are no gaps between the two bodies, which are responsible for checking the use of public funds.

I also pay tribute to how the Committee works. It clearly works with a degree of unanimity despite, as the hon. Member for Dagenham said, different starting points, although I suspect that those, to an extent, have been coalescing recently, with the possible exception of that of the Chairman, the hon. Member for Gainsborough (Mr. Leigh), whom I consider a real Conservative. The danger for real Conservatives is that they find themselves ghettoised, like socialists on the other side of the Chamber, and unable to have their position recognised by those on their Front Bench.

The Chairman was also right to point out that the publicity attendant on the work of the Committee is hugely important. It gains an awful lot of publicity, for good reason, but that in itself is a spur to better performance. Indeed, the fact that the Committee exists is a spur to better performance. The fact that civil servants and Ministers know that they are accountable

[Mr. David Heath]

to such a body is important: even if they do not have a report written about them, they know that they might have to face a difficult interrogation.

Mr. Leigh: On the key aspects, this is the only publicity—we are not supposed to mention this—directed at civil servants. None of our reports ever criticise the Labour Government or Labour Ministers. We never get involved in politics. It is important that civil servants know that this public spotlight is on them. That, as the hon. Gentleman says, is a spur to better performance.

Mr. Heath: That is right, and the Committee should not be used for party political purposes. Every Member wants to see good, well performing public services. Irrespective of whether one agrees with the policies pursued by Ministers, the administration of public services must be as efficient and effective as possible. If it is not, there is a waste of public money that could be used for better purposes. That is the crucial importance of the Committee.

The Committee Chairman referred to seven different categories of importance; I have three. I recognise that a lot of the work of the Government is good and is recognised as such by the Committee and the NAO. A lot of programmes are properly administered. However, there is certainly a need to examine where there is mismanagement, as was reflected in the comments of the Chairman, when there is the misguided application of policy, which is different from mismanagement, and when there is fraud.

Mismanagement can cover a great deal but the particular point that stuck in my mind after reading the reports concerned procurement, which is a huge expenditure on the part of Departments. Procurement is a specialised activity and I know, from my experience as leader of a county council, that the capacity for making mistakes in large scale procurement projects in the public sector is enormous. At times, the public sector does not have some of the tools that are available to the private sector to do its work.

We have more than enough examples of major errors in procurement, particularly in IT. That lesson still needs to be learned by the public sector and one has only to look at the Home Office to see a catalogue of disasters. That makes all the more important the amendment passed in another place recently that suggested that the NAO should break with tradition and pre-empt the passage of a Bill in order to look at the IT consequences of the identity card scheme.

One area in which I am particularly interested is the tax credits system, which was referred to in the reports. Clearly there has been a breakdown of the tax credit IT systems, largely as a result of rushed procurement in the first instance, with Ministers demanding a system before it was ready. There were serious consequences for the Exchequer as a result.

Defence is another area of concern. I was staggered by the findings of the Committee, which show that there is an overspend on the 20 large-scale defence projects of £5.9 billion, which, when coupled with the cumulative delay of 206 months revealed by the Committee, is a serious problem; not just in terms of value for money or the finances of the country, but in terms of the finances of the Department. That money should be spent on protecting our troops in theatres of war. That can and should be improved. I know that there has been progress as a result of smart procurement, but it is still not good enough.

On the misguided application of policy, it concerns me that when we have significant divestment of Government assets, we get best value for them. The most immediate worry is in the MOD with QinetiQ. No one should be sanguine about the fact that if this company sells its shares at the top of the price range, it will give its chairman £26 million in profit, its chief executive £22 million and, if that were not bad enough—at least those people were working within the company—an American finance company, Carlyle, which chooses to direct its finances through Guernsey for tax purposes, will receive £623 million. Does that not suggest that, somewhere along the line, a national asset was sold at too cheap a price? I believe that it was, and that the Committee should examine that.

Another aspect of misguided application of policy is in the area of health. Investment in the health service is unprecedented, which is very good news that we all welcome. The outcome, however, is that hospitals are still closing their wards to operations until the new financial year. Something is going seriously wrong when that is the case. The sooner that we get to the bottom of that, in terms of the application of policy, the better.

My last point is on the broad area of fraud. Fraud is simply a form of theft. When it is fraud against public bodies or the Government, however, it is our money, corporately, that is being stolen. I want to return to the tax credit system. Clearly, there has been organised fraud against the tax credit system, through identity theft from within, it seems, the Treasury. We know that officials knew about it a year ago. We know that the Paymaster General was told about it six months ago. Yet nothing was done until recently to address the issue. I hope that the Committee will take up that issue, because millions and millions of pounds have been lost from the Exchequer through this fraud. We must know why appropriate action was not taken earlier.

The Committee has addressed benefit fraud, and it is right to do so. VAT fraud stands at £11 billion, and we need to know from the Government what they are doing to address that.

Mr. Richard Bacon (South Norfolk) (Con): On tax credits, we are familiar with the fact that the accounts of the European Union and the Department for Work and Pensions are qualified. But is it not a scandal, although less well known, that because of the problems with tax credits, the trust accounts of the Inland Revenue have been qualified by the Comptroller and Auditor General?

Mr. Heath: I think that it is. Her Majesty's Revenue and Customs, as it now is, should be beyond reproach in this area. Because such fraud has been allowed to develop and devour public funds, however, that department has a serious problem. I want to be assured not only that the Committee is aware of that and examining it, but that the Government recognise that they have a serious problem, which needs to be addressed as a matter of urgency.

The intervention of the hon. Member for South Norfolk (Mr. Bacon) brings me to my last point, which is on the Committee's opportune report on fraud in the European Union. How long have we talked about the potential for fraud within the European Union? How long has the European Commission simply sat on its hands rather than take the appropriate actions? We have the European fraud office, l'Office Européen de Lutte Anti-Fraude—OLAF—but there is no direct link between OLAF and national audit offices of the member states. There is no common methodology, or even, as has been mentioned, a common definition of what comprises fraud rather than irregularities. We need to get this right, and I echo the call for clarity from the Government as to exactly what they achieved during the UK presidency. If they did not achieve the necessary breakthrough in dealing effectively with fraud, I hope that they will pursue the issue as a member state through the next presidency and the presidency after that, and for as long as it takes to get to the point at which European Union accounts are no longer qualified because it is impossible to account for fraud.

The issues that the Committee takes up on our behalf are enormously important for the country. We should not run away with the idea that all Government functions are in chaos and that mismanagement is the rule of the day. Where that does occur, however, it is important that we identify it, and even more importantly, that we address it, deal with it and improve in future.

5.14 pm

Helen Goodman (Bishop Auckland) (Lab): I am sure that it will not surprise hon. Members to hear that I was rather a swot at school. I always remember listening to the radio and hearing about the all-powerful Public Accounts Committee, so I am particularly glad to take part in the debate. I want to offer some thoughts on the way in which the PAC works and on how we may improve what we do.

I pay tribute to the great support that we have received from our Clerks, Nick Wright, Emma Sawyer and the other people in the office, and to Sir John Bourn and all the civil servants at the NAO.

The evidence for all the reports on the list for the debate was taken before the general election. Some of them have been approved since the election but all the real work was done before the election. Obviously, that raises the question of how timely the work of the Committee is and what we could do to improve the timeliness of the work of the NAO and the Committee itself.

Mr. Khan: Does my hon. Friend agree that, by the time the report of the PAC is eventually published, those who prepared the first NAO report and those who gave evidence have forgotten what the original grievances were?

Helen Goodman: I am sure that there is a lot in what my hon. Friend says, although since I have not yet been in that situation, I would not like to be too firm on the matter. However, I agree that there is that risk. When new Members arrived on the Committee, there seemed to be uncertainty about what we were approving. I raise the matter because it would be good if the Committee could do the work more speedily. Of course, we need to maintain the standards of the NAO reports and not put it under ridiculous pressure, but slightly shorter and quicker reports would improve its work.

Kitty Ussher: I agree with what my hon. Friend says and it mirrors my experience as a new Member. Does she agree that, when there is a big delay between the initial NAO report and the publication of our deliberations, often as much as six or nine months later, or even longer, in many cases, the problem that the NAO identified has already been fixed?

Helen Goodman: I am grateful to my hon. Friend for making that point. With regard to specific issues, what she says is true, but one of the most noticeable things is that there are recurrent themes in the reports. I want to refer to some of those, which the Committee has to look at repeatedly. That suggests that some work is intrinsically difficult for Government to do and we need to concentrate on improving Government's capability to do those things.

First, Members have talked about the big IT programmes. The 25th report on congestion and the 27th report on IT projects dealt with those. The continuing and probably necessary reliance of all Governments, whatever their complexion, on large IT projects is a triumph of hope over experience.

Secondly, another recurrent problem is the tendency for large capital projects to overrun, hence the difficulty in controlling their costs. A third problem, which comes out in the report on tax credits, the benefit system and asylum, is the great difficulty in running systems that of necessity are large and bureaucratic, because they deal with large case loads, and in personalising them to individuals. It is especially difficult to run such systems because, by definition, they are run by the state. They are not areas where choice and competition are possible, or even imaginable. The question is how to improve the efficiency of such systems. Another issue, which arises continually in the papers before us and in evidence from officials is the problematic interface between the public and private sectors, such as the shortages of key skills in the public sector and the question of salary relativities. Again that comes through in lots of areas.

That said, there are many virtues in the way in which the Committee works. A key virtue is the specificity of the reports. It means that we avoid the rather generalised management discussion about outcomes, outputs and targets and look at what is happening in a particular case to particular people. I know that officials sometimes feel that we are rather harsh on them and that we use our constituency cases to back up a criticism. I suggest to officials who might read the record of this debate that senior officials get an over-rosy picture of how well systems are operating. When they visit local offices they are shown exactly what is going best, what is new and what is innovative. Somewhere between us lies what is really going on in the public services.

There is the issue of the way the Committee works. Is it too confrontational? Does that reduce the quality of the information that we retrieve? Currently it is fashionable to decry Punch and Judy politics and to look for something more consensual. There is also the

[Helen Goodman]

question of whether the arrival of more female members on the Committee will feminise the working and make it more consensual.

Kitty Ussher: Did my hon. Friend notice the comments of the newest member of the PAC in this week's *The House Magazine* when he said after his very first meeting that he feared he was far too nice for the Public Accounts Committee?

Helen Goodman: I had not noticed that. While I started off by believing that a consensual approach was appropriate, after only a few months I can already see that unless the Committee is tough on people giving evidence, there is vast scope for evasion. As a comfort to witnesses who may have to face the PAC, during the Christmas recess I had a recurring nightmare that I was being grilled by the PAC. I would wake at 3 am to the even more terrifying realisation that I was the one who was meant to be doing the grilling.

That of course is related to the question of who takes responsibility for decisions when things go wrong. Colleagues who are long-standing members of the Committee have expressed frustration that it sometimes seems as if in Whitehall no one ever takes final responsibility. A mess is made and people are moved on. Being capable of giving an elegant defence is more important for the careers of officials than the reality of whether they are good at delivering. There is something that we need to address for that reason, and that is the advent of boards and non-executive directors in Whitehall, and their impact on accountability.

Traditionally, Ministers are responsible for policy, and accounting officers, the permanent secretary of the Department, for the way the money is spent. A few weeks ago we attended a seminar in the Treasury. It was explained to us that Ministers retained responsibility for, for example, the content of the Budget, but that the boards would share responsibility for the way in which Departments are run. In a policy Department such as the Treasury or Foreign Office, that distinction makes sense, but in other Departments, such as the Department for Work and Pensions or Her Majesty's Revenue and Customs, where half the issue is the way in which individual civil servants are treating members of the public, that is not a realistic distinction. We need to look at this area, possibly in conjunction with the Public Administration Committee. Clearly there are overlaps between their responsibilities and ours for examining these structures.

Finally, I want to say something about propriety, by which I mean, is public money being spent on the purpose for which it was voted? So few people will be listening to this debate that I shall risk a diplomatic incident by calling this the "Why we are not Italian" problem. There is a story—I am not sure whether it is apocryphal—concerning two cities in Italy. Two motorways connect them because different people in the Italian ministry of transport were on the take from different parts of the Mafia. We in this country do not traditionally suffer from such problems, and the 18th report on financial management is clearly relevant in this regard.

However, maintaining high standards of propriety is very important to the state of our democracy. We must avoid corruption. Decisions must be transparent and those in public office must be accountable to the people who elect them for the decisions that are finally taken, and not to some other group. Of course, maintaining high standards is also important economically: it promotes efficient markets, rational choices and value for money. I fear that, once lost, the culture of the proper use of public money would be very hard to restore. We only have that culture because of the great work of our predecessors, particularly in the 19th century. We need to renew our focus on this issue.

There is a proliferation of complex financing schemes such as private finance initiatives, public-private partnerships and local improvement finance trusts. I am not saying that such schemes are not useful in themselves in leveraging in more capital and new skills, but the risks associated with people moving rapidly between the public and private sectors—between being the customer, and being the person granting the contract—are clear. We would be foolish to close our eyes to this issue, as even the briefest look at the back of "Private Eye" every fortnight will tell us. I hope that we can address it in the forthcoming Session.

5.27 pm

Mr. Richard Bacon (South Norfolk) (Con): It is a great pleasure to follow the hon. Member for Bishop Auckland (Helen Goodman), who provided the House with a penetrating analysis of the Committee's work, and of some of the issues and problems with which it has to deal. I agree with a great deal of what she said. She certainly does not sound like a new member of the Committee, but of course, she was a Treasury official for a while. We also know—I am not sure that she knows that we know—that she was the original teenage scribbler. She has now been promoted from scribbling to offering penetrating analysis, and we welcome her and the other new members of the Committee to their positions.

Helen Goodman: I should point out that I was not a scribbler; I was the original teenage kid.

Mr. Bacon: The hon. Lady was a deputy scribbler, perhaps.

Like the hon. Lady, I want to pay tribute to Nick Wright, Chris Randall, Emma Sawyer and Ronnie Jefferson, who run the Committee's office; to the press office of the National Audit Office, which is headed by Barry Lester, with able support from Mark Strathdene and others; and to the office of Sir John Bourn himself. I should point out by way of correction that members of the NAO are not civil servants and that in fact, the Comptroller and Auditor General is an Officer of the House of Commons. That is of incalculable importance. Even if it is a constitutional nicety, it says something very important about the way in which the system is structured.

I want to focus on private finance initiatives, particularly those relating to hospitals. The Committee has examined a wide range of PFI projects and a wide range of hospitals. We have looked at the Darent Valley hospital and the Dartford and Gravesham hospital. We

visited the UCL hospitals and recently examined the Norfolk and Norwich hospital, which is in my own area. The issues associated with hospital procurement illustrate some important themes that merit further scrutiny and discussion not only by the Committee, but by the Treasury.

We are all familiar with the standard PFI model as it has developed. It started out as a design, build, finance and operate model, whereby the Government said to operators, "Go off and do it, and tell us when you've done it." There have been many successes; indeed, not even critics of PFI would deny that an increasing number of buildings have been delivered on time and on budget, with substantially reduced, if not completely eliminated, cost overruns.

The NAO's figures show that, in 2001, 76 per cent. of projects were delivered on time and 79 per cent. to budget. That compares with 30 per cent. on time and 27 per cent. to budget for conventional procurement. More recent Treasury figures tell an even better story, with 88 per cent. of projects delivered on time and 79 per cent. to budget.

We all know examples of conventional procurements that have gone horribly wrong—the Jubilee line extension, the British Library, the Scottish Parliament building, and even Portcullis house. In the latter case, all kinds of problems were encountered. The wrong kind of bronze was used on the roof, and the windows cost £23 million more than they were supposed to. The president of the Royal Institute of British Architects told me recently that it would have been cheaper to clad the exterior of Portcullis house with 7-series BMWs. That shows the scale of the problems that conventional procurement can encounter, and that PFI has offered a successful alternative in many cases.

There is no doubt that PFI has led to significant improvements, or that it is here to stay. The question is whether we are getting the best possible value from the way that PFI procurement is conducted. There is growing evidence that we are not, a conclusion that is especially well illustrated by PFI hospital procurement.

Many of the problems have to do with design, and they could be avoided with more thought and a better assessment of requirements in the early phase of procurement. For example, the Cumberland infirmary in Carlisle was a 45-year contract costing £65 million. The contract called for a 474-bed hospital, but the new infirmary has a capacity of 444 beds. Floor capacity in the old sites that it replaced amounted to 57,000 sq ft, but the new site has only 42,000 sq ft. The infirmary has been criticised for having cheap components that need refitting at short intervals. The maintenance costs are 50 per cent. over projections, there is poor drainage and plumbing, and limited signage. Patients exiting cardiology have to go through five sets of swing doors, even though most of them are in wheelchairs.

The new 450-bed district general hospital in Durham was built on the Dryburn site to rationalise services provided previously at Shotley Bridge and the old Dryburn hospital. There, the pathology lab flooded three times in the first 18 months, twice with raw sewage. There is poor ventilation and air filtration and the fixtures and fittings are of poor quality. Some of the lightweight storage cupboards are unable to take the weight of routine equipment.

The opening of the hospital in Bishop Aukland, in the constituency of the hon. Member for Bishop Auckland, was delayed by two months for modifications. The generator and the core electrical systems had to be redesigned immediately after the hospital opened.

The Norfolk and Norwich university hospital is on the border of my constituency. Most of my constituents go there for medical treatment, and many work there. The negative pressure rooms were not properly operational for two years. A nurse lifted ceiling tiles in third-floor ward areas and found air ducting lying in unconnected lengths. The job simply had not been finished. I am pleased to say that the hospital has since spent some money on modifying those rooms and they are fully operational, but other problems remain. For example, there is no ventilation in the kitchens: 30° C working conditions are common, and a temperature of 44° C has been recorded. In addition, delivery loading bays are inefficient, and there are numerous reports of health and safety problems due to layout and the poor materials used in construction.

When it is published, the separate PAC report on refinancing will reveal some startling facts about the financial engineering used, not to increase the number of beds or to build a new wing, but solely to accelerate the rate of financial return, from 18 per cent. to over 60 per cent.

The new Hereford hospital has 354 beds. The boiler house opened with no water treatment plant. There were materials defects, doors were too heavy for the opening restraints. Engineering workshops designed for five staff regularly have 13 people working in them, and three lifts had to be refitted within the first 12 months.

I turn now to Worcestershire, a county for which I have a particular affection, as I had my appendix taken out in a hospital there some years ago. In the Worcestershire acute hospitals NHS trust's modern, 452-bed facility, the back office conditions are too cramped. Corridors are too narrow to pass two beds side by side. There is also an inefficient and unused one-way system.

It is worth saying that these are not just snagging issues that occur with any new building. They are design problems. It is not normal to refit three lifts in the first 12 months. One does not redesign the generator and the core electrical systems immediately after opening a new hospital and call it snagging. Corridors that are too narrow to pass two beds side by side are not a snagging problem. A pathology lab that floods three times in 18 months, including with raw sewage, is not a snagging problem. They are fundamental signs of poor specification and design. The current PFI procurement process makes such design more likely, not less.

As well as inadequate quality, we are also seeing spiralling costs. The average cost of bidding for a PFI hospital has risen from £7.5 million two years ago—itself an extraordinary figure—to more than £11.5 million now. RIBA believes that a conservative estimate of the cost of abortive bids is about £500 million per annum across the sector. As part of the company's operational profitability, that inevitably gets rolled into the cost of the losing consortium's next bid. Even the winning consortium is likely to have factored in the cost of its previous unsuccessful bids.

[Mr. Bacon]

The process is simply making the whole industry more expensive. It is also excluding many capable medium-sized contractors. In effect, it is a Government-sponsored oligopoly. It is wasteful. Parallel teams work up designs that require a considerable amount of professional time and skill at a time when, as the hon. Member for Bishop Auckland said, there is an acute skills shortage. It is worse than that, because the most expert clients are the ones who can recruit the best designers, who then compete with each other while the other bids have less experienced designers, leading to lower overall quality of design.

Once a consortium has won, another key question arises that, in some ways, is even worse in terms of its consequences, namely, who, then, is the client? The client is not who one would think it would be. It is not the hospital trust; the designer's client is the consortium. So there will be pressures. A marked degradation has been seen on many occasions in the design quality after financial close.

Helen Goodman: Does the hon. Gentleman agree that part of the issue is not the overall cost but the point at which we are spending money on big projects? We are not spending it early enough. We are not investing early enough in skills within the public sector. Hence, we find ourselves spending more later on.

Mr. Bacon: We find ourselves spending more later on in spades, and wastefully. In the recent exercise with St. Mary's, Paddington, the bidding round failed, cost £50 million and produced nothing of worth. They are having to go back and do it all again. We recently heard about the problems with Bart's, with potentially £100 million of fees lost.

The hon. Lady anticipates a point that I intended to make later by drawing an analogy with the way in which defence procurement works. As we have said in some of our reports, the assessment phase should receive a greater proportion of the resource that goes into the project. Designers are having to respond to pressures from the leaders of consortiums, who are usually a combination of the building contractors and the banks, to build to the lowest cost or to facilitate the easiest building method. That may be sensible or it may be in the best interests not of the client but of the consortium that has to deliver it. The client is interested in the best possible hospital within the available budget for patients.

The problems are so widespread that the Treasury cannot say that it is not a problem and neither can anyone else. It is a significant problem. The question is what do we do about it? RIBA, along with others, has evolved what it thinks may be part of the answer. It has called it smart procurement, which leads directly to the point that the hon. Member for Bishop Auckland was making. In smart acquisition, part of the emphasis is on spending more of the resource earlier.

In our third report of the 2005–06 Session, HC410, we said in terms:

"The amount of work undertaken in the assessment phase is still not sufficient to enable sensible investment decisions to be taken. The Department's own Smart Acquisition guideline suggests that up to 15 per cent. of the cost of a project should be spent in the assessment phase."

That is for defence procurement. I do not want to promulgate a particular percentage, but it is clear that the point is analogous to what is going on in PFI hospitals.

Essentially, it is about getting the design team much nearer to the client. I have talked to the institute and it does not appear to be a case of architects or other professionals talking up their own book, which might be expected from any professional body. That is not what the institute means. It means getting civil engineers, quantity surveyors and others to work closely with the relevant hospital trust at a much earlier stage to eliminate problems by having a much closer understanding much earlier of what is required. That effectively allows the client to drive the process more strongly, with greater information and control, and power over the outcome.

In that context, it is interesting to consider the situation in Northern Ireland. As the Chairman said earlier, we have had many reasons to look at Northern Ireland, including the Navan centre, the sheep annual premium scheme and the recent Jobskills project. Many of the projects we have looked at have been a disgrace, but the Department for Health, Social Services and Public Safety, especially the Health Estates Agency under the management of John Cole, is blazing a trail. Because of the slightly different context in Northern Ireland, it has gone further down the path and I urge the Financial Secretary and other Ministers to examine what has been done there and whether the rest of the UK could learn some lessons about how PFI can be conducted.

The issue is not only about designers: it is about the whole built environment sector coming together to produce better outcomes for taxpayers. The initiative that the institute has evolved is now at an advanced stage and preliminary discussions have already taken place with the Treasury. The institute has talked to public sector clients, building contractors, civil engineers, quantity surveyors, building surveyors, facilities managers, insurers and banks, and is looking to produce a final cross-industry position paper. My plea to the Financial Secretary is that the Treasury should engage with the process seriously. These are welcome moves by the industry to produce a better, more mature and more efficient PFI market. I urge the Financial Secretary to meet the main players who, in my view, are seeking genuinely to eliminate problems and produce better results to turn PFI into something that delivers even more value for taxpayers who are, after all, paying for it.

5.42 pm

Sarah McCarthy-Fry (Portsmouth, North) (Lab): Like other hon. Members, I wish to pay tribute to the Committee administration. Nick Wright and his colleagues have been extraordinarily helpful to new members like me. Nothing is too much trouble for them, even if some of our questions at the beginning must have been very irksome to them. The hon. Member for Gainsborough (Mr. Leigh) has proved to be a most assiduous Chair, taking care to make new members feel welcome, and I thank him for that.

The NAO have also provided an excellent service. I particularly welcomed the morning that new members spent with the NAO, which certainly gave me a greater

understanding of the auditing process and how the team operates, and also admiration for the sheer volume of reports they produce. The briefing papers produced by the NAO are a valuable resource for hard-pressed MPs and serve as guidance on the best way to probe with our questions.

As a new member, I approached my first meeting of the PAC with some trepidation, as I knew its fearsome reputation. I have to say I was not disappointed. The style of questioning proved to be as uncompromising as I had been told, but now I have a few sessions under my belt I can see why that should be so. Although I hope that I have never been rude or discourteous, I have sometimes been frustrated if I feel that the witnesses are evading the issues, or, more often, spinning out their answers because we are time limited. The object of the evidence sessions after all, is not for witnesses to escape unscathed, but to be called to account for how they are delivering value for money for my constituents and the constituents of every other Member in this House.

Mr. Leigh: I just wanted to put on the record that since I have been running the Committee, we have tried to stop personal abuse of senior civil servants, which was a feature of the Committee before. I know that these debates are noted in Whitehall, so I wanted to say that while it is important to be robust, we are more polite than we were even five or 10 years ago.

Sarah McCarthy-Fry: I was not there 15 years ago, so I do not know what it was like then. Recently in *The House Magazine*, my hon. Friend the Member for Great Grimsby (Mr. Mitchell) likened the Committee, after his first meeting, to

"Paxperson on speed, playing 'happy slapping'."

I certainly do not recognise that description.

I am delighted to have been appointed to the Public Accounts Committee because it gives me the opportunity to examine a wide variety of subjects—far more than if I served on a Select Committee that hones in on just one matter. I have learned since becoming a Member of the House that my constituents expect me to be an expert on absolutely everything and the Committee is an excellent training ground for that.

I was taught during my accountancy training that value for money is the three E's: economy, because one does not pay £5 for something when it can be bought for £3; efficiency, which is when one gets the absolute best use from resources without wasting any of them; and effectiveness, which is delivery on all policy goals. The Public Accounts Committee drives at how value for money is achieved.

Before I entered the House, I worked in the manufacturing industry in the private sector. Our objective was to deliver shareholder value in a competitive environment. The tools that we used over many years to deliver that were effective risk management and project management, which were raised by the hon. Member for Gainsborough—yet another example of cross-party consensus. If we get those two things right, we will have gone a long way towards ensuring that British taxpayers get the maximum bang for their buck and that high-quality public services are delivered to all who need them.

We are short of time for the debate, so I shall focus on just two Committee reports. The 15th report of the 2004–05 Session, which has been mentioned already, was called "Managing risks to improve public services". Risk management has quite rightly risen high up the agenda of the delivery of public services because it enables resources to be prioritised to deliver the best outcomes to the majority of people. Risk management will never completely eradicate unpleasant surprises, but when it is used effectively, it can minimise them. It enables Government Departments to plan proactively, rather than just reacting.

Government Departments now share delivery with a huge range of partners outside the traditional Government machinery, such as local authorities, charities, voluntary organisations and the private sector. The Government do not have direct control over how those organisations operate, so good risk management is essential if the partnerships are going to work effectively for the public. Many of those partner organisations work under service level agreements. It is vital that proper risk assessment is done at the start of the process so that all possible contingencies have been considered when the agreements are drawn up.

The report showed that at the time at which it was written, there was some way to go before risk management would become embedded in the culture. In June 2004, only 10 per cent. of Departments considered that the process was fully embedded, although three quarters stated that it had been implemented in key areas. I was especially worried that the report showed that just 45 per cent. of Departments in the NAO survey said that they identified and assessed risks in policy making. That seems to be pretty fundamental because if they do not identify whether there is sufficient capability and expertise to implement a policy and measure that against a range of possible outcomes, they are not giving themselves a fair crack of the whip. They are then operating crisis management, not properly planned management.

If risk management is not embedded in the culture, there is a risk that innovation will be stifled. We all realise that we have to examine new and innovative ways of delivering public services, especially if we want to target those services at hard-to-reach groups. However, we can do that only if we are aware of the risks involved in developing new ways of delivery and have robust processes to manage those risks. I would like us to tap into the undoubted talent of our Government employees to come up with innovative ideas, but before they will do that, they will need to feel that the Government have a positive attitude towards managed risk taking. I thus welcome the Treasury response that competence in risk management should be recognised in the context of the professional skills for Government programme. I am also encouraged by the agreement of the Treasury to the PAC conclusion that it has a key role of promoting continuous improvement in risk management and embedding risk management into spending reviews. I cannot emphasise enough the importance of embedding risk assessment and risk management at a sufficiently early stage—that point has already been raised—and I would hope that that is understood.

[Sarah McCarthy-Fry]

Moving on to project management, the third report of the 2005–06 session has already been mentioned—the Ministry of Defence major projects report. Having been involved in two major complex projects in my former business life, I know only too well the importance of effective project management. Risk management is linked to that. How well one has planned for contingencies is usually an indicator of how effective one's project management is, particularly on complex projects with many dependencies.

Breaking the project down into manageable units with clearly defined tasks and clearly defined ownership for those tasks before the project starts is vital. Setting realistic time scales for tasks and getting the balance right between realistic time scales and adequate contingency is also vital. The project leader must be accountable and must have sufficient authority and leadership to keep on top of the project, motivate the team, avoid a blame culture, encourage innovation and keep the project on track.

In project management, as in risk management, work put in at the early stages pays huge dividends. I echo the point made by the hon. Member for South Norfolk (Mr. Bacon), who has left the Chamber. The PAC's conclusion in the major projects report was that the amount of work undertaken in the assessment phase was still not sufficient to enable sensible investment decisions to be taken, particularly where the guidance stated that up to 15 per cent. should be spent on assessment, particularly of complex projects. The onus should be on those approving investment in large complex projects to ensure that sufficient time and resource has been spent on the planning phase.

I note the Treasury response that the effectiveness of the assessment phase cannot be judged by the amount of time spent in that phase. Of course the amount spent may not have been spent wisely, but it is an indicator, and one that should carry a great deal of weight. As a former financial controller myself, I can only congratulate the PAC on its recommendation that financial controllers should always be part of the main project team. In my experience, the presence of the person controlling the purse strings is a very effective deterrent to allowing the costs to overrun as the first resort, rather than as the last resort, after every other alternative has been explored.

The Treasury has acknowledged that there is a shortfall in project management skills and key leadership competences, and has proposed a review of the leadership development scheme to counter this. However, speed is of the essence, given the large sums of money being spent. The proposed completion of the review in April 2006, following which there will be an ongoing programme of improvements, is too slow. It means that we have already missed the boat on a number of projects.

There is a further report on major Ministry of Defence projects to the PAC next week and I await with interest our interrogation of witnesses to see whether they think improvements have been made in risk management and project management, the two key factors that I and other hon. Members have identified in delivering value for money, not just in the MOD, but across all aspects of Government.

5.52 pm

Greg Clark (Tunbridge Wells) (Con): Thank you very much, Mr. Deputy Speaker. I am grateful to have caught your eye. Like the hon. Member for Portsmouth, North (Sarah McCarthy-Fry), I am thrilled to be a member of the Public Accounts Committee. It is the best possible training to see not only how parliamentary Committees work, but how Whitehall works, and I am grateful to have that opportunity.

Like previous speakers, I pay tribute to the work of the Committee secretariat, to the National Audit Office and to the chairmanship of my hon. Friend the Member for Gainsborough (Mr. Leigh). Like the hon. Member for Portsmouth, North, I found that attending my first sitting of the PAC rather took my breath away, with the ferocity of the questioning, but we have got into our stride and started to give as good as we get.

It is important that we question witnesses robustly. One of the things that I have noticed during the hearings that we have had so far is that increasingly, there are organisations that are neither directly accountable to the electorate nor subject to the rigours of the marketplace, so it falls to us as the Public Accounts Committee to be almost the only possible scrutineers of their performance. That is not a happy situation. A class of organisations is developing that are neither part of the accountable public sector, nor subject to market disciplines. They are part of a kind of para-state that it is particularly difficult to interrogate. I refer to three examples.

The first example causes me frustration because it was the subject of one of our hearings and has been covered in the reports before us: Her Majesty's Revenue and Customs. In a hearing on the complexity of benefits and tax credits, we considered a recent change in policy—the increase in the earnings disregard for tax credits from £2,500 to £25,000. Clearly, such a step change has a cost attached to it, and it strikes me that part of our core remit in assessing the value for money of Government policy is to find out what those costs are.

The transcript of the evidence reads like an episode of "Yes, Minister". It took about 19 questions to solicit from the officials responsible whether any estimate had been made of the cost of the change. It turned out that there was an estimate. Of course there was; any increase in a disregard from £2,500 to £25,000 is clearly a major policy decision and Revenue and Customs had assessed it. An undertaking was given that not necessarily a robust estimate but the one that was made in assessing the policy would be disclosed to the Committee. I waited for that disclosure to be made, and I waited and I waited, and I continue to wait.

I tried the route of parliamentary questions. I tabled a question before Christmas for answer on 20 December, but no answer came from the Treasury. There was neither a Christmas card nor any form of greeting from the Chancellor. I asked for the estimate that had been made when the policy was being assessed, but the answer that was finally given on 10 January was entirely unsatisfactory and diversionary:

> "Precise estimates of the change in entitlement resulting from the higher disregard . . . will not be known until 2006–07 awards have been finalised in early 2008."—[*Official Report*, 10 January 2006; Vol. 441, c. 556W.]

The PAC gives us our one and only opportunity to ask questions of officials who are not directly accountable in any other forum, so it is particularly important. It is therefore disappointing that such an important Committee does not have quite the set of teeth that we need. Parliament's role of scrutinising the Government is very important and should be treated with respect. To exclude from scrutiny by the Committee and therefore the House such a major area of Government spending is not in accordance with the principles on which the PAC was established all those years ago.

The second area is the national health service. In this arena of para-state organisations, where accountability is difficult to exercise, we have different parts of the NHS going by different names. We have primary care trusts, strategic health authorities and trusts, but they are all part of the NHS. We should have one NHS and that should be accountable. Indeed, it is important to getting value for money that it is accountable. By way of illustration, in my constituency operations and out-patient appointments are no longer being allocated or offered to those who need them, but the identity of who can be held responsible for that is obscure.

Helen Goodman: The hon. Gentleman's point is interesting but issues concerning the hospital in his constituency prove the exact opposite. It is because hospitals are accountable and because there are limits on the amount of money that they can spend that such management action has been taken—albeit with the unfortunate consequences to which he refers.

Greg Clark: Let me describe those consequences. As the hon. Lady knows, we are a value-for-money Committee: we scrutinise the value for money of public expenditure. What is going on in my hospital trust is illustrative of a national problem and of exactly the kind of problem that our Committee is here to interrogate. The problem is that the primary care trusts are running out of money. The financial year end is on 31 March and the PCTs are telling the hospital trusts that they will not finance any more out-patient or in-patient procedures in this financial year.

Let me explain the consequences of that in value-for-money terms. Hospital consultants and surgeons continue to be employed by the trust and to have their salaries paid. The operating theatres remain open and available, but they are not used. Patients are waiting to be treated, yet consultants and surgeons are being told to go off and play golf, read the newspaper or twiddle their thumbs, on full pay, because they are not allowed to trigger a charge—which is, after all, just a mark on an electronic ledger—this side of 31 March.

None of us would doubt that the patients need to be treated. People need to have their hip operations, for example, and they will have to be carried out at some point. However, because of this arbitrary deadline, capacity that is available now is not being used, but it will have to be used in the next financial year, and shared with the patients who come on to the lists in that year. Who knows, perhaps that will give rise to overtime payments or to capacity constraints. This is clearly not offering value for money.

I have spoken to the executives in these organisations, and I feel for them. It is very difficult to know what to advise them to do. The trust is merely following the inevitable consequence of the PCT's decision not to fund any further procedures. The PCTs are under apparently irrevocable instructions not to make funds available if there has been more activity during the year. Whoever is responsible, the consequence is a loss of value for money.

There are solutions available, however. One possibility is that, if a PCT and a hospital trust have had their allocation of activity for one year, any further activity could be charged at marginal cost, rather than the full tariff. After all, the only costs that would be incurred in carrying out these operations would be the cost of lighting the operating theatre and of any consumables used during the operation. That is one example, but who would take responsibility for making such a decision? Not the Secretary of State. She would say that these matters are now devolved to the PCTs and the hospital trusts. Yet the PCTs and the trusts have no locus to be able to take decisions that would remedy the problem. So we have a situation that, in economic and value-for-money terms, is completely mad.

This is an example of the lack of accountability that is fundamental to the system, and our Committee has an important role in scrutinising such issues. I just wish that the powers of the Committee extended perhaps not to the ability to interrogate Ministers, but to the ability to cause Ministers to take responsibility for some of the consequences of their policy actions.

My final observation is on the Office of Fair Trading. This is a body that is only very indirectly accountable to Parliament, but it nevertheless exists to enact the will of Parliament as expressed in, among other things, the Competition Act 1998.

Mr. Leigh: I thank my hon. Friend for giving way. I just want to put it on the record, in regard to the point made about tax disregards, that the Comptroller and Auditor General has full access powers and I have asked him to go in and get the relevant information himself if it is not forthcoming. He can go into the Treasury and get it.

Greg Clark: This is a useful power, but there is a disappointing aspect. We know that the information is available; it merely needs to be disclosed to us, and the idea that it may not be is worrying. Perhaps the Financial Secretary will tell us that he can remedy the problem.

The Office of Fair Trading was equipped with vigorous powers to promote competition, which are crucial to the economy, but its performance seems quite lax. Powers such as the power to compel evidence and the power to fine miscreants up to 10 per cent. of their turnover are not being used, and seem not to be used at the discretion of the officials responsible. Ministers are not responsible for the decisions, and it is difficult for anyone other than the PAC to exercise any leverage on whether the OFT is implementing the will of Parliament, which it was set up to do.

Our Committee has a crucial role, and as more organisations that are not directly accountable either to customers or to Parliament are established, its role will become even more important; but we should not kid ourselves that our present powers are more effective than they are. We have power to expose poor practice,

[Greg Clark]

and to commend good practice where we find it. I hope that, if we take the suggested route, a new culture will develop. I hope that, as our findings and the recommendations of the National Audit Office present a unique opportunity for scrutiny, they will be taken particularly seriously. That is important to the efficiency and performance of the public sector.

6.6 pm

Kitty Ussher (Burnley) (Lab): It is a pleasure to follow the hon. Member for Tunbridge Wells (Greg Clark). He has a consistently rigorous and persistent line of questioning in our Committee, which has proved extremely effective.

My hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry) spoke of the need to control risk. Some might say that I flatter the hon. Member for Tunbridge Wells simply because he represents my parents-in-law in the beautiful village of Goudhurst. I am not sure what form the risk to me might take if I got on the wrong side of him, but I am sure that it would be substantial. Nevertheless, I assure him that my flattery is sincere. It is a pleasure to serve alongside him.

Many Members, notably the hon. Members for Somerton and Frome (Mr. Heath) and for South Norfolk (Mr. Bacon), discussed smart procurement and the need for Government to procure effectively. I assure them that help is at hand in the form of my ten-minute Bill. I hope that I may use this opportunity to advertise it, Mr. Deputy Speaker. It seeks to enshrine in law the requirement for Departments to procure 2.5 per cent. of their research budgets from smaller companies, thereby harnessing the best scientific brains to find new and innovative solutions to public procurement and policy questions. I am sure that that is what we in the PAC aspire to do.

Mr. Bacon: I am fascinated to learn that the hon. Lady is to present a ten-minute Bill. Might she find time during her 10 minutes to discuss the Clinger-Cohen Acts in the United States, which compel Government agencies there to publish in a statutory framework the gateways during the procurement of IT projects? Such a requirement would be very welcome in this country.

Mr. Deputy Speaker: Order. I do not think that on this occasion we should expose what might be the substance of the speech of the hon. Member for Burnley (Kitty Ussher) when her Bill is presented. I think that we should stick to the agenda before us.

Kitty Ussher: I will, of course, follow your advice, Mr. Deputy Speaker, and not ruin the suspense for—I am sure—many Members. I shall be making my speech the week after next.

Let me add my tribute to Sir John Bourn and all the staff at the National Audit Office, to the rigorous nature of their reports and to the support that they give our Committee, which is such an important part of our democratic structure. I also pay tribute to our Clerk, Nick, and his team, who have been so patient in explaining the Committee's procedures to new members like me. The same applies very much to the Chair, the hon. Member for Gainsborough (Mr. Leigh), and to the senior Labour Committee members—as well as the Conservative members—who have courteously taken the trouble to advise me on the way in which the Committee works and how to get the most out of it.

It is initially daunting to find oneself on a Committee that considers two new subjects each and every week—a far cry from the more traditional Select Committees, which shadow Departments and have the leisure of deciding on their own subjects and investigating them forensically and in depth over weeks or months. For us, the hard work and the forensic work are done by the National Audit Office. We are the mechanism through which it airs its work. Through it, we are able to hold Departments to account.

As a cross-party representative grouping of unwhipped Back Benchers, we are, I guess, the voice of the people, taking the evidence presented through the forensic skills of the NAO and asking the questions on behalf of ordinary British taxpayers, namely, are we getting value for money from the taxes we pay and, to use the phrase used by my hon. Friend the Member for Portsmouth, North, are we getting enough bang for our buck?

On the whole, I have been fairly impressed by the answers that we get. The Chairman of the Committee referred to our December report, which considered the cumulative conclusions to be drawn from the last 10 years of our Committee's work. He rightly explained the number of recommendations that we have been making, but the first paragraph of that report makes it crystal clear that Governments over the years have acted on most of our recommendations and in doing so have, in many cases, secured financial savings, improved the standard of public services and tackled the risks to successful delivery.

Most striking is the effect of the Gershon review, which in 2004 made recommendations that would deliver £20 billion of savings through better organisation and smarter procurement, and would release more resources for front-line public services. I know from my experience in a previous life as one of those dreaded special advisers the fear that would run through Departments at the thought of being hauled in front of the Public Accounts Committee. Accounting officers really feel the potential pressure of that, which is a good thing because it means that they will perform their duty more effectively.

I want to pick out an example in relation to a report that falls within the scope of the motion. It is extremely important and perhaps merits further work, and it follows the line of comment of my hon. Friend the Member for Dagenham (Jon Cruddas) in that it considers the spatial effect of Government policy. It is the 51st report, 2003–04 Session, which considers success in the regions, the impact of the Government's regional policy and, specifically, the operation of the regional development agencies, as well as the contribution that they could make to the success of Government policy throughout the country.

In 2004, when I was not a member, the Committee concluded:

> "Current RDA targets concentrate too much on short-term contributions to Whitehall objectives and too little on longer-term regional economic impact."

That was true at that time. There was a tendency for all Departments, when wondering how to implement their policies, to instruct the RDAs—certainly in the English regions—to implement an aspect of Government policy, with the result that the RDAs had myriad targets and no real mechanism to prioritise them. Our conclusions were accepted by the Government, which is one reason for them seeking to align RDA strategies more closely with their economic policies and plans, as well as the relevant public service agreement targets.

The Committee also recommended that the Department of Trade and Industry should measure the impact of the RDAs on regional economic performance—the growth and prosperity in each region—by means of improved data. The Government accepted that recommendation and, as a result, their statistical service will, in each region, publish regional data by March 2007. Those will be completely delivered by 2009, which sounds a long way off, but unless we understand exactly what is happening in each region we will not be able to get the policies right to deliver in that area. Adding up the effect in every region means considering the transformation of the entirety of England.

If our aim as a Government is to extend opportunity across the country, regardless of which town we happen to call home, understanding the levers that have an effect on each part of the economy is crucial. As powers and budgets are devolved to the RDAs, their ability to impact on regional and sub-regional economies is increased, but without the ability to monitor the effect there will be a danger of public money being misused. That is what we are trying to avoid.

The Government have a high-level PSA target to reduce the disparity of growth rates between regions, a stretching target and one that the Committee should revisit. I thank the NAO for agreeing to do some analytical work leading, I hope, to a report later this year on the effectiveness of the Government's policies in this area.

Our Committee can make a large contribution to the economic theme. Recently the Treasury has made progress in extending our understanding, as a nation, of the levers of economic growth. It is not to make a party political point to say that now that unemployment is low, to raise GDP we need to focus on productivity—the amount of wealth produced for each person in work. It is a dry economic word and one cannot just affect it by waving a wand. The effect of the Treasury's work has been to make us realise what we do need to wave to get the growth that we all want. We need to ensure competitive markets, raise skill levels, increase investment and so on. There are officially five drivers of productivity.

If that is our high-level objective, the next question is whether taxpayers' money spent in this area has the desired results. It is a difficult question, but we need to focus on it. It is difficult because it is notoriously hard to make a link between the micro and the macro; how can one create a link between the amount of taxpayers' money spent on these various economic levels and the actual eventual outcome in terms of macroeconomic indicators, productivity and ultimately GDP?

Without an attempt to quantify the links, there is a danger that millions, or billions, of pounds of taxpayers' money can be spent without having the effect on the economy that all of us want. I hope that other members of the Committee agree that we need to return to this question and that there are questions that we need to continue to ask, be it on competition, agencies—we had such an opportunity recently—the DFES and its work in raising productivity through the skills agenda, or the DTI, and specifically business links, and its policies to raise entrepreneurship.

To sum up, it is a pleasure to be on the Committee. I thank all those who have helped me to climb my learning curve in an attempt to serve on the Committee to greater effect. I hope that, through our work, we shall be able to play a part in not only securing greater value for money, but raising the level of growth in our country.

6.17 pm

Mrs. Maria Miller (Basingstoke) (Con): Before I contribute to this important debate, I wish to bring to the attention of the House that a long-standing member of the Public Accounts Committee, my hon. Friend the Member for South Norfolk (Mr. Bacon), has an important engagement on Saturday: to marry his fiancée Victoria. I would like to wish him every happiness.

The role of the PAC in holding the Government to account and recommending improvements to public services is truly unique and the ability of the Committee to put a spotlight on critical and topical issues is vital in the parliamentary process. We have heard a good deal about that today, but I wish to take it a bit further.

In many ways, I urge the Government to view the PAC as their own in-house management consultancy, something for which many outside organisations pay vast sums of money. Perhaps the Government already view the Committee in that way, which is why, as with management consultancies, many of the points that the Committee makes are not listened to as carefully as they should be.

My hon. Friend the Member for Gainsborough (Mr. Leigh) has said that over 90 per cent. of the recommendations made by the Committee are accepted. I would like to look at some of those that need to be put into action. My hon. Friend has said that the Committee does not take issue with the Government as to whether increases in expenditure are right; rather its remit is concerned with ensuring that massive increases in public expenditure actually count and are translated into a clear improvement in front-line services. We have heard as much today.

A number of the reports produced by the PAC undertake that task, and none more so than the report on early years and child care published in June 2004. In that report, the PAC considered in detail the Government's child care policies and strategy at that time. Government expenditure on child care is set to increase by 24 per cent. in the next three years, as the Secretary of State reminded us only too recently in the debate on the Childcare Bill. Over the past eight years, Government expenditure on child care has been £17 billion. The report highlighted that the Government need to tackle the problem of the long-term viability of the expansion of child care provision that they have funded. Significant increases in investment are planned into the future, and the Committee rightly concluded that it is vital to ensure that that money is spent effectively.

[Mrs. Maria Miller]

Provision of child care plays an important part in both the social and economic future of our country. Affordable and flexible child care is one of the most important concerns for many families. It is only right that the Government should consider how more families can use good-value, good-quality child care. Two thirds of women who have children are in work, and half of all women who have children under the age of five are in work. The trend is for more mothers to be in work. We need robust policies on that, and it is of paramount importance to ensure that our child care strategy is viable in the long term.

The evidence taken by the PAC in its report highlighted that for every two new child care places opened in the past four years, one child care place has closed. In particular, closures of child minding places have increased significantly. When only 10 per cent. of the work force works from 9 to 5, however, child minding can often be the only source of child care that meets parents' needs. The Equal Opportunities Commission gave evidence to the PAC that highlighted stark uncertainties in the future for many of the new child care organisations operating in many parts of the country. It cited that 25 per cent. of all out-of-school clubs are making a loss, spiralling to two out of every three in more disadvantaged areas. That is not sustainable in the long term. That causes me concern, and from reading the report, it clearly concerns the PAC, too. The Committee also reviewed the National Audit Office report on child care, which shows that half the organisations that I have been talking about have made no plans to identify new funding streams for when their time-limited funding streams come to an end. That must be a cause of real concern.

While the Government have agreed with the PAC's findings and conclusion that more needs to be done to help to ensure the long-term viability of our child care, they have not done as much as they might to take those critical findings into account in practice. The Committee took important and informative evidence from the Sure Start unit and the Department for Education and Skills, which clearly stated that to be viable in the long term, child care organisations needed to operate at 80 per cent. occupancy rates—80 per cent. of all places filled with children. That would give them an opportunity to break even, and provide a sustainable future for our child care providers. I know from visiting child care providers in my constituency that that is a fair figure. In each year since the Committee's report was issued, however, the average occupancy rates for child care providers have fallen. That makes it increasingly difficult for providers to break even and to continue to offer those critical services in our communities.

Reports commissioned by Laing and Buisson show clearly that in January 2004 average occupancy rates in nurseries in the UK were 85 per cent. In January 2005, that had slipped to 83 per cent., and most recently, the same organisation found that in October 2005 the average occupancy rate in our nurseries had slipped below the magic figure of 80 per cent. to 76 per cent. As I have said, that level is cited by Sure Start as being below that which creates financial viability for those organisations.

It is to be welcomed that child care in the UK has expanded. When I had to go into the marketplace after having my first child, I had enormous problems in accessing affordable child care. That problem continues to concern me and many of my constituents. However, we must look at the reality of the situation. The sector remains in a very difficult position. There is much uncertainty. Why are more of the new places not being taken up? Is it that they are not the places that people want? Is it the high cost? The cost of child care provision in this country remains among the highest in Europe. Much of the Government's strategy does not take into account the importance of informal, family-based child care, which makes up a large percentage of existing child care provision in the UK. Perhaps more needs to be done to examine that and to unpick why we are in a position that causes concern.

One thing that working families need is certainty about their child care support. I am sure that many hon. Members will know from first hand experience that that is vital. Whatever system is put forward, it has to have at its heart the ability to sustain provision in the long term. I endorse that conclusion in the PAC report. It is not desirable for parents or families to be uncertain about the future provision of child care. Whether it is a child minder, nursery or after-school club, parents need to be able to plan their lives and those of their children in the knowledge that it is good-quality child care provision.

My hon. Friend the Member for Gainsborough (Mr. Leigh) observed that the PAC's work is to ensure that massive increases in public expenditure actually count. In the child care sector, it is clear from the Committee's review of the facts, which was apolitical, as the Committee stressed, that the Government need to do more to review the action that is being taken. There are exciting plans under the Childcare Bill for children centres in every community. It is an enormous investment. There is a strong argument for some caution because quite large and fundamental concerns remain about the long-term viability of the Government's approach. When the market is still struggling to accommodate the Government's approach to funding, it is time for caution. Working better with existing child care providers has to be at the heart of our child care strategy. We need every pound invested to work hard to provide long-term solutions that count and give parents the certainty that I have talked about. The evidence in the PAC report suggests that a sizeable proportion of the provision is hanging on by its fingernails.

The Government need not just to listen and to accept the Committee's reports, as we heard earlier, but to do something about those findings and about the concerns that have been raised. The Childcare Bill is proceeding through the parliamentary process. Many of the points that I have made today were raised by other hon. Friends in debates. It is an important issue. A key element of the Bill is the new duty on local authorities to take steps to provide sufficient child care provision. That is an expansion of their responsibility in the sector at a particularly difficult time. Can we continue to allow one child care place to be lost for every two created? Existing providers must be able to plan for the future and the long-term financial success of their organisations. The continuing fall in occupancy rates perhaps hints that we

have not got to the root of the problem of child care provision in terms of cost and the role of other family arrangements.

Some of those shortcomings could be helped by local government playing more of a role in determining child care. I acknowledge that. After all, it is much better placed to understand its communities. However, to reiterate the PAC's point about sustainability of provision, how sustainable is the role of local government in child care, given the fact that the Government will not provide any additional funding for that new and pivotal duty?

I applaud the work of the PAC in holding the Government to account and applaud the PAC's objective of ensuring that public expenditure counts. However, I call on the Government to do more than just accept the Committee's work and to take this opportunity to use the expertise of this group of people to improve all our services for the good of our community.

6.30 pm

Mrs. Theresa Villiers (Chipping Barnet) (Con): I am delighted that my first speech at the Dispatch Box concerns the hugely valuable work of the Public Accounts Committee. For well over 100 years it has been keeping a watchful eye on the activities of the Government and the way in which they spend the money of British citizens.

In the period of the Committee's work that we are considering today, it has continued its long tradition of producing hard-hitting reports, which I believe have had a significant impact on the work of the Government and the way in which they carry forward their policies. There can be few more important tasks for a parliamentarian than to scrutinise the spending of taxpayers' money. I pay tribute to all the members of the Committee and its Chairman, my hon. Friend the Member for Gainsborough (Mr. Leigh), for carrying out their watchdog role in such an effective and dedicated manner. I should also like to join others in paying tribute to the staff of the Committee and to Sir John Bourn and his staff at the National Audit Office for their detailed, dispassionate and tireless work in this area.

My hon. Friend made, as one would expect, a wide-ranging speech on the work of the Committee over the past 18 months, the themes of which I will return to in my speech. The hon. Member for Dagenham (Jon Cruddas) talked in depth about population growth issues in his constituency and statistical analysis of demography, and its impact on social cohesion and infrastructure provision in his area. The hon. Member for Somerton and Frome (Mr. Heath) chose three themes: mismanagement, referring to IT disasters, which cropped up several times during the debate, misguided application of policy, in particular the Qinetiq project, and fraud and the crisis in the tax credit system. The hon. Member for Bishop Auckland (Helen Goodman) spoke of improving the methods of the PAC and expressed concerns about some of the IT programmes that the Committee had looked at, describing them with accuracy as often a triumph of hope over experience. My hon. Friend the Member for South Norfolk (Mr. Bacon) gave us an in depth account of what can go wrong with private finance initiatives and hospital provision. The hon. Member for Portsmouth, North (Sarah McCarthy-Fry) informed us that applying accountancy skills and effective project management could have a tremendous benefit if applied more widely in public procurement matters. My hon. Friend the Member for Tunbridge Wells (Greg Clark) emphasised the importance of robust bodies not accountable to the public or the marketplace, and spoke in rather frightening terms of a para-state which is difficult to interrogate properly. The hon. Member for Burnley (Kitty Ussher) referred to smart procurement and paid generous tributes to her colleagues on the Committee. I agree with her that in many ways the PAC is the voice of the people in keeping track of their money. Finally, my hon. Friend the Member for Basingstoke (Mrs. Miller) spoke with great insight into and information about child care problems and the PAC report on early years.

Given the Committee's vast output and the late hour I cannot hope to cover all the reports. Instead I shall focus on a few of the more striking conclusions. Also I shall look to the lessons for the future. I should like to take this opportunity to point out how it would be useful to those embarking on preparations for the London Olympics to read some of the reports that we are discussing. That would help them avoid many of the mistakes that have characterised Olympic projects in the past. My constituents in Chipping Barnet are among the council tax payers expected to pick up the bill for the 2012 games. It is my fervent hope that the Government and the various organisations preparing for the Olympics follow the wise advice of the PAC in effective planning and project management. Let us hope that in a few years' time we are not standing here discussing a coruscating PAC critique of overspend on the 2012 games.

As we have heard this afternoon, much of the work of the PAC focuses on achieving value for money in the public services. As the Chairman pointed out, there can be few issues more central to modern political discourse than this one. The sums at stake are huge. The Comptroller and Auditor General has calculated that a mere 1 per cent. efficiency improvement in the spending allocated to Departments over three years could release £14.5 billion to redeploy on front-line services. I find it difficult to believe that the Government's Gershon review or the Opposition's James report would have been initiated without the trailblazing work of the PAC; nor might we have seen the creation of the Government's departmental capability reviews without the PAC's bringing pressure to bear on achieving value for money for the taxpayer.

Although some of the issues addressed by the PAC are complex in the extreme, much of its advice is a matter of simple good housekeeping and sensible project management. Time and again, it has emphasised the importance of carrying out an effective and thorough planning process—a theme mentioned already today—including an in-depth assessment of potential risks and problems; of ensuring that all timetables are realistic; of breaking down complex projects into smaller, more manageable components; of putting in place reliable back-up plans to maintain services in the event of problems; of retaining a strong management grip on all projects at all times; and above all, of acting commercially when procuring services from the private sector, and applying hard-headed

[Mrs. Theresa Villiers]

commercial common sense to contract negotiations. I am sure that Members in all parts of the House will regretfully agree that the reports that we are discussing today demonstrate that the PAC's message has yet to percolate widely throughout Whitehall. Good practice in one Department too often fails to spread across to others. Examples still abound of projects on which taxpayers' money is wasted because of poor planning, and of lessons from past failures not being learned.

The PAC's report on Operation Telic identified worrying mismanagement that exposed troops in Iraq to increased risk as a result of inadequate supply of important equipment. We heard this afternoon about the notorious case of the Ministry of Defence's purchasing eight Chinook HC3 helicopters for some £250 million, only to find that they were unusable. The report described this as

"one of the worst examples of equipment acquisition that the Committee has seen".

In its report on asylum decisions, the National Audit Office estimated that up to £500 million could have been saved if the Home Office had been able to put in place sufficient staff and infrastructure to meet the significant rise in asylum applications in 1999 and 2000. Sadly, we are all too well aware that a recurring theme in the PAC's deliberations is IT projects that go horribly wrong. In the most recent of many reports on this issue, the PAC expressed concern that the systems set up by the Government to prevent procurement disasters, such as the gateway review process, are too often overridden. A case study in how such projects can go wrong is set out in the PAC's damning report on the Criminal Records Bureau, and in its report on the transfer of GCHQ computers. The cost of that transfer was initially estimated at some £41 million; it eventually rose to nearer £450 million.

Mr. Bacon: I had a conversation with the former Minister—I shall not embarrass him by naming him—who was responsible for the decision to go ahead with the Criminal Records Bureau project. He told me that he sat in a room with 12 people, read the relevant information, said, "This isn't going to work, is it?", and twelve voices replied, "Yes, Minister." Does that example not indicate the lack of independent advice available to Ministers on these complex projects?

Mrs. Villiers: I agree, and my hon. Friend makes the point very well. It is particularly important that Government Departments heed the PAC's advice to act commercially and ensure that they look at a wide range of providers. One problem with IT procurement is that only a very few firms are competing for large Government contracts.

Another theme returned to time and again by the PAC, and which was referred to by its Chairman today, is the disadvantage arising from complexity in the provision of public services. As well as being more expensive to run, the more complex the process is, the more likely it is that mistakes will be made. The PAC has estimated that rectifying errors costs the Department for Work and Pensions £1 billion every year. But looking at the financial cost of rectifying errors is to understate the human cost in terms of frustration and upset. All Members see that frustration daily in our constituency postbags.

A recent and disturbing example of the problem was explored by the Committee's report on tax credits. It states that the complexity of the tax credits system is one of the major causes of the problems that we have witnessed over the past few months. Complexity means that customers and officials find it hard to understand the system, which increases the number of mistakes that they make. It also makes it more difficult to rectify the mistakes once they are made, and increases the opportunity for fraud—a point made by the hon. Member for Somerton and Frome (Mr. Heath).

Recent developments have shown just how serious the problem is, with the Government forced to shut down their on-line applications systems because of large-scale identity fraud involving the names of thousands of workers at the Department for Work and Pensions and Network Rail.

The Committee also noted that the way that the system was structured contributed to significant problems even where no mistakes were made. The system of provisional awards routinely overpays customers—a major factor in the crisis that means that many of the very poorest families are suddenly subject to demands to repay large sums of money. As a result, MPs and citizens advice bureaux have been inundated with distressing complaints from people forced to take desperate measures to repay the money that they owe. That very disturbing example provides a graphic illustration of how the work of the PAC goes beyond dry matters of Government spending and statistics and touches on real lives and hardship.

Further examples of how complexity can hinder the efficient provision of public services were highlighted in the Committee's report on regional policy. For example, it found that, in the Thames Gateway area, a multiplicity of different organisations were responsible for regeneration. The Committee wisely advised that the Government should have a presumption against establishing new institutions and new tiers of bureaucracy unless it was clear that policy objectives could not be achieved through existing bodies.

The Committee also noted the severe difficulties faced by organisations in the regions that have to grapple with many different funding streams—in the south-east, there are no fewer than 40 such streams. Much of that complexity results from the complexity of EU schemes, which brings me to another PAC report on the EU budget.

The House is well aware that, for the past decade, the EU's own auditors have refused to sign off on their accounts—a shocking fact when compared with the exemplary standards of scrutiny demonstrated in the UK by the NAO and PAC. However, one of the biggest roadblocks to cleaning up the EU's accounts is the complexity of its agricultural support and regional aid programmes, which gives rise to high levels of fraud, error and maladministration. Only when the EU heeds the advice of the PAC and many other bodies and radically streamlines and simplifies its regional aid and agriculture programmes will there be any real hope that, one day, we will be able to ensure that every euro of the EU budget is properly accounted for.

Another telling example of where complexity and bureaucracy get in the way of the efficient delivery of public services is revealed by the Committee's work on transport. When it looked at rail services, it established that the process for introducing new trains involved no fewer than 60 key stages. From my own constituency work, I know how difficult it can sometimes be to get things done on our rail network. It took many years of campaigning to get one of my local stations renovated. On the day that it was formally reopened, a cast of thousands from all the multiple different organisations that had to be involved in the project was in attendance.

I hope that Government, Opposition and all those working in the rail industry can strive to put in place some of the Committee's recommendations for streamlining and simplifying how we run this crucial part of our transport infrastructure. I am sure that we would all agree that an efficient public transport network is vital for our international competitiveness and for the quality of life of our constituents.

The Committee also had invaluable advice in relation to the public-private partnership for the London Underground. It expressed concern at the complexity of the structures put in place to operate the tube, and of the process by which PPP contracts were concluded. The deal took five years to conclude and transaction and consultancy costs soared to a staggering £455 million. The resulting contracts are opaque and difficult to understand. Many of my constituents complain to me almost daily of the dire performance of the Northern line, but the complexity of the PPP structures makes it very difficult to hold those responsible for the tube to account. Whether one asks the Government, the Mayor or Tube Lines, somehow the fact that my constituents cannot get to work in the morning is always somebody else's fault and somebody else's problem.

One of the striking aspects of the work of the PAC is the wide range of areas that it looks at. It is not just the computer overspend disasters; it looks at a whole range of areas. It has done some extremely valuable work on health, of which today's publication of a report on cancer is merely the most recent example. The Committee can claim much credit for pushing the issue of hospital-acquired infection right to the top of the political agenda. It is one of a number of areas in which the Committee's work has stretched over many years and several reports. Back in 2000, the Committee expressed its concern that the NHS had little grip on the problem or the measures needed to tackle it. Worryingly, returning to the subject four years later, the Committee commented that the response to its earlier report had been patchy and that there was still a distinct lack of urgency on several key issues, such as ward cleanliness. Let us hope that the recent political attention devoted to this issue will mean that the PAC's next report on this matter will have better news for NHS patients.

Lastly, I should like to look briefly at the Committee's valuable work on the Government's programmes on HIV/AIDS. In its thoughtful and considered report on this issue, the Committee recommended that greater priority should be given to tackling the social and economic aspect of the epidemic. The report details the devastating impact the disease is having on the work force of many developing countries, impairing their ability to cope with the epidemic and to run public services or a functioning economy.

Yet between 1997 and 2003, only 1 per cent. of DFID's country-level spending was focused on this issue. Perhaps more seriously, the Committee noted that the priority given by the Government to their HIV/AIDS projects was not reflected in the spending of the multilateral agencies funded by DFID. In particular, the Committee discovered that, at the time of reporting, only £19 million of the £1 billion contributed by DFID to the European Commission was spent on programmes related to HIV/AIDS.

In recent months, tackling the epidemic has rightly shot up the international political agenda. I hope, therefore, that there is now a much greater awareness of the importance of this issue among the multilateral organisations with which DFID works. However, it is frustrating to read the evidence given to the Committee from senior officials and experts in the area who freely admit that aid is spent more wisely and effectively if it is spent directly by the UK Government rather than via an international intermediary such as the European Commission. In the light of the conclusions of the report and the urgent need to tackle the AIDS epidemic, there seems to me to be a very strong case to ask DFID to reconsider the level of funding that it deploys via the EU and switch far more of its resources to programmes that it administers directly or via NGOs. I am sure that the Financial Secretary will agree that the priority here must be saving lives rather than EU sensitivities.

I imagine that HIV/AIDS is a subject that has never been raised before in a debate on the Public Accounts Committee, but I make no apology for doing so. I have chosen this topic to end on for two reasons. First, the significant amount of money now being devoted to such programmes must be effectively scrutinised. We must all be well aware of the difficulties of ensuring that aid for developing countries is effectively and wisely spent. Secondly, I highlight this issue because of the pressing need to tackle an epidemic that has seen 65 million infected and 20 million dead from the disease in the last two decades. I am pleased that the PAC found time in its busy schedule to address this humanitarian crisis. I pay tribute to the Committee's work on this issue and on all the other high-quality reports that we have had the honour to consider this afternoon, and it is with great pleasure that I commend them all to the House.

6.50 pm

The Financial Secretary to the Treasury (John Healey): We have had a very good debate this afternoon, led by the hon. Member for Gainsborough (Mr. Leigh), but with a further nine excellent contributions. It is my privilege to respond on behalf of the Government.

The Public Accounts Committee makes a special contribution to our system of parliamentary scrutiny of the Executive. The Government, especially the Treasury, share several common interests with the Committee and the National Audit Office. We have a responsibility to ensure that taxpayers' money is used economically, efficiently and effectively, and we want to see the delivery of public services to a high standard, with both the public and private sector working well together and applying the best practices and standards of management and skills.

We see, from the prolific series of reports that the PAC produces and from the contributions to the debate this afternoon, that the PAC does not pull its punches.

[John Healey]

But however critical, the Committee mostly operates without being politically partisan. That remains one of its traditional strengths as Parliament's leading inquisitor and champion in challenging the Executive. It is rightly tough on Departments and agencies. Accounting officers sensibly take any appearance before the PAC more seriously than almost any other aspect of their responsibilities.

For those reasons, I pay tribute to the work of the PAC members and, in particular, to the hon. Member for Gainsborough who is starting his sixth year as its Chairman. I wish also formally to recognise and pay tribute to the work of the Comptroller and Auditor General and his staff at the National Audit Office in supporting the Committee. I also wish to add a word of appreciation for Brian Glicksman, for his hard work and his dedication to the Committee. He retired recently after being the Treasury Officer of Accounts for six years and he told me recently that he has appeared before the Committee almost 150 times.

I wish also to welcome the hon. Member for Chipping Barnet (Mrs. Villiers), who delivered her first speech at the Dispatch Box this afternoon. It was very accomplished and a good contribution to the debate. We look forward to many more appearances, as I am sure she does herself. Based on some of the reports before us, she urged us to look forward not only to the challenges of trying to tackle the problem of HIV/AIDS, but to the Olympics. However, she raised some words of caution on that score. I may say that in my experience, there is an unprecedented effort going into putting in place arrangements for good project management in preparation for the Olympics. I am sure that the PAC will follow those developments closely, as will the hon. Lady as shadow Chief Secretary. We in the Treasury will certainly follow closely the work of the various bodies responsible for preparing for and delivering the Olympics.

The hon. Member for Gainsborough drew attention to the Committee's 17th report. I have to say that this is something of a tour de force, encapsulating as it does a decade's worth of the Committee's experience and conclusions. It helpfully draws those together in seven coherent themes which he set out for us this afternoon. Each one contains some potent pieces of advice for the Government. Although in each case the Government are already taking action, the Committee shows us that there is considerable scope to improve in the future. We are studying the report carefully and we will respond point by point within the customary two months. The hon. Gentleman has been able, in a timely way, to use the debate to lay stress on the particular observations to which the Committee wants us to pay close attention.

The hon. Gentleman raised several other important issues. As he acknowledged, we are taking the opportunity afforded by the Company Law Reform Bill to enable the Comptroller and Auditor General to become eligible to audit non-departmental public bodies that are companies, as well as their subsidiary companies. By doing that, we are fulfilling a major commitment that we made in response to Lord Sharman's report on audit and accountability in central Government. I was pleased that the hon. Gentleman described himself as delighted by the move. The Treasury and the Department of Trade and Industry was helped in no small way by the close co-operation of the National Audit Office as the policy and detailed proposals were developed into the firm plans that are now in the Bill. I hope that the Bill will receive a smooth passage through both Houses.

The hon. Gentleman pressed arguments that he has made before on making the BBC subject to the audit arrangements of the Comptroller and Auditor General. The Government are evaluating the existing arrangements for the audit of the BBC. As the hon. Gentleman knows, the NAO already has a role. It seems appropriate to do that evaluation as part of the charter review and we are thus considering whether any further changes are warranted.

The hon. Gentleman asked what had happened regarding the financial management of the European Union following the publication of the Committee's 18th report. He would have heard Ministers say that a key priority of the UK presidency was to ensure that progress was made on the European Commission's initiative of a road map towards what it called an integrated internal control framework—the hon. Member for Chipping Barnet might already be familiar with that. The UK co-chaired a panel of experts from all member states that met in Brussels on 21 and 22 September to examine the matters that were raised by the Commission's proposed road map. The outcome of those deliberations provided the basis of the draft conclusions for the meeting of Economic and Finance Ministers on 8 November. The recommendations of the PAC report played an important role in drafting the conclusions that were agreed at that meeting. The hon. Member for Gainsborough asked for an assurance that Ministers will continue to press for progress. From this point on, UK officials will be working closely with colleagues from not only Austria, but Finland, to ensure that the action points from the plan are taken forward under those countries' presidencies.

Although the Liberal Democrats' Front-Bench spokesmen are increasingly thin on the ground these days, the hon. Member for Somerton and Frome (Mr. Heath) has showed rather more staying power than many of his colleagues. He had already done sterling work from the Front Bench for the Liberals on the Criminal Defence Service Bill earlier today, but he stayed on to speak in this debate, although I must say that he seemed to be speaking for the Liberals from both the Front and Back Benches. I appreciated the fact that he realised that a lot of the work of Government is good, although he sketched out his three specific worries about mismanagement, the misguided application of policy and fraud.

In a reflective contribution, my hon. Friend the Member for Dagenham (Jon Cruddas) set out several of his worries about trends in population movement and make-up. He also told us clearly the serious social consequences that they can sometimes have. In preparation for the comprehensive spending review, the Treasury is undertaking an analysis of the demographic changes that the country faces in the long term. I will find out whether some of the general points that he made, rather than, perhaps, his specific ones about local authority grant distribution, can be incorporated into that work.

My hon. Friend the Member for Bishop Auckland (Helen Goodman) made an extremely reflective contribution to the debate and several of her points will be pertinent to the way in which the Public Accounts Committee approaches its work in the future. She expressed an enthusiasm for more timely reports. We share that appetite, so we are glad that the Comptroller and Auditor General has recently undertaken to try to publish some shorter reports that can be more quickly prepared, such as the recent report on MG Rover on which I believe that the Committee will hold a hearing next month.

I welcomed the contribution of the hon. Member for South Norfolk (Mr. Bacon). It was something of a milestone, as it was his last speech in the House as a single man. We on the Labour Benches wish him and his fiancée Victoria very well for their wedding this weekend. He spoke about the progress that has been made through PFI procurement and recognised the substantial improvement that there has been, with projects delivered on time and within budget, but he also exposed flaws that the Committee has found in specific PFI projects.

The hon. Gentleman urged me to look closely at the work being led by the Royal Institute of British Architects. I am aware of that work. A meeting of officials in the Treasury is shortly to be held with that group to examine the analysis and conclusions that it has been preparing. I welcome RIBA's contribution to the debate on the design of PFI. We will consider very carefully whether and, if so, how, its proposals can be integrated into the Government's overall procurement policy.

Undertaking enough design up front during the procurement is already in line with the Treasury's policy. We want to ensure that we have a well enough informed public sector client to manage projects properly, and we need to make sure that they have done enough preparation before launching a procurement. Design is an important part of that, but there will clearly be a trade-off, which must be examined, to ensure that the risk transfer is not jeopardised by undertaking too much of the design before involving the PFI contractor.

My hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry) spelled out clearly and convincingly the lessons on good management to be drawn from the private sector, which it is essential that the public sector learn. Her own business expertise before becoming a Member of the House will clearly be a great asset to the Committee. She stressed the importance of good risk management to effective procurement. I am pleased to say that the National Audit Office has complemented the Government's efforts to force home the message that risk management should be embedded in departmental planning, just as she urged, by collaborating with us in the Treasury to publish a guide which we call "Good Practice in Tackling External Fraud".

The hon. Member for Tunbridge Wells (Greg Clark) demonstrated from the Conservative Benches the fresh talent that is being brought to the PAC, although the points that he raised about the cost of changes in the tax credit system relate to the recent hearing, on which the PAC has not yet published its report. He has the answers now, and no doubt he and his colleagues will make a judgment on those and the report will reflect that.

The hon. Gentleman also touched on the problems of the NHS trust in his constituency, and on NHS trust finances more generally. I remind him that three quarters of local NHS organisations are balancing the books or in surplus. I remind him also that the Secretary of State for Health recently announced what she calls decisive action to turn round the minority of NHS organisations that have significantly overspent their budgets. It remains the case that the Government will have trebled investment in the NHS by 2008, and that throughout the country, including in the hon. Gentleman's area, we can see that that investment means extra doctors and nurses, improved quality of treatment and shorter waiting lists for that treatment.

Mr. Heath: I do not dispute what the Minister has just said, but he must realise that there are a number of hospital trusts dotted around the country that have gone through the process of getting their management in order and are trailing, as it were, in surplus, but are nevertheless saddled with insurmountable debts from previous management failures, which are proving an impossible burden for them and causing detriment to the patients in their area through no fault of the present management.

Mike Penning (Hemel Hempstead) (Con): Further to that point of order, Mr. Deputy Speaker.

Mr. Deputy Speaker (Sir Michael Lord): Order. First, that was not a point of order. Secondly, it is necessary to allow the Minister to respond to one intervention before he takes another.

John Healey: The task is not impossible, because the vast majority of our NHS organisations are succeeding. What my right hon. Friend the Secretary of State announced was ways of making sure that the proper support is available for those that are struggling.

Mike Penning *rose—*

Greg Clark *rose—*

John Healey: I am reluctant to give way to the hon. Member for Hemel Hempstead (Mike Penning). He has been in the Chamber off and on during the afternoon, but he has not contributed to the debate, so if he does not mind, I shall give way to the hon. Member for Tunbridge Wells, who is a member of the PAC and made a contribution earlier. Then I shall conclude my remarks, as I am anxious to let the Chairman of the PAC have the final word, as is traditional.

Greg Clark: I am grateful to the Minister for giving way. He is right that more money is being spent on the NHS, and I whole-heartedly welcome that, but my point was about value for money. It does not make sense from the point of view of value for money not to perform operations when people are ready, willing and able to conduct them but to have to defer them to a date after 31 March when they might have to work overtime to do so. It is not about the volume of money; it is about the systems that are resulting in a lack of value for money.

John Healey: The hon. Gentleman and his colleagues on the Public Accounts Committee may want to look at

[John Healey]

the question of financial management and control and value for money in that context. If they do so, I look forward to the conclusions that they draw.

I noted the mention made again by my hon. Friend the Member for Burnley (Kitty Ussher) of her ten-minute Bill. I hope that the hon. Member for South Norfolk is a sponsor, because he is clearly in favour of her proposals. She stressed the attention that the PAC can give to economic policy, especially in the regions, and I certainly welcome that interest.

I hope that the hon. Member for Basingstoke (Mrs. Miller) sees the fact that 93 per cent. of the PAC's recent recommendations have been adopted and put into practice by the Government as confirmation, which she encouraged, of how seriously we take the Committee's work, although we do not quite see the Committee as somehow our in-house management consultancy, as she suggested. She talked about the importance of child care to both the social and economic future of this country. I welcome her strong, albeit reasonably questioning, support for the policies that we are pursuing. She is right to say that we want every pound invested in child care to work hard.

In closing, I want to touch on two vital general areas for the Government in which the PAC also has an active interest: first, the efficiency programme following the Gershon review, which the hon. Member for Gainsborough mentioned, as did my hon. Friend the Member for Burnley; and, secondly, the comprehensive spending review.

The Government are committed to improving public sector efficiency following both the Gershon and the Lyons reviews. Departments own their efficiency plans, however, and it is their responsibility to report on their own progress. They do that in the autumn performance reports and the annual departmental reports. The Chancellor also provided an update on the aggregate progress, both at the Budget last year and in the pre-Budget report, and the Treasury reports on overall progress on efficiency as part of reporting on our spending review 2004 target 9. The efficiency programme is delivering results, as the Chancellor showed in his recent update: £4.7 billion on efficiency gains released back to the front line. In addition to the monetary figure, a total head-count reduction of 31,000 was confirmed and the relocation of a total of 6,300 staff was completed.

Those aggregate gains are based on departmental returns that are reported against a very robust measurement framework on a quarterly basis. Every pound reported can be traced to individual delivery programmes. Those returns are scrutinised and checked for consistency quarter on quarter. However, we will not consider them final until they have been subject to a full verification, which is of course carried out after the end of each financial year.

The comprehensive spending review sets an important context in which we can consider and incorporate recommendations received from the PAC. A decade on from the first CSR, the 2007 comprehensive spending review will represent a long-term and fundamental review of Government expenditure, and it will cover departmental allocations for three years, beginning in 2008–09. Since 1997, the Government have shown that we can deliver for Britain a strong economy and sound public finances at the same time as sustained and sustainable growth in investment in public services. But what we need now is an assessment of the long-term challenges facing our country and our public services, focusing on the major global and domestic long-term trends to which public spending and public services need to respond over the next decade. That assessment must also focus on the conclusions of the long-term reviews that are already under way into the future of transport, skills, pensions and local services.

Britain faces a rapid increase in the old-age dependency ratio. We also face an intensification of cross-border economic competition, an acceleration in the pace of innovation and technology, continued global uncertainty and threats, as well as increasing pressure on our natural resources and global climate. These challenges will have fundamental and far-reaching implications for our public services and they will require innovative policy responses, co-ordination of activity across Departments, and sustained investment in key areas.

The comprehensive spending review will be tough and challenging. It will take a zero-base approach to assessing the effectiveness of Departments' existing spending in delivering the outputs to which they are committed. The review will also look at how the public expenditure framework can best embed and extend ongoing efficiency improvements and support the long-term investments needed to meet these challenges. The CSR therefore offers an important opportunity for the Government to take stock of what we have achieved and to prepare for the challenges ahead—one to which I am sure the PAC will make an important contribution.

Perhaps I can end where the PAC's 17th report began. It stated:

> "One of the key strengths of the Committee of Public Accounts is its ability to examine the way in which public money is used to deliver these services right across Government."

We in the Government and in the House, as well as the public at large and the civil service, owe a debt of gratitude to the Committee for its work. The report went on to say:

> "Governments have acted on most of our recommendations and in doing so, in many cases, have secured financial savings, improved the standards of public services and tackled the risks to successful delivery."

With the PAC's advice, we will continue to do just that.

7.12 pm

Mr. Leigh: With your permission, Mr. Deputy Speaker, I shall say a few words to sum up. May I thank everyone who has contributed to the debate? First, I thank the hon. Member for Dagenham (Jon Cruddas), who is valued former member of the Committee. I will raise with the Comptroller and Auditor General the matter of our producing a report on how demographic factors can influence public policy. The hon. Gentleman made his point extremely well.

I also thank the hon. Member for Somerton and Frome (Mr. Heath) for speaking so eloquently in our debate. He suggested that the National Audit Office should be involved in the debate on identity cards. There is a slight problem there, because the NAO is very keen

to stay out of current political issues. However, I agree that that issue is one that we need to keep careful tabs on.

I am very grateful to the hon. Member for Bishop Auckland (Helen Goodman) for her contribution. She is a highly valued new member of the Committee, and she uses her Treasury experience to good effect. She made a very good point about the problem relating to our reports being produced so long after the event. I sometimes feel that we are kicking a corpse that has been dead for a long time, as happened several times in relation to the dome. I have raised this issue again with the Comptroller and Auditor General and he has promised me that we can try to produce much shorter reports that hon. Members can actually read. If they were about 20 pages long and written in narrative form, they would be easily understood. That would enable us to drive the oversight process forward much more quickly.

I am grateful to my hon. Friend the Member for South Norfolk (Mr. Bacon) for his contribution today and for being a sterling member of the Committee throughout my chairmanship. With the right hon. Member for Swansea, West (Mr. Williams), we alone on the Committee have said that, if someone becomes an Opposition spokesman, they must leave the Committee. We have maintained the purity of the Committee in that regard. My hon. Friend the Member for South Norfolk has chosen to stay on the Committee and not to become an Opposition spokesman, as his abilities merit. I am grateful to him for that.

I thank the hon. Member for Portsmouth, North (Sarah McCarthy-Fry) for her contribution and for the valuable experience in risk management and project management that she has brought to the Committee. I am also grateful to my hon. Friend the Member for Tunbridge Wells (Greg Clark) for his powerful remarks about our work in controlling the para-state, as he put it, and those parts of the state that are not as accountable as they should be.

I am grateful for what the hon. Member for Burnley (Kitty Ussher) said about smart procurement. I say this to my hon. Friend the Member for Basingstoke (Mrs. Miller): it is true that we view ourselves, in our capacity as allies of the Treasury, as low-paid management consultants—paid much less than those employed by the Financial Secretary—but we do our best.

My hon. Friend the Member for Chipping Barnet (Mrs. Villiers) experienced her first outing on the Front Bench. Yesterday we had before us a permanent secretary with another 14 years to serve. I have no doubt that my hon. Friend will serve for at least 14 years with great distinction, in and out of Government. She spoke of delivering a 1 per cent. efficiency improvement—£14 billion of gains. That is a lot of money to play with.

Of course I also thank the Financial Secretary for what he said. I am very proud of our work. In an era of rapid increases in public expenditure we do not question what is being done, but I believe that we can make a difference. This is one part of Parliament that is doing a superb job.

I thank all who have contributed to this excellent debate.

Resolved,

That this House takes note of the 17th and the 20th to the 52nd Reports of the Committee of Public Accounts of Session 2003–04, the 1st to the 30th Reports of the Committee of Public Accounts of Session 2004–05, and the 1st to the 3rd, the 5th, 6th, 10th and 11th Reports and the First Special Report of the Committee of Public Accounts of Session 2005–06, and of the Treasury Minutes and the Northern Ireland Department of Finance and Personnel Memoranda on these Reports, Cm 6271, 6282, 6302, 6303, 6304, 6332, 6355, 6416, 6441, 6458, 6468, 6496, 6577, 6578, 6579, 6609, 6667, 6668, 6682, 6689, 6712 and 6724.

7.15 pm

Mike Penning (Hemel Hempstead) (Con): On a point of order, Mr Deputy Speaker. I seek your advice and help for school children in my constituency. I think that there is cross-party support for our encouraging as many young people as possible to visit the Palace, but several schools in my constituency have told me that they will not organise visits any more because they are deterred by the cost of parking and difficulties caused by the anti-terrorism measures that have been adopted outside.

I contacted the office of the Mayor of London, which told me that the matter was not negotiable; the Palace would have to deal with it. I wonder whether you could use your good offices to help students and other children in my constituency to come to the Palace more, and to address the parking issue.

Mr. Deputy Speaker (Sir Michael Lord): It is obviously important for all young people, particularly students, to visit the House of Commons to see how we work, but that is not a matter directly for the Chair. It is, of course, a matter for the House authorities. The hon. Gentleman has put his comments firmly on record; no doubt the House authorities will think about them, and will decide what to do.

PETITION

Luton Airport

7.17 pm

Mr. Peter Lilley (Hitchin and Harpenden) (Con): I wish to present a petition opposing the massive expansion of Luton airport with two runways and two terminals, disgorging 30 million cars on to the roads of Hertfordshire. The petition has been signed by 7,710 local residents. There have also been 1,770 text messages and more than 1,000 letters, 250 of which arrived in today's post.

The Petitioners therefore request that the House of Commons urge the Government to ensure that Luton airport remains a medium haul, medium sized airport and to refuse permission for plans to make it second only in capacity to Heathrow.

And the Petitioners remain, etc.

To lie upon the Table.

Counterfeit Medicines

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Coaker.]*

7.17 pm

Mr. Charles Walker (Broxbourne) (Con): The counterfeiting of drugs is a global problem. The World Health Organisation estimates that between 8 and 10 per cent. of the global medicine supply chain is counterfeit. That represents up to £20 billion worth of medicines.

In developing countries, up to 60 per cent. of public and private health expenses are used to buy medicines. The WHO estimates that 25 per cent. of those medicines are fake, and in some countries the figure could be as high as 40 per cent. In the world's poorest and most vulnerable communities, people are dying needlessly of AIDS and malaria. Counterfeiting hot spots include Mexico, Pakistan, India, China and Russia.

Counterfeits are dangerous for a variety of reasons. They may be contaminated, they may contain too much or too little of the active ingredient, or they may contain none at all. Counterfeits are totally different from generics. Generics must have the same bio-equivalence as the original patented drug; counterfeits are fakes, and often lethal fakes.

In China in 2003, nearly 1,000 drug-counterfeiting factories were closed and millions of fake drugs were seized. It is estimated that 100,000 Chinese people died that year as a result of taking counterfeit medicines.

In Africa, half of malaria medicines are thought to be fakes. In the west, drugs are normally finished and packaged to a higher standard. For that reason, it is almost impossible for patients and many professionals to see the difference between real and counterfeit medicines. In wealthier countries, the most frequently counterfeited medicines tend to be new, expensive lifestyle drugs. For example, it is estimated that half the Viagra sold over the internet is worthless.

The profits from pharmaceutical counterfeiting are huge and the risks lower than those involved in trafficking narcotics. Counterfeiting is linked to all forms of organised crime such as money laundering, drug trafficking, terrorism and other illegal activities. Distribution channels mirror those of the illegal drugs trade, and in many developing countries drugs often disappear into a black hole. Corruption is rife. Retroviral drugs sent to Africa at reduced prices are often intercepted by corrupt officials or gangs and sold back to Europe to be replaced by worthless copies in Africa.

As borders become more porous, the global trade is expanding. Counterfeiting is no longer a cottage industry; it is big business. Criminal gangs are so professional that they will buy the same manufacturing and packaging equipment as drug companies, allowing them to produce up to 50,000 tablets an hour.

Pharmaceutical products are attractive to criminal gangs because they are easily transportable and command a high price per unit. Profits from fake pharmaceuticals can be larger than those from narcotics such as heroin and cocaine. The added bonus for traffickers is that the trade carries a lower risk than that in narcotics because law enforcement agencies are perhaps not as aware of the problem.

The problem of illegal medicines needs to be handled carefully. Fortunately, in the UK, counterfeits remain extremely rare when sourcing is done through recognised pharmacies. The UK supply chain remains one of the most difficult to penetrate, with 600 million prescriptions written annually. However, in July last year, counterfeit Lipitor, a powerful cholesterol-busting drug, was discovered. The counterfeit was made to look like a UK pack and was traced by the Medicines and Healthcare products Regulatory Agency to two separate licensed UK wholesalers. Of course, the manufacturer of the genuine drug issued a total recall. Of those packs returned by pharmacists, however, more than 50 per cent. were found to be fake after being analysed.

Fifteen months earlier, in April 2004, detectives raided a warehouse near Wembley stadium and found a factory producing thousands of fake prescription medicines every day. Enough mixture was seized to make more than 20,000 tablets an hour—Viagra, steroids, tranquilisers and antidepressants. They were expertly packaged and labelled, and some active ingredients were present, but not the right ones.

When dealing with counterfeits, criminals are taking the long-term view. Fake drugs are offered at just below market price so as not attract attention and the continuing growth in counterfeiting comes when there is increasing concern about the integrity of the UK wholesale supply chain.

UK wholesalers are licensed by the MHRA, but gaining a licence is relatively easy. Those applying for licences are rarely asked to produce a passport, birth certificate or driving licence and it is even unclear whether a Criminal Records Bureau check is routinely undertaken. Against that background, the number of wholesale licences issued has risen tenfold in the past 12 years, providing additional entry points for counterfeits. Once a licence is granted, wholesalers can trade almost without restriction.

The growth in the number of wholesalers mirrors the growth in parallel trading. In recent years, a new market has emerged that has understandably seen the national health service and other purchasers exploit price differentials in medicines across the European Union. Each year, 140 million medicines are parallel traded across the EU of which perhaps 70 per cent. are destined for the UK. Parallel trade accounts for up to 20 per cent. of all prescription medicines sold in this country.

Medicines are sourced at the cheapest unit price across the EU, but, to comply with the language and packaging requirements of national markets, drugs are often repackaged and the seals broken. The growth in parallel trading means that, often, pharmaceutical products pass through the hands of multiple distributors, creating a highly fractured supply chain that can be accessed by determined counterfeiters.

A Bermuda triangle has been formed by parallel trade, counterfeits and online pharmacies. It is the growth of unregulated internet pharmacy that provides the best opportunity for counterfeit and illegally re-packaged medicines to enter the supply chain. The internet is like a sweetshop, except one can buy painkillers, tranquilisers and even methadone; indeed, one can buy methadone from hundreds of sites. Most online pharmacies are unregulated and will dispatch

dangerous medicines without prescription. Many people, including patient groups, pharmacists and doctors, believe that online pharmacies represent a significant danger to those ordering prescriptions over the web.

There are now more than 2,300 sites selling drugs direct to the consumer. The five most advertised drugs are Viagra; Phentermine, a weight loss drug; Xenical, a weight loss drug; Propecia, a hair loss drug that would be lethal to women; and Adipex, a weight loss drug. Those sites are domiciled around the world but in almost all cases they are unlicensed to sell or prescribe prescription medicines.

Over the past six years, across the Atlantic, US drug enforcement agents have made 180 internet drug arrests but they know that they are just scratching the surface. Internet pharmacy sites are inexpensive to create and hard to shut down; up to 80 per cent. of drugs sold online are counterfeit.

The nature of this internet trade is frightening. A UK charity, the Depression Alliance, was able to buy prescription medicines for depression over the internet with a discount on bulk purchases; no consultation, no diagnosis, no prescription and no pharmacist. The Depression Alliance bought enough of a tricyclic antidepressant to kill eight people. Even after entering into online consultation that revealed that the potential buyer suffered from a pre-existing diabetic condition, self-harmed and repeatedly tried to commit suicide, the drug was still dispatched.

As I have said, this country still has a robust regulatory system. However, I am concerned that it may not be keeping pace with the emergence of a distribution channel that is tailor-made for sending counterfeit drugs to the UK. Of course, the last thing that we want is to create unnecessary panic. However, we need to accept that counterfeiting is a growing global problem fuelled by organised crime, unrestricted parallel trading and the growth of internet dispensing.

In the UK, internet pharmacies pose a growing threat to public health. They are largely unregulated; in the best case, these illegal pharmacies are dispensing sugar and, in the worst case, poison. I hope that as a result of this short debate the Government will take a good look at our regulatory system to see what measures can be taken to safeguard the public from this new and emerging threat.

7.27 pm

The Minister of State, Department of Health (Jane Kennedy): I congratulate the hon. Member for Broxbourne (Mr. Walker) on securing this important debate, and on his informed and balanced assessment of the threats posed by counterfeit medicines. Compliments from Ministers to Opposition Members rarely enhance their careers, but they are merited in this case. I shall seek to reassure him and the House that I and the Government take a great interest in the issue.

I can assure the hon. Gentleman that the Government take the issue of counterfeit medicines extremely seriously. Counterfeit medicines are often unknown and can enter the market in many ways. Although not a new problem, the international nature of the pharmaceutical industry and of markets means that the manufacture and distribution of counterfeit medicines can present new opportunities to criminals who are growing in enterprise and sophistication. Indeed, trade in counterfeit medicines is now a global problem; the World Health Organisation estimates that up to 10 per cent of medicines worldwide may be counterfeit. As the hon. Gentleman suggested, an even higher proportion of medicines in poorer countries are thought to be counterfeit. This has obvious, and serious, consequences for public health and costs the pharmaceutical industry many billions of pounds annually.

The manufacture and distribution of counterfeit medicines is a real problem for countries where the regulatory framework is weakest, and the EU systems do provide substantial protection. Nevertheless, there is some evidence of counterfeit products being provided direct to UK customers in the UK by mail order, via the internet or on a personal basis. I certainly share the hon. Gentleman's and the public's concern about the availability of potentially counterfeit and unregulated medicines through these routes. They cannot be guaranteed for safety—as the hon. Gentleman described—quality or efficacy. While the UK's legitimate supply of medicines through pharmacies, hospitals and retailers is tightly controlled and internationally acknowledged as difficult to penetrate, I recognise that no supply chain can ever be completely secure. Proper regulation and robust inspection, surveillance and enforcement are constantly required to preserve the integrity of the market and to protect public health.

The Medicines and Healthcare products Regulatory Agency, to which the hon. Gentleman has rightly drawn attention, regulates the use of medicines in the UK. The MHRA is responsible for ensuring compliance within a comprehensive EU regulatory framework that imposes strict controls on the licensing, manufacture, sale, supply and advertising of medicines. That includes the licensing and inspection of all UK manufacturers, wholesale dealers and importers of medicines. The agency also inspects manufacturers in non-EU countries exporting to the UK. Controls on sale, supply and advertising of medicines direct to the public apply without distinction across all types of retail outlets—traditional and electronic.

The MHRA has developed an anti-counterfeiting strategy that builds on that regulatory framework and aims to minimise further the risk of counterfeit medicines reaching UK consumers and patients either on a personal basis or through the legitimate supply chain. For example, the agency will continue its enforcement role to ensure that counterfeiters are prosecuted and counterfeit products withdrawn from the market. It will extend its medicines surveillance scheme to sample and test medicines across the whole supply chain. It continues to develop its inspection functions to ensure that all its inspectors are trained in up-to-date counterfeit inspection methods and techniques. It will maintain a close working relationship with industry to ensure that regulators and manufacturers continue to work effectively together to combat the counterfeiters. It has developed an education programme targeted at all key stakeholders to raise awareness of counterfeit medicines and of what to do if such medicines are discovered or suspected. It will, of course, constantly keep the legislation and its operation under review.

[Jane Kennedy]

The hon. Gentleman raised concerns about the integrity of the UK wholesale supply chain and the procedures for gaining wholesale dealer licences. His concerns echo recent media interest in the issue. Let me put it in context. There are currently 1,600 wholesale dealers' licences, and a comprehensive system is in place to control those. Once granted a licence, wholesale dealers are subject to repeated inspections, both planned and unannounced. Nevertheless, the MHRA has examined its procedures and will introduce further safeguards to check the bona fides of named individuals on wholesalers' licenses.

The hon. Gentleman also referred to parallel importation as a possible source for counterfeit medicines, which has been drawn to my attention on several occasions. Currently, there is little evidence in the UK that the repackaging processes of parallel trade have been the route for introducing counterfeit medicines into the legitimate supply chain, but I have asked the MHRA to continue to monitor the situation and to take appropriate action if there is evidence that that is the case. If there is such evidence, I would be more than happy to see it.

Sale of medicines direct to the public presents a different challenge, especially given the global nature of the internet. It is certainly true that some websites offering medicines belong to unscrupulous vendors, some of which the hon. Gentleman described. Many of those vendors sell unlicensed and prescription-only medicines and some sell counterfeit drugs that are potentially harmful. That is particularly true of so-called lifestyle drugs, such as those to which he drew attention—medicines aimed at male impotence, slimming products or hair loss products. We are keen to ensure that the public make informed choices about their health, and they need to be aware that products purchased in that way cannot be guaranteed for safety, quality or efficacy.

I should say at this point that the bona fide internet pharmacies must be operated from pharmacy premises that are registered through the Royal Pharmaceutical Society of Great Britain. Consumers are always advised to consult the RPSGB online register before purchasing medicine via the internet. The MHRA will not hesitate in taking appropriate enforcement action over illegal supply over the internet. It is currently investigating 103 cases involving internet sales and has prosecuted 12 cases since 2000.

Mr. Walker: Does the Minister feel that there will be a role for Customs to be alert to the threat of medicines being imported into the UK once the order is made?

Jane Kennedy: My experience of such organised crime—there is no question but that, as the hon. Gentleman rightly points out, it is organised crime—is that the more co-ordination and sharing of information there is between law enforcement agencies and, in this case, the MHRA, the more effective the outcome will be. I take his point on board and will look to ensure that co-ordination is as good as it can be, including with Customs where necessary.

Given the uncontrolled nature of the internet, and the fact that many sites will be based abroad, as the hon. Gentleman described, a key aim is to ensure that the public understand the risks of buying medicines from such sites and are warned against them. The MHRA has an active campaign to educate the public on issues associated with the purchase of medicines on the internet. That includes regular information and advice, targeted to specific sectors of the population or in respect of specific products, and delivered through its website and the media to ensure that consumers can make fully informed decisions about their health.

As I said earlier, counterfeit medicine is a global issue and is of global concern. It is under active discussion in a range of international forums, particularly within the EU, the Council of Europe and the World Health Organisation. The MHRA takes an active part in all those discussions and, particularly during the recent UK presidency, has been leading the debate on an EU strategy to combat counterfeit medicines. It will continue to do that.

On a practical level, the MHRA liaises regularly with other regulatory and enforcement agencies at home and abroad to conduct joint investigations, to exchange expertise and experience and to share knowledge and intelligence. That will also continue. For example, the hon. Gentleman may be interested to hear that the MHRA is leading a Europe-wide Tamiflu counterfeit surveillance project, and he may be aware that the MHRA recently carried out a large seizure of suspect Tamiflu in London, confiscating some 6,800 packets of the medicine representing a retail value in excess of £1 million.

The MHRA is also co-ordinating a training programme to deliver training for European partners through the EU medicines enforcement officers network and the Council of Europe. We hope to extend such accredited training through the Permanent Forum on International Pharmaceutical Crime, which includes drug regulatory authorities from the EU, the United States, Australia, South Africa and Singapore.

It is clear that the problem of counterfeit medicines is of growing concern. If it grows unchecked and is not combated effectively, it may become an increasing threat to public health. We cannot afford to let that happen and I have asked the MHRA to continue to treat that as a priority and to keep me regularly informed on progress in its work in this area.

I am particularly pleased to have had the opportunity to report to the House in my response to the debate. I am grateful to the hon. Gentleman for allowing me to consider what he was going to say, so that I could respond as fully as possible. I hope that the House will be reassured that we take what he said seriously and are working hard to ensure that we combat that threat.

Question put and agreed to.

Adjourned accordingly at twenty-one minutes to Eight o'clock.

Westminster Hall

Tuesday 10 January 2006

[MRS. JOAN HUMBLE *in the Chair*]

NHS Dentistry

Motion made and Question proposed, That the sitting be now adjourned.—*[Mr. Watson.]*

Mrs. Joan Humble: I call Philip Hollobone to commence our first Westminster Hall debate in Room 10.

9.30 am

Mr. Philip Hollobone (Kettering) (Con): Thank you, Mrs. Humble, and a happy new year to you and other hon. Members. I thank Mr. Speaker for granting us permission to hold this important debate on NHS dentistry, the Minister for attending and those hon. Members who intend to contribute. I thank also Dr. Alisdair McKendrick, a local dentist in Kettering and the Northamptonshire representative of the British Dental Association, with whom I have had many discussions during recent months. I wish also to thank all the dentists in my constituency of Kettering who provide an extremely professional and enthusiastic service to many thousands of local residents.

There is a major crisis in NHS dentistry not only in Kettering, but throughout the country. That is a particular shame because in 2000, just over five years ago, the Prime Minister promised that everyone would have access to an NHS dentist within two years. I regret to say that that was all talk. Throughout the country, particularly in Kettering, fewer people are registered with an NHS dentist than was the case seven years ago. According to Government figures published in response to a parliamentary question that I tabled, since 2002, almost 7,000 local residents in the Kettering constituency have been thrown off the list of NHS dentists. Fewer people are registered with an NHS dentist in the constituency than at any time since the Government came to power.

Indeed, throughout the county of Northamptonshire, only 47 per cent. of local residents are registered with an NHS dentist.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the hon. Gentleman give way?

Mr. Hollobone: I will, after I have read out a letter from a constituent—one of the victims who has been thrown off the NHS list. Last September, Katherine Clay from Channing street, Kettering, wrote:

"Dear Mr Hollobone . . . I am writing to make you aware of the appalling situation where it is impossible to get an NHS Dentist.

I have been registered with my dentist for a while as an NHS patient and have kept up my regular appointments. This week I received a letter saying that I was now being removed from their list and if I still wanted to receive NHS treatment I would have to find another dentist."

Mrs. Clay goes on to say:

"As far as I was aware Britain has a National Health Service—that is a free, or subsidised medical service. Increasingly this is no longer the case. People are being forced into paying for medical insurance out of the fear of not being able to get treatment when they need it, or the frustration of having to wait for long periods of time, often in pain, for routine or vital operations.

I am a single person on a reasonable income but with having to pay a mortgage etc I find that I would be in a difficult position had I to pay a monthly premium for dental treatment that I would perhaps never need (and pay on top when I did actually visit the dentist)."

Sadly, Katherine Clay's experiences are all too typical in the Kettering constituency.

David Taylor: I am grateful to the hon. Gentleman for giving way. That was indeed a long extract from the letter of a constituent. In North-West Leicestershire and the county of Leicestershire, about half the people are not registered with NHS dentists, but Labour Members are fed up to the back teeth with being held responsible for all of what has happened in relation to NHS dentistry. In 1992, less than 10 per cent. of dentists' income came from private patients, but now more than 50 per cent. does, so the hon. Gentleman's party bears some responsibility. Yes, we are almost in our 10th year of government, but it takes time to train dentists and his party closed a number of courses.

Mr. Hollobone: I am grateful to the hon. Gentleman for that intervention. I do not know whether he heard my introductory remarks, but I quoted his own Prime Minister as pledging to the people of this nation that everyone would have access to an NHS dentist within two years. Three years on from the pledge, that is patently not the case.

Tony Baldry (Banbury) (Con): The previous intervention demonstrates the complacency of Labour Members, who are trying to shuffle the blame on to something that happened 10 years ago.

My hon. Friend said that nearly half the people in Northamptonshire have access to NHS dentists, but in Oxfordshire the situation is considerably worse. Only a third of NHS dentists—43 out of 121—are accepting new children on to the lists. Worse than that, many other dentists are accepting children who are entitled to free NHS dental care only if their parents join their list but pay to go privately. That is monstrous. Large numbers of our constituents can get NHS dental care for their children only if they themselves are obliged to pay a monthly private subscription. NHS dentistry, under this Government, is dead.

Mr. Hollobone: I am most grateful for that intervention, which is similar to the point that Dr. Alisdair McKendrick was making on BBC Radio Northampton this morning. Adults not being able to find an NHS dentist is distressing enough, but it is particularly distressing when children do not have access to the free dental care that all of us would want them to receive. Of course, most dental decay is preventable and especially so in young children. Sadly, under the current regime, thousands of children are not getting the dental service that they deserve.

The organisation *Which?*, which has done a lot of survey work on dentistry, published a survey in January 2005 that questioned 2,000 adults across Great

[Mr. Hollobone]

Britain. The findings are extremely interesting: nine out of 10 people believe that the Government should ensure NHS dental treatment for everyone whenever they need it; 55 per cent. of people who tried to register with an NHS dentist in the last two years said that they had found that difficult; two thirds of people think it is harder now to register with an NHS dentist for regular care and check-ups than five years ago; only 15 per cent. of people think that the Government are taking enough action to improve NHS dentistry provision; only 13 per cent. believe that the Government are giving enough funding to NHS dentistry; and 58 per cent. agree that dental care costs too much even when provided by the NHS.

David Taylor: The Chamber would benefit from a more complete quote from the *Which?* survey, which at least reported with approval that some action was being taken to improve access to dentistry: the recruitment of more dentists from overseas, expanding the number of training places for dentists and providing dental access centres. The report was not entirely doom and gloom, even a year ago, was it?

Mr. Hollobone: No, it is not all doom and gloom, but it is pretty gloomy out there. I would suggest that the hon. Gentleman might like to spend rather more time talking to thousands of his constituents who are suffering from a lack of access to NHS dental care. He and his colleagues ought to take the issue far more seriously than the interventions heretofore suggest.

There are two fundamental problems with NHS dentistry. The first is an appalling lack of Government investment. To be fair, that is not entirely down to this Government, as the trend has gone on for far too long, although it is accelerating under the current regime. According to the National Audit Office, since 1990–91, overall spending on the NHS has gone up by 75 per cent., but overall spending on NHS dentistry has gone up by just 9 per cent. I am afraid that we are beginning to see the result of that lack of investment, which is being accelerated under this Government.

The other problem is that the contracts offered by the Department of Health to dentists for working as NHS employees are not attractive enough to retain them. This is a question not just of remuneration, but of the work load with which dentists have to struggle and the amount of quality time they can offer their patients.

One of the big myths is that dentists' main motivation for staying in the private sector is that they can earn more. That is certainly not the motivation for dentists in Kettering who leave the NHS. They are leaving because the new contracts offered to them do not reward them for the work, and the quality of work, that they want to offer their patients. I am afraid that as a result, despite the pledges, an important part of the health service is being privatised. There is no getting away from that.

The Government need to consider different ways to encourage the establishment of new dental practices. A gentleman from my constituency has approached me with a very innovative scheme to set up a new dental practice in Kettering, but because he is not a dentist he is finding it very difficult to get the appropriate funding and permission.

Philip Davies (Shipley) (Con): I am incredibly grateful to my hon. Friend, who is being generous in giving way. He is summing up the problems of NHS dentistry in an articulate and expert manner.

The point that my hon. Friend has just made is perfectly good. In Shipley, I have the same problem. Mr. Bostock, a local man, wants to set up an NHS dental practice and import dentists from other countries to run it, yet is unable to do so because he is not a dentist. He does not want to put his equipment into people's mouths—he is happy to employ experts to do that—but he is prevented from setting up the practice because he is not a dentist. Surely that anomaly should be addressed immediately. I have written to the Government about the issue, which provides a perfect example of what could be done quickly to help resolve the crisis in NHS dentistry.

Mr. Hollobone: I am grateful for my hon. Friend's intervention and distressed to learn that his constituent in Shipley is suffering from the same problems as my constituent in Kettering. I urge the Government and the Minister to give us some hope that the regulations on establishing new dental practices will be changed forthwith.

John Bercow (Buckingham) (Con): I can tell my hon. Friend that his concern about the prospects of retaining skilled dentists in the national health service will resonate with large numbers of professionals in constituencies urban and rural across the country.

I am a relatively near neighbour of my hon. Friend, and in my constituency a prominent and respected dentist, Lynda Raybould, is anxious that the combination of the rigidities of the new contract, the work load envisaged and the remuneration promised will cumulatively cause her to have to reconsider her position as an NHS dentist unless the Government, at the 59th minute after the eleventh hour, are humble and wise enough to think again.

Mr. Hollobone: I am most grateful for that illuminating intervention, although I am sorry to learn of the experiences of my hon. Friend's constituent. He will realise that, under this Government, that situation, sadly, is all too typical for many of our local hard-working dentists, who want to work for the NHS, but find that the contracts offered by the Government are simply not attractive enough.

In highlighting the problem of the lack of NHS dentists in Kettering, I urge the Minister to look favourably on proposals for a new dental school in the Leicestershire-Northamptonshire area and on the bid made by the university of Leicester and the local strategic health authority, which are keen to set up a new facility for training dentists in the local area. I believe that a decision on that is due this month. One never knows; perhaps the Minister will give us some good news today.

Mr. Russell Brown (Dumfries and Galloway) (Lab): I apologise for arriving late, Mrs. Humble. The hon. Gentleman makes a plea for another dental school to be opened. Is he saying that a mistake was made under the Conservative Government when dental schools across the country were closed?

Mr. Hollobone: I am simply trying to hold the Government to account for the pledge that they made five years ago to ensure that everyone has access to an NHS dentist—a pledge that remains unfulfilled three years on from the target date.

A new dental school in the Leicestershire and Northamptonshire area would go a long way to relieving the local NHS dental crisis. Under the proposals, up to 80 students a year would go to the new dental school. Four oral health academies would be established, two of which would be in Northamptonshire, and each one would treat up to 10,000 patients. In view of the crisis in dentistry in Northamptonshire, I hope that the Government will look favourably on that bid.

I stress that unless urgent measures are taken to support new dental schools and new NHS dental practices in Northamptonshire, the problem will get far worse. That is because, under the Office of the Deputy Prime Minister's housing expansion scheme for Kettering and Northamptonshire, there will be a growth in local population of between 30 and 50 per cent. by 2031. I do not claim to be an expert in mathematics, but if the population numbers go up by between 30 and 50 per cent., we will need at least 30 to 50 per cent. more dentists. Under the proposed contract arrangements, that simply will not happen in Kettering or Northamptonshire.

Finally, I make a plea to Health Ministers to visit Kettering to talk to local dentists' patients, dentists and the primary care trust about the dental crisis there. I invited the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton), to Kettering, and she wrote back:

"Unfortunately, because of my diary commitments, I will not be able to accept your invitation to visit Kettering to discuss these issues further."

That was at the end of September. I have since learned that she will indeed come to Kettering on another matter on 7 March. I very much hope that she can spare us an hour of her valuable time to talk about the extent of this real problem in Kettering. My hon. Friend the Member for Wellingborough (Mr. Bone) and I also wrote to her asking to talk to her about dentists and other health service issues in Kettering and Wellingborough. A meeting was set up for 15 December, but was cancelled with three days' notice.

People in Kettering want the Government to take their concerns about the NHS seriously. Today's debate is an opportunity for the Government to show that they are listening to what local people have to say. I look forward to the Minister providing reassurance that he understands the scale of the problem in Kettering, and I hope that he will give concrete answers that provide the solutions that local people want.

9.49 am

Mr. David Drew (Stroud) (Lab/Co-op): I am delighted to be here at the start of the new year, and happy new year to you, Mrs. Humble. I am not sure whether this Chamber will change the nature of these debates, but I fear that we have started with a slightly more adversarial issue.

I should tell the hon. Member for Kettering (Mr. Hollobone) that I share many of his worries. We Labour Members are not complacent about the issue. I wrote to a dentist in my constituency yesterday, and this is probably the most difficult issue that I face there. I am largely an optimist, and always try to look at the best side of things, but in my eight years as MP for Stroud, the most difficult meeting that I have had was with my dentists in the town of Stroud. However, that does not necessarily reflect the situation in the whole constituency. In that meeting, I was completely disabused of what I went into the meeting thinking would come out of it—that is, reaffirmation of a belief in NHS dentistry. Most of those dentists had gone private, some entirely so, and they made things clear to me.

I welcome the Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne), and I will be gentle with him because this matter is not part of his brief. I have already raised it with the Minister of State, Department of Health, my hon. Friend the Member for Doncaster, Central (Ms Winterton). Those dentists made it clear that they did not really see any future in NHS dentistry, certainly not NHS dentistry as I take it to be. The meeting took place two years ago, at the start of the negotiations on the new contract, and the dentists saw the negotiations as setting a benchmark in relation to which they would improve their conditions. I got depressed as a result of that meeting. It is always a delight to see the hon. Member for Mole Valley (Sir Paul Beresford), and no doubt he will give us his view as a practitioner.

I will give an overview of my area. I live in a constituency that could be parodied as including this country's Berlin wall, in that it is divided. In the south of my constituency, most dentists are NHS. They believe in NHS dentistry and want to stay in the NHS. Those in the north, who are mainly based in and around the town of Stroud, have gone private. I do not know how we can bring them back. I have to hope that the new contract will assist with that, but there are difficult times ahead.

One of my dentists, Mr. Richard Gwyer, wrote to me and raised an issue, which I will raise in a series of questions to my hon. Friend the Under-Secretary, concerning the three new bands and what my constituent sees as a tax, although I do not see it that way. He thinks that there is an inflation of charges—a dramatic inflation of some charges. There has been a conflation of the different charges in this system, which I do not think anyone, including dentists, can understand because there are so many. Charges for some operations that dentists undertake will go up and some will go down, but some increases will be dramatic.

The other thing that utterly depressed me was the way that some dentists used the threat of deregistering children as an inducement to the parents to stay with them and to sign up to their particular private plan, whether it be Denplan or something else. I do not think that that approach is acceptable. One of the depressing

[Mr. David Drew]

things about the issue is that it involves people who were trained and paid for by the NHS, because in those days there were no tuition fees. Such people have an obligation to the NHS.

One thing that I would lay down—this has not yet been formally proposed—is that anyone who goes through dental school as a UK citizen should have an obligation, whether in the form of a contract or not, to do a number of years for the NHS come what may. That should be laid down to recoup some of the substantial investment that is made in training dentists. I hope that the Government take the issue forward.

Sir Paul Beresford (Mole Valley) (Con): If the hon. Gentleman wants a brain drain and an exodus of dentists, following his suggestion is the way to do it.

Mr. Drew: We always have the threat of people going, but perhaps the hon. Gentleman is a good example of people who come here from different parts of the world. The reality is that something must be given back, at least in the early days of the training. For that, I would commute fees and give substantial help during the training period, so there would be some inducement. There is an obligation on people who work within the state to pay something back to it.

As one who takes a keen interest in this matter, I am somewhat confused as to where the contractual negotiations have got to. I have some sympathy with Health Ministers, inasmuch as I do not know where the British Dental Association has got to. Having welcomed the proposals initially, it has become increasingly critical of them. There do not seem to be any face-to-face negotiations at the moment, although those are vital. I agree with the hon. Member for Kettering that this crisis cannot be resolved only by inducement or by Government heavy-handedness.

We went along the inducement line with regard to GP contracts. Anyone who knows anything about the financial problems faced by primary care trusts knows that a lot of them have to do with how we have bought out GPs—lock, stock and barrel—who are doing incredibly well out of the new contractual arrangements. I put my hands up and say that perhaps it had to be that way, because the same threat of people leaving the NHS would have been advanced if we had not been very generous, but we have been more than very generous. My friends who are GPs are telling me, somewhat guardedly, that they have done well out of those arrangements. We must be careful not to make some of the same mistakes.

Mr. Graham Stuart (Beverley and Holderness) (Con): Does the hon. Gentleman agree that the GP contract has been a failure because of the massive cost? The contract has been overly generous and helps explain how the Government have managed to increase NHS expenditure enormously, yet deliver no more for it. Does he not think that that has also happened with GPs?

Mr. Drew: Expenditure on GPs is relatively small, compared with the overall NHS budget, but I have some sympathy with what the hon. Gentleman says. Learning from history and hindsight, the changes could have been made differently.

The problem is that GPs look at people such as dentists: the hon. Gentleman is right—this is not just about money, it is about the quality of life—but those two things go together. If people get more money, they can to some extent determine their quality of life and quality of working patterns much more easily. I am afraid that GPs have considered dentists and there was, among some, a view that there was life outside the NHS.

I shall return to my questions, although I do not want to speak for long because other hon. Members want to contribute to this important debate. It would be helpful if the Department ran a briefing session on charges with MPs—or at least made it clear what the three bands consist of—and justified the enormous operation inflation, where that has happened. Dentists raised with me the additional costs of dentures, which seem to have led to a dramatic increase. Likewise, it would be helpful if the Department gave some proof of which charges have decreased, given that the overall sum involved seems to have been reduced.

There is also the issue of those who have taken part in personal dental services contracts. There does not seem to have been a seamless move from the old contract to the new. We are changing the nature of the contract in respect of units of dental activity, but if we are to gain anything from the dental service contracts, we need to recognise those loyal servants of the NHS in dentistry, who have worked hard.

I name, among others, Steve Clarke, who runs a big practice in Dursley in my constituency and who has made clear his commitment not just to stay in the NHS, but to train new NHS dentists. He wants to build his practice and see NHS dentistry flourish there. The question is, how is someone who has been on a professional dental service contract, worked through with the PCT, to do that? I also need to mention Chris Morton, the operative in the PCT with whom I have had a lot of dealings. I am thankful to the Minister of State, because we got an additional dentist into the practice through the work of Chris Morton, but I am not sure how PDS translates into the new contract.

There is also the issue of list sizes, which relates to one of the sticking points in getting some help for my dentist, David Rees. There was a problem with how the Department defines list sizes. With the best will in the world, particularly if someone joins a new practice from abroad, the idea that a dentist can immediately step up to some of these numbers is not necessarily a good one. I know that there is a notion that dentists can have a list of about 2,000, but the Department was somewhat unrealistic in considering how quickly a dentist, particularly one from abroad, could take on the numbers necessary to make the figures balance.

I hope that my hon. Friend the Under-Secretary will take up those issues, although, as I said, this is not his brief. The issue is crucial, however, and I hope that all sides will work together. I hope that the BDA comes back to the negotiating table and, in a sense, becomes more representative of dentists. I am having a go not at the BDA, but at what has happened to dentistry. Dentistry has moved away from being represented by a collective body because many dentists have chosen to go along the private route. I want them back in the NHS.

Dentistry is part of the NHS. Dentists have always had some private aspects to their work—even people who work almost exclusively for the NHS have done

some private work—but, in the main, dentistry should be an NHS provision and it should be carried out by NHS providers.

Several hon. Members *rose—*

Mrs. Joan Humble (in the Chair): Order. Several Members wish to be called. We have about half an hour before I want to call the Front-Bench spokespersons. May I make a plea to Members to keep contributions short? That will enable me to call as many Members as wish to speak.

10.2 am

Mr. Peter Bone (Wellingborough) (Con): Thank you, Mrs. Humble. It is a pleasure to follow the hon. Member for Stroud (Mr. Drew), who made some important points. I am thinking particularly of his questions, especially those relating to charges, which I will touch on later. I congratulate my hon. Friend the Member for Kettering (Mr. Hollobone) on securing the debate. As usual, his diligence and hard work shone through in his comments. Yet again, he is campaigning on an issue that is vital to his constituency.

As a fellow Northamptonshire Member of Parliament, I recognise and agree with the points that my hon. Friend made. NHS dentistry has reached crisis point. That is never more apparent than in my constituency. If my constituents want an NHS dentist, they have to travel outside the county, to Bedfordshire. In effect, dentistry in Wellingborough has been privatised.

Rushden is one of the major towns in my constituency, and 20 years ago there were eight dentists serving the town and surrounding villages. Now there is only one NHS dentist. In that particular dental surgery, there used to be four practising NHS dentists, with more than 10,000 NHS patients. Now there is only one, and his practice is full to capacity with 4,000 NHS patients. He is not taking on any new NHS patients. How can that be called progress? Yesterday, I did a survey of dental practices in my constituency. Of the 11 contacted, how many do Members think are taking on new NHS patients? None.

What is to blame for the privatisation of dentistry? In my constituency, and countrywide, it is not the dentists themselves. Dentists who have practised under the NHS find themselves drowned in bureaucracy and red tape. One dentist I spoke to told me that he felt more like an administrator than a practising dentist. Is that any wonder when we look at the long-winded, bureaucratic contract that NHS dentists have to sign up to and abide by? NHS dentists are frustrated that they are forced to use outdated equipment and techniques on NHS patients. I repeat that, in Wellingborough, dentistry has effectively been privatised. That has happened for a reason. The Government are unable to trust people. They are unable to trust trained professionals, who are hindered in carrying out the jobs that they know so well by being drowned in bureaucracy and central control.

The Government's need to micro-manage and control everything has led to that crisis in NHS dentistry. Their control and state planning have more in common with Stalin's Russia than a democratic, free-enterprise country in the 21st century. *[Laughter.]* Labour Members may laugh, but it is true.

From April 2006, the Government shall give primary care trusts a ring-fenced dentistry budget that represents the intended minimum investment in primary dental care services. That minimum investment will be subject to Government conditions on how the money can be spent; it will not be left to the professionals to decide. The Government show all the worst aspects of state planning. They give to dentistry the least amount that they think they can get away with, and then decide that they must know every single detail about how the money will be spent. The Government's need to know everything, without trusting the professionals, has led to the privatisation of dentistry in Wellingborough.

Susan Kramer (Richmond Park) (LD): Is the hon. Gentleman aware that in my constituency, providers of highly specialised dental services, particularly orthodontic services, face exactly the problem that he describes? Budget pressures will squeeze them out of providing the range of services that people have historically expected. The providers' issues were neglected during the recent discussions with the Government on NHS dental provision.

Mr. Bone: I appreciate that intervention; it represents exactly what I have found in my constituency.

I am concerned that the people who are hit worst by the change are those on low incomes. Hard-working families who have paid their taxes and national insurance find that they are unable to receive NHS dental treatment. They have to find the money for private treatment or go without.

Many dentists require families to take out dental insurance, and an average family has to pay about £60 a month. The money has to come out of taxed income. For better-off families, that is an irritation and yet another stealth tax, but for those on low incomes, of whom there are many in my constituency, an additional £60 out of taxed income is a colossal cost and it causes real hardship. I am afraid that this is just another example of new Labour's agenda: its stealth taxes hit the poorest and most vulnerable in the community the hardest, which is a disgrace. It probably would not have happened under old Labour, and it certainly would not have happened under the Conservatives.

The situation is about to get much, much worse, not only for those who are unable to get an NHS dentist, but for existing NHS patients, as the hon. Member for Stroud mentioned. From April, NHS patients who pay £6.20 for a filling will have to pay £42.40 for the same filling. The cost, which comes from my local dentist, is seven times more expensive than at present, or, if one likes, a 684 per cent. increase. I hope the Minister tells me that my dentist has got it wrong, but somehow I doubt it. That is even more expensive than having the filling done privately. If that is not privatisation on a huge scale, I do not know what is.

I have another example. The cost of a partial denture will go up from £49 to £189—a 382 per cent. increase. That is unacceptable and it defies belief, yet the situation is set to get much worse. For many people, going to a dentist will become a luxury, not a necessity. The vulnerable, disadvantaged and those on low incomes

[Mr. Bone]

will suffer the most under the new system. Owing to the Government's obsessive need to micro-manage NHS dentistry, the service is practically non-existent in my constituency.

I have come to the conclusion that the only way to rectify the situation is to have a Conservative Government. The Conservatives ran NHS dentistry for many years while in government, and my constituents never had a problem finding an NHS dentist. This Government have destroyed NHS dentistry in Wellingborough, which has hit vulnerable families the most. They should be ashamed of themselves. They should admit their mistakes, scrap the new dental contract and go back to providing proper NHS dentistry for the people of Wellingborough and the people of this country.

10.10 am

Paul Rowen (Rochdale) (LD): I thank the hon. Member for Kettering (Mr. Hollobone) for raising this issue. It is important and, as several other hon. Members have said, NHS dentistry is certainly in crisis. While NHS issues have come and gone under this Government, the problems of dentistry have got worse. I fear that despite the new contracts—I hope the Minister will give us some assurance on those—things will not get any better.

The issue of expenditure has been raised. NHS dentistry accounts for only 3 per cent. of the NHS bill and its cost has risen a lot less in real terms than that of other areas of the health service. Unless the Government are prepared to offer commitment to and investment in NHS dentistry, there will continue to be a drift away from the NHS to privatisation. That is shown clearly in my constituency, where 58 per cent. of the population were registered with an NHS dentist in 1997. In March last year, the figure had fallen to 38 per cent. During the last-but-one Health questions, I asked whether the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton), considered that progress. She admitted that it was not good progress. I wrote to her requesting a meeting, but have yet to receive an answer.

The situation is getting worse. This year, not in Rochdale, but in Langley in the constituency of Heywood and Middleton, and in the Radcliffe area of the Bury, North constituency, my constituents queued from 4 am to get on a registered list. That is not acceptable; it is completely deplorable. The body blow came over Christmas when the Balderstone practice, the last remaining NHS-only dentist in Rochdale, announced that it will withdraw completely from NHS dentistry from 1 April—the same day that the Government's newfangled contract starts. Every one of those four dentists' patients received a letter over Christmas informing them that they must look elsewhere.

I shall quote from one of the dentists at that practice because, as the hon. Member for Stroud (Mr. Drew) pointed out, whatever the Government have said—they keep going on about what the new contract will do—the message is not getting to dentists, and more and more of them are voting with their feet.

Susan Kramer: To reinforce my hon. Friend's point, in my constituency of Richmond Park, one of the longest-standing and largest NHS practices, the Garden dental centre in Kew, announced in November that it would go private and no longer do NHS work. We have worked with local constituents to find an alternative NHS dentist, but we have yet to record a single success in finding them an opportunity to register with a new NHS dentist. This is a withdrawal of services, not even a shift from one dentist to another.

Paul Rowen: I agree—not one dentist in my constituency has opened its list for NHS patients. The dentist at the Balderstone surgery, John Booth, who has been a dentist for 14 years, said that

"it has got to the point where we are having to see up to 50 patients each a day. We're just herding them through."

I accept that that happened under the old contract, but, importantly, this is what he says about the new contract:

"The new contract does focus on prevention which means spending more time with patients but more talking means less work".

The subtext to that is less money, for which nobody will vote.

The Minister says that for two years the amount of money that dentists get will remain the same, but that will not solve the problem, nor will it bring more dentists into the system. My local PCT told me that another eight dentists are needed in my constituency, but we are not getting them. Unless the Government can do something to bring dentists into the system, things will go from bad to worse.

I would like the Minister to consider three issues, and I am surprised that new Labour is not considering the first. It seems that there can be privatisation everywhere else in the NHS. My mother, a 73-year-old pensioner, no longer has a dentist, and many people do not see a dentist regularly. Why cannot the Government, on a short-term basis, buy in the services of some private dentists to cope with the problem?

The amount of money under the new contracts was announced before Christmas, and, as the regulations have been prayed against, we shall be discussing the figures. I am concerned about whether the money allocated will be historical and whether it will do something to address areas such as Rochdale and Wigan, which the Minister has admitted are black spots for dental provision. Will more money be allocated to those areas to ensure that local PCTs can provide more dentists?

In July last year, the Greater Manchester strategic health authority stopped allowing new personal dental services contracts, which meant that three dentists in my constituency who wanted to open a practice were not able to do so. I want assurances from the Minister that there will be not just this contract, but long-term investment in dentistry and, as the hon. Member for Stroud said, real commitment to NHS dentistry. If the Government will not provide that, they may as well admit to doing what the Conservatives would do anyway and privatise things. *[Interruption.]* I am sorry, but the Conservatives' record is not one that I can condone.

If the Government believe in NHS dentistry, there must be commitment. Yes, we had a promise from the Prime Minister in September 1999, but it is yet to be

delivered. In my book, two years—from 1999 to now—represents an awfully long time on the new Labour clock.

10.17 am

Mr. Russell Brown (Dumfries and Galloway) (Lab): I apologise again to colleagues for arriving late. I shall be brief. I thank the hon. Member for Kettering (Mr. Hollobone) for securing this debate. We all look back to the good old days of dentistry, but dentistry has moved on. I have heard the hon. Member for Mole Valley (Sir Paul Beresford) refer to that. Cosmetic dentistry is only one additional aspect of dentistry, which has gone way beyond the drill-and-fill and extractions of the past.

As colleagues are aware, dentistry, like all other NHS matters, is devolved in Scotland, and as far as I am concerned this issue rests with the Scottish Parliament, but it is just as well to share with hon. Members exactly what is happening north of the border. I take no consolation from the fact that my area is the second worst in this respect in the whole of Scotland. Only Aberdeenshire fares worse than Dumfries and Galloway.

It is right to say that not all dentists are the same. People's hearts lie in different areas, and some people still work hard within the NHS. I have never been one who has advocated that the NHS system that we have all grown to love over many years is in any shape or form right for today. In each of the last three weeks before the general election, a dental practice in my constituency went private, and I had to ask whether something political was going on. The Scottish Parliament's Minister with responsibility for dentistry was to visit a dental practice on the Tuesday. On the Saturday morning, the patients of that dental practice received a letter stating that a new, exciting and innovative service was being introduced for them.

Many people whose dental practices have gone private have received such a letter. This was a long letter containing complaints about everything that was wrong. There were complaints about Governments—not just this Government—and at the end of the letter the patients were informed that if they wanted to sign up to the new service that the practice would be running, they should bring their bank details with them.

This is all about the laws of economics—about supply and demand. Some people have seized upon that. I have been condemned in my local press by certain individuals for calling dentists greedy, but I stand by those comments as some dentists have become too greedy. If we were to ask some retired dentists about what is going on across the country, they would shudder. They would never have carried out their business—we must keep it in mind that these are private businesses—in such a manner. People are being turned on to the street and asked to queue.

Mr. Graham Stuart: Is it not typical of this Government that, having made unequivocal promises to the British people on NHS dentistry, they turn around and try to blame independent contractors—dentists? To call dentists greedy is nothing short of a disgrace. They are dedicated professionals, and it is up to the Government to meet their promises by providing a framework that encourages those professionals to do what they all train to do. They are all committed to helping the people of this country.

Mr. Brown: I am not sure whether I was right to take that intervention, but I will back up my claim about greed to the hon. Gentleman. It is only of late—and with some reluctance, I think—that the British Dental Association has condemned the practice of some dentists of turning people out on to the street and asking them to queue for hours to sign up.

I appreciate that this is not part of the Minister's brief, but I am not convinced that the new NHS dental contract will provide solutions to the problems that we face. Dumfries and Galloway health board has turned to an organisation called Integrated Dental Holdings to provide NHS dentists for the area I represent, albeit those dentists will come from overseas. The board turned to IDH because it has operated in Shropshire for the past seven or eight years. In seeking information on IDH, I turned to two of the four Conservative Members whose constituencies are served by Shropshire county primary care trust. They told me that they had a problem in 1997, and the hon. Member for North Shropshire (Mr. Paterson) said that he got a significant haranguing in the run-up to the general election of that year. IDH came along and provided a service that meets the needs of the people of the area, and I hope that it will provide answers to some problems that my area faces.

The hon. Member for Rochdale (Paul Rowen) asked why the Government do not buy into what is happening. Dumfries and Galloway health board approached some dental practices that have gone private, and it would take a king's ransom to get any of them to do any NHS work. The cost would be exorbitant in the extreme—almost a waste of money in trying to get them back on board.

I use the word "greed" because this matter boils down to the fact that different dental practices in different parts of the country operate different payment systems. I have spoken to colleagues in the House. Some said, "You [illegible]am with a private dental practice, and I pay for my treatment when I receive it." Others are signed up to a dental plan, which they pay for monthly. They do not have to pay for treatment when they receive it. However, I have to tell you, Mrs. Humble, that in my area the vast majority of dentists ask people to make a monthly payment of between £12 and £22, and they are then asked to pay for their dental treatment on top.

I ask the Minister to consider a simple calculation: if a dental practice asks people to pay £12 a month and takes on 1,000 patients, that equates to more than £140,000 a year. Even if the best part of a third of that is offset, that dentist will receive £100,000 per annum on top of what he earns. That is why I have made my point.

I am not convinced that any NHS dental contract will bring those people back into the fold. Regrettably, the answer comes back to the law of supply and demand. Flooding areas with dentists—albeit, I suspect, most will come from overseas—is the only way in which dentists will suffer pain. I discovered from Shropshire primary care trust that private dentists were not happy when IDH arrived on the scene. I suspect, and to some degree hope, that the same will happen when IDH arrives in my area.

10.26 am

Mr. Nick Hurd (Ruislip-Northwood) (Con): I respect your desire for brevity, Mrs. Humble.

Last Friday, all three Members of Parliament who represent the London borough of Hillingdon met members of the local dental community and the message could not have been clearer: in the words of the chairman of the local dental committee, the contract as it stands is a disaster. Many of the themes will be all too familiar to the Minister, and I am sure that they will be elaborated on in Front-Bench exchanges.

I would like to focus on three issues that particularly concern local dentists. The first is chronic underfunding of dentistry; the second, to pick up the comments made by the hon. Member for Stroud (Mr. Drew), is the ability of the local primary care trust to handle new responsibilities; and the third, to pick up the comments made by the hon. Member for Richmond Park (Susan Kramer), is the future of orthodontics.

On funding, a 46-year-old dentist made the point that his fee for fitting a crown on a posterior tooth was higher when he qualified than it is now. The point was also made that there is no London weighting in the contract. I would be grateful if the Minister explained whether consideration was given to London weighting and the reason for the apparent dismissal of that option.

Another major concern over funding is the loss of the ability to charge for failed appointments. I have read the Minister's response on that and have not been convinced. If payment is to continue on the basis of payment for units of dental activity and if dentists do not have the opportunity to deliver a UDA because a patient does not turn up, dentists lose UDA points and income through no fault of their own.

I note the Minister's willingness to review the situation in the event of what is described as a sudden and dramatic change in the pattern of appointments and cancellations. It would be helpful to have some clearer parameters of what constitutes sudden and dramatic change.

The second area of major concern in Hillingdon lies in the PCT's ability to manage the change. That concern is reinforced by the PCT's announcement in August that no new orthodontic referrals to Hillingdon hospital would be paid for. The background of that decision—if that is what it is—is the severe financial difficulties of the PCT. It is not alone in that and is wrestling with a £31 million deficit. Cuts are the order of the day, and orthodontic referrals come first because they are deemed to be low priority and are lumped together with treatments such as homeopathy.

There was no consultation on the announcement, nor any apparent effort to understand the true nature of such referrals. Around 250 people are involved and we are not talking about cosmetic orthodontics. They are referred to Victor Crow because he does work that no one else in Hillingdon can do. I have seen pictures of the burdens that his patients must carry around and they are horrific, involving terrible facial deformities, clefts and so on. The message to those patients from Hillingdon PCT and the system it fronts seems to be to put up or pay up. That could be an irreversible decision if Hillingdon hospital responds to the drop in funding by closing a department that is recognised as doing unique and excellent work in the area. When it has gone, it is unlikely that we will get it back.

What is the saving to justify that loss of service? An estimated net £40,000 a year. That is false economics in the context of a £31 million deficit. This is not a local, parochial point. Hillingdon MPs have received representations from outside Hillingdon expressing concern that this is setting an alarming precedent for cash-strapped PCTs throughout the system, thereby doing irreversible damage to the future of orthodontics in this country. I urge the Minister to make inquiries about that initiative to ensure that any decision is fully informed, supported by cost-benefit analysis and taken with due regard to statutory procedure.

The wider point is that the initiative by Hillingdon PCT reinforces concerns about the ability of the PCT to handle new dental responses in just three or four months from now. If it can make such a mess over the £80,000 for which it is responsible today, what will it do with £10 million and what will happen to that money once the three-year ring fence is over? Just three or four months away from implementing new contracts, the leadership of the PCT is distracted by financial problems and has a short-term outlook, governed by uncertainty as to its own future. It appears not to have taken steps to access the expert advice needed to help it to shoulder that responsibility.

For my constituents who rely on NHS dentistry, the implication is bleak. The problem here is that the discontent is not the voice of Government employees. Dentists are independent agents over whom Government have few levers in a market with so much private provision. In truth, they will continue to migrate from the NHS. National statistics bear that out—dentists are leaving the NHS in roughly the same numbers as the Government are recruiting them. We are running very hard to stand still, but for me the local evidence is building.

The chairman of the Hillingdon local dental committee recently took a straw poll of 10 surgeons in my constituency who provide NHS care for patients. Seven of the 10 stated that, as of 1 April, they would be withdrawing from the NHS, leaving just three surgeries to cope with all the pressure from the PCT. How long before those three are also forced to go private? I expect the voice of my constituents to be raised then, asking exactly what the Government meant in saying that they were

"firmly committed to making high quality NHS dentistry available to all who want it by September 2001".

In commenting on the reform, Dr. Lester Ellman, chairman of the BDA general dental practice committee, said:

"This is the Government's last chance to get this right: there will be no second chance for NHS dentistry."

Based on the evidence that I see in Hillingdon, the Government are getting it wrong.

10.32 am

Julia Goldsworthy (Falmouth and Camborne) (LD): I shall try to keep my remarks as brief as possible. I, too, congratulate the hon. Member for Kettering (Mr. Hollobone) on securing the debate.

The vast majority of people here concede that NHS dentistry is in crisis and that the beginning of that story happened under the Conservatives, with the closure of two dental schools and the creation of the drill-and-fill

treadmill. Yet, after eight years under a Labour Government, while there is some acceptance of a crisis—there have been plenty of strategy documents and reviews—there has been no significant or even discernible change in the percentage of the population registered with an NHS dentist, nor any change in emphasis toward more preventive dental health care.

We have heard about the Prime Minister's 1999 promise—anyone wanting to see an NHS dentist would be able to do so within two years, simply by calling NHS Direct. I tried to do that recently, to see whether the claim stood up in 2005. The information I was given was inaccurate; only one dentist was available to accept new NHS patients on his list. When I called to see whether I could make an appointment, I was told that the wait would be several months at least, or, possibly, as long as a piece of string. The practice did not really know. Even if I had emergency requirements, I would have to be triaged on the phone to see whether they really constituted an emergency.

The latest answers to parliamentary questions show that only 36 per cent. of practices are taking on any new patients. Despite celebrating the success of recruiting an extra 1,000 new dentists in the last year, the feedback I have had from those on the ground has been different. Cornwall has taken many overseas dentists to try to fill an acute shortage down there, but more than one practice has contacted me to say that it will have to lose them in the future.

Again, parliamentary questions show that 10,000 dentists have left the NHS since Labour came to government. That takes no account of the number of dentists who have scaled back their NHS work. I have spoken to a dentist in my constituency who was on the NHS books. He has two NHS patients—his wife and his daughter. The Government do not measure dentists by full-time equivalents, so we have no real idea how dentists who do NHS work split their time between that and private work.

We know that the shortfall could exceed 6,500 dentists by 2021, so even with the 1,000 extra dentists we are not, as the hon. Member for Ruislip-Northwood (Mr. Hurd) said, even running to stand still.

An extra dentistry school would have some impact, but only over a long period, given the time it takes to train dentists, and only if the Government could employ the necessary academic staff and convince graduates to take on NHS work. As we have heard from many hon. Members, there is massive unmet demand. If that is combined with the projected fall in the number of dentists, we can see that the problem will only get worse. Clearly, dramatic change is needed if there is to be any serious attempt to meet this unmet demand. Training more dentists is not enough. Existing dentists must be attracted back to the NHS, although it is not clear that the new contracts will do that.

The new personal dental services contract will dramatically change how dentistry is structured. It will mean a shift towards units of dental activity, rather than a per item fee, but every dentist to whom I have spoken is concerned that it will result in a replacement treadmill. It will mean a move away from drill and fill, but it certainly will not be an end to treadmill dentistry.

The other concern voiced about the scheme is that, within units of dental activity, insufficient allocation is given to preventive work. Where is the shift towards preventive oral care that is talked about? Like other hon. Members who have contributed, I have spoken to a practice manager. The practice has 6,000 NHS patients on its books. The manager is desperately trying to negotiate a system under which the practice can keep all those people on its books as NHS patients, but it is facing up to the reality that not every single one of them will be able to seek treatment from that practice under the NHS.

All dentists in Cornwall have been surveyed, and 75 per cent. of those who responded plan to scale back their NHS work as a result of the new contract. If just a small proportion of those dentists go ahead with that threat, there will be a massive impact in an area where access to NHS dentistry is already very low. One dentist commented that the new contract is the best advert for Denplan he has ever seen.

The problem is that we do not know what impact the contractual changes will have, because the system is untested. Under the PDS pilot, some elements were tested, but huge aspects have not been piloted at all, including the patient charging structure. The problem is the impact that the charging structure could have not only on dentists' behaviour, but on patient behaviour.

Band 1, which is a check-up and preventive treatment, will effectively mean an increase in the price of a check-up. How will it encourage people to go for regular check-ups if it costs them more? Surely the incentive will be for them to store up their problems and wait until they need not one filling, but four or five, or until there is an emergency, when they can have those fillings for a much lower price. The higher band will undoubtedly save money for the people seeking the most expensive treatments, but as Lord Warner said:

"Around 42 per cent of patients fall into Band 2. We expect three-quarters of these patients to pay more than previously".—[*Official Report, House of Lords*, 15 December 2005; Vol. 676, c.1488.]

How will the Government ensure that patients understand the new pricing structure, which comes into force in April? The negations have only now been finalised, and the matter was debated in Parliament before Christmas. How will the Government ensure that patients seeking treatment from 1 April understand what is going on? Those are fundamental questions that are yet to be resolved.

To conclude—I am keeping my remarks as brief as possible—there are lots of unknowns as to what will be put in place in April. We do not know what impact the changes will have on patient and dentist behaviour. The chief concern is that they could result in a negative impact on the oral health of our nation. Regular, preventive work is most important; this is not just about toothache and cavities.

To give a brief example, a friend of a friend—a nightclub singer—found out, at a regular check-up with her dentist, that she had the early stages of mouth cancer. That routine check-up, and going to the dentist regularly, saved her life. Incidentally, if smoking in all workplaces were banned, that might help to prevent such cancer, but perhaps that is a matter for another debate.

People will go for regular check-ups only if they understand how the new system works, if they think it cost-effective and affordable, and if they can find a

[Julia Goldsworthy]

dentist who is still in the NHS system. At least Scotland, where check-ups are free, has gone some way towards trying to resolve some of the issues. I am concerned that, unfortunately, those issues look likely to remain unresolved in England and Wales.

10.40 am

Mr. Stephen O'Brien (Eddisbury) (Con): It is a pleasure to take part for the first time in a debate chaired by you, Mrs. Humble.

I add my voice to the tributes to my hon. Friend the Member for Kettering (Mr. Hollobone). He rightly said that he was not only speaking for his constituents, which he did very effectively, but that right across the country people are having the same experiences. He highlighted most cogently the real human anxiety and suffering, direct responsibility for which he rightly laid at the Government's door.

The level of attendance in the Chamber today is evidence of concerns that are obviously widespread, particularly across English constituencies. It was unusual to hear from a Scottish Member today, given that the Minister has no direct responsibility for the issue in Scotland, but that is one of the trials that we in this place have to deal with under the current dispensations.

The steps the Government have taken to recruit and train more dentists will count for nothing without a sensible approach to the new dental contract. The problems in NHS dentistry will not be solved by simply creating more dentists or by persuading dentists to take on a few more patients. Rather, as the Dental Practitioners Association has correctly identified,

"the problem in reality is to redress the imbalance between working in the NHS and privately, which is causing a mass shift of dentists out of the NHS."

Mr. Ben Wallace (Lancaster and Wyre) (Con): As a fellow north-west Member, does my hon. Friend agree with me that the £2 million given in July 2005 to Lancashire and Cumbria to try to increase dentistry provision was obviously wholly inadequate and that to spend that new money on distractions such as dental access centres rather than on building up practices is more a sign of the Government's panic than of a long-term strategic plan for improving access to NHS dentistry?

Mr. O'Brien: My hon. Friend makes an important and valuable contribution to the debate. If the fundamental issues are not addressed, no amount of patching up will address adequately patient and public health need. That point has not been over-emphasised during our discussion.

The ill-thought-out and untested regulations that we are discussing will only exacerbate the shift away from the NHS. The Government's record on NHS dentistry has been one of abject failure. I will not chide the Under-Secretary too often, not least because the Minister of State in his Department with real responsibility for this issue—the hon. Member for Doncaster, Central (Ms Winterton)—has chosen not to attend; he is here in her place and we welcome him. However, I remind him that on 28 September 1999 the Prime Minister, as has been mentioned, promised that everyone would have access to an NHS dentist within two years. I should say for the record that that promise expired in 2001. The Government's failure to address the issue since then is a damning indictment of a succession of Ministers who never took the initiative to make the Prime Minister's wish a reality.

The new contract should have been in operation for almost a year, but it has twice been delayed—first until October last year, and now until April this year. In December 2004, the British Dental Association walked out of negotiations in disgust. The Government's response was to publish the new contractual arrangements last year for information only; there was no consultation and no negotiation. The Under-Secretary may seek to chastise the previous Government for the 1990 general dental services contract, but he should remember that that was at least agreed by the profession, and that, after all, it was a generation ago. I hope that the Under-Secretary acknowledges that being in office for eight and a half years brings certain responsibilities for the present situation.

We are now faced with the miserable situation of dentists being unable to negotiate a contract because of departmental intransigence and with the prospect of dentists walking out in disgust at what they are being offered. Responses to the dental charges consultation—dentists were at least consulted on those proposals—were negative in the extreme: 56 per cent. of respondents felt that the proposed charging system was unfair and 41 per cent. thought them unworkable.

"Uncertainty surrounding the start date of the new contract—not to mention the contract's terms and conditions—has created a climate where dentists have been unable to plan for their practices in the long-term".

Those are not my words, but the words of the Dental Practitioners Association. The business uncertainty created by the Department of Health is worthy of the Treasury. Maybe the Under-Secretary is lining up for preferment under the Chancellor's leadership. How else will he defend the Government's treatment of our dental practitioners? We should remember that dentists are business men and women as well. It is appalling that the Government encouraged dentists to negotiate new PDS contracts as late as eight months before they are scrapped and without making dentists aware of their intentions. What little goodwill that dentists had towards the Government has surely now been squandered. After all, they have to live in the real world. Like the rest of us, they have bank managers, who will demand that they have a business model that looks sustainable.

The Government's penchant for constant meddling is reflected in the Department's "pile it on" attitude to PCTs. In the last three years PCTs have been given primary care medical services, out-of-hours services and community pharmacies. They will shortly be given responsibility for general ophthalmic services, whilst having to juggle the implementation of the choose-and-book system, practise-based commissioning and payment by results. At present, and in addition, virtually every single PCT in the country is set to be merged. Into this mix is thrown the commissioning of primary care dental services. PCTs are even now attempting to juggle responsibility for GP out-of-hours

care and pharmacies alongside their other obligations. I wonder whether PCTs will be able to keep all these balls in the air at once. Before the Under-Secretary demands to know whether we would slow the pace of reform, I remind him that he put so much on to PCTs' plates by delaying the implementation of the contract not once, but twice.

It is not as though the Government have not been warned. The NAO previously cast doubt on the ability of PCTs to commission dental services, saying in its report of 25 November 2004:

"Primary Care Trusts . . . have little experience of high street dentistry."

They

"have limited capacity and . . . will need to develop new expertise in dentistry."

They

"will need to ensure that priority is given to delivering appropriate contracting arrangements, including providing sufficient expertise and resources."

As far as I can tell, Ministers have not heeded the warnings, as highlighted in the helpful and important contribution by my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd). Perhaps the Under-Secretary would explain how he expects PCTs to manage the commissioning of primary care dental services without any acceptance of the NAO's conclusions and without offering PCTs any idea of how the system might work in practice. The Government have no idea of how the system will work because they did not pilot it. The NAO explained that no other country in the world had attempted to structure primary care dental services in the way that the Government have proposed and perhaps—just perhaps—piloting would have been advisable, as we urged.

The basis of the new contract is the meta-currency of NHS dentistry, the unit of dental activity or UDA. Like the new charging system, which according to the BDA seems little more than a cynical revenue-generating exercise, UDAs will be awarded in bands. As with the charging system, that results in a number of anomalies. For example, a dentist will get the same number of UDAs for taking a tooth out—20 minutes of surgery time—as for saving the tooth by root filling it—one to one and a half hours of surgery time. I can see how dentists may want to offer preventive advice—the avowed aim of the new contract—in the former case, but I have difficulty seeing how any dentist would choose to offer it in the latter. That simply costs too much in terms of chair time.

UDAs do not have a fixed price attached to them. I had assumed, like my hon. Friend the Member for Westbury (Dr. Murrison), another member of the shadow health team, that UDAs would have a fixed national price attached to them. This would be consistent with operating a national tariff for other types of care. I was interested to learn that PCTs would have to determine the value of UDAs individually. Maybe setting a UDA price became too much of a headache for the Government.

I would be interested to learn the Under-Secretary's views on whether PCTs have the administrative capacity to negotiate their way around such a complex system. We should not forget that many of them are in deficit, with some, like Cheshire West PCT, having very big deficits. Surely this will eventually result in some sort of postcode—or PCT—lottery, with the Government again deliberately building in unfairness.

It is true that the Government's reforms seek to move away from the old so-called drill-and-fill culture engendered by having earnings fixed to the number of treatments provided, but the new system of UDAs will actually pave the way for a new drill-and-fill treadmill where dentists must chase a pre-agreed number of UDAs in a year. When the Minister of State was challenged last month, she said that it was inconceivable that a dentist would be able to achieve his or her number of UDAs in, say, nine months and then shut up shop for three months, because that would indicate serious flaws in the ability of PCTs to commission dental services. That is exactly the scenario that we and the National Audit Office have been trying to warn the Government about. It is surely conceivable, even possible, given that PCTs are novices at commissioning dentistry, that dentists may overperform against their contracts and shut up shop, or underperform. If either happens, where is the flexibility in the contract? Can dentists renegotiate their contract if they are likely to underperform? There is a tolerance figure of only 4 per cent. Admittedly, that has been doubled from the original 2 per cent., but it is still very narrow. Dentists are likely to overcompensate rather than risk a breach notice. Surely the Minister can see that, if dentists are not able to receive adequate payment for providing more treatment, that will hasten their exit from NHS dentistry. That would be a continuing disaster for the important matter of public health and public oral health in particular.

The new regulations are unpopular, untested and unsound. They will solve neither the problem of falling NHS dental provision nor that of the drill-and-fill treadmill. Dentists and dental organisations have scorned them and the NAO has deep concerns about them. The Department appears to be seeking to wash its hands of the problem, shifting the responsibility and blame on to PCTs, which do not have the expertise, the resources or the time to deal with dentistry.

As we heard, five years ago the Prime Minister said:

"everyone within the next two years will be able once again to see an NHS dentist".

I fear that the new contract will make NHS dentists an even rarer breed. Given the explicit warnings to the Government—not least in this excellent debate—whatever the Under-Secretary now says, he and the Government cannot disclaim full responsibility for the consequences of their actions.

10.51 am

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): We have served on Bill Committees together in this room, Mrs. Humble, and it is a pleasure to serve under your chairmanship today.

I congratulate the hon. Member for Kettering (Mr. Hollobone) on securing the debate. He has taken an interest in dentistry since his arrival in the House. There must be no complacency in this debate. It is vital that we recognise the precise point from which we start. We have increased the number of dentists, but not by enough. Since 1998, the number of dentists practising in this country has increased by only 22 per cent.—from 16,000 to about 20,000—but, of course, some of those

[Mr. Liam Byrne]

dentists will have gone private. A 22 per cent. increase is good news, but is it enough? No, it is not. We have increased the number of adult NHS dentistry registrations since 1997, after a calamitous fall between 1992 and 1997, but by only 200,000. That is not enough. We need to do a lot more, which is precisely why the Government have put in place a three-point programme of action, which I shall explain this morning.

The first point relates to investment. The Government have increased investment in NHS primary care dentistry by about 20 per cent. or £250 million. For 2006–07, we are investing a further £65 million, before taking account of the uplift for pay and prices. The hon. Member for Wellingborough (Mr. Bone), who voiced concern about his poorest constituents, must support that investment. I know that the hon. Member for Witney (Mr. Cameron) has thrown a great deal of Conservative policy up into the air and I hope that he will take the opportunity of that review to argue against the formula that says that the proceeds of economic activity over the next two or three years will be shared between tax cuts and public investment. Tax cuts will mean one thing for NHS dentistry: a programme of cuts.

Sir Paul Beresford: On that issue, the Minister we expected today—the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton)—was quoted in the *Daily Express* on 6 January as saying:

"under the new contract, the average earnings for a dentist with a reasonable commitment to the NHS is £80,000, plus £60,000 on top of that to be put towards . . . practice expenses".

If possible, will the Under-Secretary explain where that money will come from, how it will be allocated, how practice expenses will be defined and so on? If he cannot do that, but is prepared to write to me, I will be happy with that.

Mr. Byrne: I shall be delighted to write to the hon. Gentleman, or for my hon. Friend the Minister to write to him, as I indicated before the debate.

A programme of new investment is not enough. We must also increase the number of dentists who work in the NHS. In 2004, we set ourselves a target of recruiting the equivalent of an extra 1,000 dentists. I am glad to say that we exceeded that by about 40 per cent. and recruited 1,450 dentists. In addition, we established 53 dental access centres. We are solving the long-term problems of our inheritance by not closing two dental schools and by proposing to open new dental schools. I shall, of course, pass on the remarks of the hon. Member for Kettering to my hon. Friend the Minister of State. It is nice to be able to do so.

What does the activity that I have described mean for the hon. Member for Kettering? In his primary care trust, Northampton Heartlands, there will be 20,000 extra NHS dentistry patients in the next year or two. Some 4,300 registrations have been made available already; set against the current number of NHS patients, that is an increase of 17 per cent. It is a significant increase and a clear indication that the programmes of reform we are implementing will make some difference. Those registrations will take the number of NHS patients to a level above that inherited in 1997, but we have to go further still.

The hon. Member for Rochdale (Paul Rowen) highlighted the following point. We could discuss whether 80 grand a year is sufficient take-home pay to keep a dentist fully employed in the NHS—it is more than most hon. Members take home, although many of us would argue that dentists do a greater service for their constituents—but the fact is that we have to change the relationship between the NHS and dentists. That is the third element of reform. One of the key problems, which the hon. Gentleman did not point out, is that under the old system when an NHS dentist quit the NHS, the money went back not to the local community but to the Department of Health. That has to change. I should have thought that hon. Members from all parties would welcome our attempts to put commissioning for NHS dentistry back in the hands of local professionals.

The hon. Member for Wellingborough calls the NHS Stalinesque, which was a nasty reminder of the remarks of the hon. Member for Woodspring (Dr. Fox) when he made his speeches in 1999 and 2000 advocating social insurance for the NHS. I hope that the Conservative party will absolutely rule that out during its forthcoming policy review. We have to make the changes so that NHS spending on dentistry can stay local. That is why the new contract is so important.

The new contract will bring a number of benefits to patients. New ways of working will reflect guidelines published by the National Institute for Health and Clinical Excellence, whereby patients are no longer automatically recalled for a six-monthly check-up and the new system of patient charges will be simpler and fairer.

Several hon. Members, including my hon. Friend the Member for Stroud (Mr. Drew), have talked about the complexity of the new bands. I think that having three bands is simpler than having 400 different units of charges. My hon. Friend asked for further briefing and I shall ask my hon. Friend the Minister of State how quickly that can be arranged because it will be valuable for all hon. Members.

Many hon. Members will have received representations from dentists in their constituencies about the new contracts—

Mr. Wallace: Will the Minister give way?

Mr. Byrne: If the hon. Gentleman will forgive me, I have only two minutes left.

We must have the humility to listen, but some of the concerns that have been expressed are based on misunderstandings. Dentists will have the security of a guaranteed income, which will enable them to plan ahead. An NHS dentist's salary is about £80,000 a year. We have guaranteed that for the next three years, dentists' annual contracts will be worth at least the value of their NHS earnings, but with a 5 per cent. reduction in the courses of treatment they have to carry out. We are taking dentists off the drill-and-fill treadmill of the current system. Instead of being paid separate fees for individual items of treatment, they will carry out an agreed number of courses of treatment during a 12-month arrangement. The key elements of the contract were piloted in a number of sites and those lessons have been taken into account in the new contract.

The hon. Members for Shipley (Philip Davies) and for Kettering asked whether non-dentists would be able to establish dental practices. That will indeed be possible from April 2006. I hope that the hon. Member for Ruislip-Northwood (Mr. Hurd) was not attacking local professionals and managers in primary care trusts. I know that the hon. Member for Witney recently made great play of the need to celebrate local managers in the NHS. Weightings are built into UDAs based on case load, dental health and local population—

Mrs. Joan Humble (in the Chair): Order. We must begin the next debate.

Enforced Removal (Families with Young Children)

11 am

Mr. Chris Mullin (Sunderland, South) (Lab): First, and with all due respect to the Minister present, may I say that I regret the absence of the Minister of State? I know that government is seamless, but over the years I have noticed that some Departments are more seamless than others. Secondly, I commend the debate pack prepared by the Library. It is relevant to the debate and contains a lot of information that hon. Members with an interest in this subject might find useful.

I have taken an interest in asylum and immigration policy for some time, both during my four years as Chairman of the Home Affairs Committee and in my two years as entry clearance Minister, among other things, at the Foreign and Commonwealth Office. I wish to make it clear from the outset that I am generally supportive of the Government's tougher stand. It cannot be right to leave decisions about who enters the country to people traffickers and other criminal networks. I support the measures that have been taken over the years to speed up the process, to reduce the number of fraudulent claims and, when practically possible, to remove those whose claims have failed. I welcome the fact that in the past few years, thanks to the efforts of the Prime Minister and successive Home Secretaries, we have begun to get to grips with what once seemed an intractable problem.

I have said that to demonstrate that I am not a soft touch on asylum policy. However, I believe in combining a robust approach towards asylum with basic human decency, especially when young children are involved; that is the point of the debate. For some years I have been worried about the fact that we are removing, to countries where they could face destitution, families with young children who, because of past failures in the processing system, have lived here for many years. I am referring not to children from countries where, although living standards might be low, there is a degree of stability, but to children from places such as Congo, Angola or southern Sudan, large parts of which have seen their social fabric disintegrate entirely.

I am not talking about recent arrivals, either. I am talking about children who know no other life than ours—children who, in some cases, were born here and have grown up alongside our children, played with them and shared the same classrooms. Whatever the sins of their parents, those children are entirely innocent and have no inkling of the fate that awaits them. They disappear from class without even a chance to say goodbye to their teachers and friends, and in many cases they are never heard of again. Sometimes the children reappear because of a hiccup in the removal system, only to disappear again a few months later. Who knows what becomes of them? On rare occasions there is a letter or a phone call about what happened next. Sometimes the news is good; at other times it is not. Usually, however, there is only silence.

To those of us who are—or were—members of the Government, the children tend to be only numbers. In a previous incarnation, I attended meetings at No. 10 and

[Mr. Chris Mullin]

the Home Office where there was talk of targets and tipping points. When it is sensible to do so, I have no problem with setting targets. Indeed, given the failures of the past, I am sure that it is necessary. However, we should not lose sight of the fact that we are dealing with human beings. Members of Parliament, especially those who represent areas such as mine, to which asylum seekers have been dispersed, have to look such people and their children in the eye, and to us they are not statistics.

I recall, as I expect we all can, some moving cases. Let us consider the little boy who was plucked from school in mid-term and who, in the hour that was left to him while his parents were hastily packing their meagre belongings and immigration officers were waiting to take them away, made out a will in which he wrote, "I leave my Pokémon cards to so and so, and my Lego to so and so." It was found on his bed a few days later when friends came to find out why he had disappeared.

I once successfully intervened on behalf of a young woman who was from southern Sudan originally, but who had come from a refugee camp in northern Kenya. She faced removal despite having been in the UK for some years and having given birth to a boy who was two years old by the time she was threatened with removal. As it correctly says on the Foreign Office website, the war in southern Sudan is over. However, anyone who has seen at first hand, as I have, the state of refugees returning to the south of Sudan, and the absence of facilities to cope with them, will know that to send there people who have tasted our lives here would be an act of great cruelty. I dread to think what would have become of that woman and her child had she been returned.

I am currently doing what I can to help a family who came from Angola in April 2001. The case prompted me to ask for this debate. The family have two boys. One is now aged eight, but he was three and a half when he came here. He is blind in one eye; according to his mother, that happened while she was being beaten with the buckle end of a belt by soldiers who were searching for his father. The boy was said by his teachers to be traumatised when first enrolled at a local school. The other son, who is now aged four, was born in the UK and knows no other life but ours.

After years of delay, the parents' claim for asylum has failed and they may now be returned to Angola at any time. They are well aware of the fate that awaits them there and are unlikely to be persuaded to return voluntarily. So far as I can see, the intention is just to drop them off at Luanda airport and wish them good luck. We are talking about people with few, if any, resources. The woman and the older boy were camped in a church when they were last in Angola, and the father was in hiding. What will become of them? Presumably they will join the millions of anonymous, displaced people in that tragic country.

I know that it says on the Foreign Office website that the civil war in Angola is over, but it lasted for 27 years and much of the country is in ruins. The Angolan Government are unwilling or unable to provide even the most basic services for their citizens. Where such services do exist, they are mainly provided by foreign NGOs or United Nations agencies. Only about half of Angolan children receive any form of education, and the country is ranked third in the world for infant mortality. Much of the population, including many people in the capital, is destitute or living on the edge of destitution. Violence and lawlessness are rampant, and justice is non-existent or arbitrary. The few functioning institutions are riddled with corruption.

Sending there young children who have tasted our life and who, as in the case of the younger boy, know of no other life than ours, is an act of unpardonable cruelty. Needless to say, I have put all this to my hon. Friend the Minister for Immigration, Citizenship and Nationality—and he is unmoved. In a letter dated 22 November he wrote:

> "It would frustrate the proper and necessary object of immigration control in the more advanced states if people could not, save in the most exceptional circumstances, be returned to the less developed countries of the world."

That is not, of course, what I am arguing, and I agree with what he says; I accept that just about all failed asylum seekers come from countries poorer than ours, and that it would be nonsense to argue that no one should be returned to such a country.

My point is a narrower one. First, I am talking about families with young children who have lived in the UK for years and who, in some cases, have been born here and know no other life. Secondly, I am talking about removals to a handful of the world's most dysfunctional countries, where living standards are not merely lower but catastrophically so, and where hunger and destitution awaits those children. As I have mentioned, child mortality in Angola is the third highest in the world.

Thirdly, I am arguing that if we must return families to such countries, we should take some interest in what happens to them after they have disembarked. That might involve putting some money in their pockets, employing an NGO to see them safely through the airport and back to where they came from, and perhaps a little help with reintegrating. I do not argue that that should happen in every case, but only when young children are involved, and are at risk.

The Minister of State rejects that idea too. He wrote:

> "We do not normally give returnees money, nor do we arrange for their reception in their country of nationality, or liaise with Non-Governmental Organisations as regards their future welfare."

My question is: why not?

Mr. Neil Gerrard (Walthamstow) (Lab): Does my hon. Friend recall that people who came to this country from Kosovo under the humapitarian evacuation programme were offered the opportunity to return to see what conditions were like? In many cases, that helped them decide that they could return.

Mr. Mullin: Yes, that was the case, and I am about to refer to one or two other exceptions. Perhaps they should form a model for what should be done in other cases. Is it really too much to ask that we should take some responsibility for the consequences of our actions, at least when young children are involved? It always strikes me as disingenuous that we go to enormous lengths to ensure that children are well treated in the distressing circumstances of immigration detention centres, yet do not take the slightest interest in what happens to them immediately afterwards.

In any case, it would be misleading to suggest that we never help returned asylum seekers. We do when it suits us. My hon. Friend the Member for Walthamstow (Mr. Gerrard) gave one example, and I am sure that the Minister will confirm that the first batch of failed asylum seekers returned to Afghanistan received help with reintegration—and rightly so. Those were all single males. The same was true of the first batch of failed asylum seekers returned to northern Iraq; again, they were all single males.

Let no one say that the Government have no powers: they do have powers. I draw the attention of the House to sections 58 and 59 of the Nationality, Immigration and Asylum Act 2002, which were inserted partly at my suggestion—at least, that is what the then Home Secretary told me in those far-off days when I had influence in the Home Office. Section 58 gives the Secretary of State power to provide assistance to those who leave voluntarily after they have exhausted their rights. Section 59 gives him power to provide funding to non-governmental organisations that assist with or ensure the return of migrants. In other words, there is no reason why the Home Office could not come to an arrangement with an NGO to help reintegrate families that are returned to countries such as Congo or Angola, whether or not they go back voluntarily. So far as I am aware, however, it has not done so, except in a handful of cases of failed asylum seekers—all single males—who were returned to Iraq and Afghanistan. Why is that?

Mr. Alistair Carmichael (Orkney and Shetland) (LD): May I tell the hon. Gentleman of an incident that was brought to my attention on Sunday afternoon by a constituent who is seeking asylum? She was offered a cash payment and financial assistance with flights if she returned to Burma, but she was worried about receiving such an offer, as she felt that she was in some way being bought off, and that she was coming under pressure. If such offers are to be made, they must be made with greater sensitivity than appears to be the case so far.

Mr. Mullin: I certainly think that such offers should be made sensitively, but I cannot agree with the hon. Gentleman if he is suggesting that we should not make it clear to people that help can be given with voluntary passage home. Quite a few people opt to take that route, and others would if they were aware of it. It is a sensible approach to allow people to make up their minds about whether to take advantage of such an offer.

I come back to my question. Given the existing powers, and given that we use them in some cases, why do we not use them in cases of the sort that I have outlined? What is stopping us? I entirely understand that Ministers are anxious to create an incentive for failed asylum seekers to return voluntarily, and there well may be a case for maintaining a differential between the assistance available to those who return voluntarily and those who are forcibly removed. However, I cannot accept that we should offer no help whatever to families who are forcibly removed to some of the world's most dysfunctional countries. My view is that in cases involving such countries, we should not remove children who have lived here for years and who are, for all practical purposes, British in all but name.

I draw the Minister's attention to the recent remarks of Professor Aynsley-Green, the Government-appointed Children's Commissioner for England, quoted in *The Times* on 5 January, who described what is happening as outrageous in a civilised society. I stress again that the Professor is Government-appointed. He continued, saying that many of the children regarded themselves as English and could not understand why they were being treated as criminals.

I put it to the Minister that where children are concerned, there is a case for tempering our new-found rigour towards asylum removals with a little basic humanity. Again, there is a precedent. In October 2003, my right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett), the then Home Secretary, announced an amnesty for families who had been in this country for three years or more and

"had suffered from historical delays in the system."

The Angolan family to whom I referred earlier had the bad luck to fall six months short of that deadline. I do not argue that we should go as far as we did two years ago. I would be content for an amnesty on a case-by-case basis, applying only to long-staying families from the most dysfunctional countries—and if the word "amnesty" offends the Minister, he need not even call it that. Far from being a sign of weakness, it would be evidence of a common humanity that would enjoy support across the political system. I look forward to hearing what hon. Members who speak for the other main parties have to say on that point. As we all know, it is much easier to make progress on asylum if there is cross-party consensus. We should not get ourselves into a position where one party is seeking to outbid the other for the favour of the *Daily Mail*, the *Daily Express* or whatever.

Finally, for the avoidance of doubt, I repeat what I said at the outset. I am generally supportive of the Government's tough stand on asylum. Over the years I have supported, in and out of government, all measures to speed up the process and eliminate abuses. As a Foreign Office Minister, I was involved in discussions about returns at the highest level to countries that are the source of many of our failed asylum seekers. I do not resile from that for one minute. All that I seek today is a little basic compassion when we are contemplating the return of families with young children to a handful of the world's most dysfunctional countries. We should not be returning to destitution children who have lived here so long that they know no other life than ours. Surely that is not too much to ask.

11.17 am

Jeremy Corbyn (Islington, North) (Lab): I welcome the debate, and congratulate my hon. Friend the Member for Sunderland, South (Mr. Mullin) on securing it. The House spends far too little time discussing the effects on families and the human cost of our refugee policy.

My hon. Friend spoke about Angola. I am chair of the all-party group on Angola, and last year I visited it with an Inter-Parliamentary Union delegation. What he says about the breakdown of civil society is correct. The problem is that, for whatever reasons, Angola has been through 30 years of the most appalling war, and there are an enormous number of orphan children. It is wrong to deport children back to that situation when there is no adequate follow-up, and no means by which the British embassy could find out what was happening to those children, even if it wanted to. My hon. Friend has drawn attention to that important point.

[Jeremy Corbyn]

I represent an inner-London constituency with a large number of asylum seekers—a place from which many people from all parts of the world have traditionally sought asylum over decades, stretching back for most of the last century. People have traditionally sought asylum from inner-London areas. Indeed, many later leaders of African countries have lived in that part of London.

My constituency asylum and immigration case load, like that of my hon. Friend the Member for Walthamstow (Mr. Gerrard) and a number of other Members, is enormous. One is faced with families who have sought asylum in this country and have been here for a considerable time. As my hon. Friend the Member for Sunderland, South correctly said, the children have grown up in this society and know nothing other than the multicultural society of inner London. For them suddenly to be told that they have got to go, and to be taken almost forcibly away and deported to a society that they have only heard about from their parents, is cruel in the extreme, heartless and damaging—and they are then often placed in enormous danger. What kind of message does it send to other children in their school about justice, and about the society in which they are growing up, if it appears that such arbitrary justice can take place?

Although people who flee from places of danger and seek a place of safety in our country using the Geneva convention do so primarily for their own security, we should also remember that they are enormous contributors to our country. Asylum seekers want to work if they can, and those of them who have gained the right to work tend to work extremely hard and make an enormous contribution. We should be positive about that, as well as just saying that they are—understandably—seeking a place of safety.

I could cite many quotes from many bodies, but I shall refer to one organisation in particular. The Medical Foundation for the Care of Victims of Torture is a long-standing organisation whose offices are in my constituency. It was set up to help victims of the Nazi system's brutality to the Jewish people in the 1930s and 1940s, and it has now developed into a highly respected and effective organisation that provides support, care and counselling for the victims of torture. I am very pleased that its new building and counselling centre are in my constituency; I am proud that it is located there, and of the work that it does.

That organisation has put a number of points to me. It says:

"It is the Medical Foundation's position that all decisions ultimately to remove must only take place after:—

full and anxious scrutiny of the asylum and human rights grounds to remain in the UK

by a properly trained and competent decision-maker

only after access to an in-country right of appeal

to an independent appellate court

with the benefit of competent legal representation."

It also says:

"Proper preparation and presentation of a family's case, whether initially as an asylum claim or against removal on human rights grounds, must in our view include an understanding of the experiences of the children of the family. Too often the dependant child's experience is ignored or overlooked."

Asylum applications are often dealt with entirely on the merits of the case for one or other—or possibly both—of the parents to remain in the country, but any understanding of the children's emotional needs, desires and wishes is completely forgotten. Some such children grow up in a frightened atmosphere. We in this House have a fairly secure existence; we know where we live and what we do, and where we will be next week and next year. All that many children of asylum-seeking families in this country hear their parents talking about is whether the Home Office will ever reply to their letter, whether they will be secure in this country, or whether their children will still be in school next month or next year. That has a debilitating effect on such children's lives; it is damaging to them.

Something should be done about the speed and competence with which the Home Office deals with issues. I hold enormous advice bureau sessions, and I have lost count of the number of people who come along and ask, "When is the Home Office ever going to reply to any letter that has been sent by anybody?" A joke goes around about the letter that states that there will be a reply within 13 weeks: is that within 13 weeks this year, next year or the year after that? Such uncertainty has a grave effect on people. I look forward to the Minister assuring me that things are improving in that respect.

The UK Government placed reservations on the UN convention on the rights of the child. I would be grateful if the Minister could say whether those reservations will be withdrawn. The British Government are, understandably, determined to improve human rights around the world, and it is not good for them to keep a reservation in place in respect of that convention.

My hon. Friend's debate is labelled as being about children, but I am not sure how one defines children. I suppose that the legal definition is people up to the age of 18. However, there is a serious problem to do with older children, such as young people in their late teens, or even in their early 20s—almost adult children who, when their families are removed, may be able to stay. That too has a debilitating effect on them. I have watched the effects of family break-up in the Somali community and in others, when parents have been removed and older children have been left behind. That situation must be analysed as well, because it represents a serious problem in several cases and in several places.

My hon. Friend mentioned the Children's Commissioner's statement, and it is important to quote from it. The commissioner calls on the Government

"to make sure that asylum-seeking children and young people are treated as children by those involved at every stage of the asylum process".

The statement goes on to raise specific concerns about

"the fairness of the asylum determination process, particularly in respect of unaccompanied children",

about detention, and about the way in which unannounced raids and other activities have taken place. I hope that when the Minister replies, he can provide us with some hope and reassurance about those matters.

There are many disturbing stories in the papers about the fast-tracking of asylum decisions. I have complained about the delays in responding to inquiries and dealing with ongoing cases. I do that because I want the system

to be seen to be working fairly and efficiently. At present, I do not think that it is. However, to try to get round the problem by suddenly introducing a fast-track system might create more injustices and dangers.

Maeve Sherlock, the chief executive of the Refugee Council, expressed her concerns, saying:

"The casework system is good in principle, but justice and speed can pull in opposite directions. To work properly, the new asylum model will need well-trained staff, legal advice on the spot and a more open mindset. Asylum seekers need to know what's happening to them and why."

Again, I look forward to hearing what the Minister says about that, because it appears that as many as one third of all asylum seekers could face detention under the fast-track procedure. That will undoubtedly have a serious effect on children.

I presume that Barnardo's has sent many Members its report about the situation facing children. That report describes confusion and concern, and it is critical of how section 9 of the Asylum and Immigration (Treatment of Claimants) Act 2004 operates. If we want people to live decently in our society, children to achieve well in school and their parents to contribute, why on earth do we operate section 9, which is designed to leave numbers of people in destitution? It cannot be good for anybody.

There is a big campaign concerning the Sukula family, from the Democratic Republic of Congo, who live in Bolton. That is just one case in which a campaign is ongoing. Many other cases are ongoing at the same time on the same issue.

Dr. Brian Iddon (Bolton, South-East) (Lab): I apologise for being late, Mrs. Humble; I went to the wrong room. I am pleased that my hon. Friend mentioned the Sukula family, who came to Britain in early 2002 with four children and now have six children. Does he agree that in such cases it is difficult to return the family, as two of the children have not even known the Congo and the others, who came to Britain in early 2002, were probably too young to remember much about it? I hope that my hon. Friend agrees that it is unfair to return such families. Does he support my view that the Minister ought to consider extending the amnesty for families with children beyond its closing date, particularly for families who have been in this country for almost four years?

Jeremy Corbyn: I thank my hon. Friend for that intervention, and I agree with him. There is a campaign surrounding that case, and I support the family and the campaign, as I am sure he does. They are not the only family and theirs is not the only case; there are others who unfortunately do not have the benefit of campaigns to support them. It is heartless, cruel and unfair to remove from this country, children who have known nothing other than being born and brought up here. It is damaging to them—and, as I said earlier, to other children. The scheme in the north-west is a pilot, and I would be grateful if the Minister said something about its progress and whether it will end or be extended.

My final general point—I know that other hon. Members want to speak—concerns countries to which families with children are deported. After an assertive campaign the Government finally stopped all deportations to Zimbabwe, and I understand that that is the current situation. My constituency includes people from all parts of the world, and I am particularly concerned about two countries to which removals take place. The first is Congo and the second is Somalia.

The war in Congo has had less coverage than almost any other conflict anywhere in the world, yet 3 million people have died there in the past decade. That is a level of casualties on a par with the first world war. Congo has a transitional Government, but the war is clearly continuing, particularly in the east of the country. There is a collapse of civil society and of any supportive environment, and it is impossible to follow what happens to any individual family that returns to Congo. I hope that the Minister recognises that it cannot be fair, right or just to deport anyone to Congo until there is some measure of peace there. Taking a child out of a school in Britain and dropping them in Congo with no follow-up whatever cannot be right, fair or just.

Likewise, there is continuing grave instability in Mogadishu in south Somalia. I am not clear whether there are removals to Somalia and I would be grateful if the Minister could resolve that question one way or the other. I have objected when removals have been threatened against my constituents, but I am not clear whether there is a policy on that.

My last point is about following up what happens to those who are removed from this country. The Home Office has its own in-country assessment unit, the Foreign Office makes a diplomatic assessment of the situation in any one country, and Amnesty International, Human Rights Watch, the United Nations and a number of other organisations make their own assessments of what goes on in various countries. Except in Kosovo, to which my hon. Friends the Members for Sunderland, South and for Walthamstow referred, I am not aware of any adequate follow-up in any other country when removals take place.

If someone has sought safety or asylum in this country and the application fails, for whatever reason, or a human rights application fails, for whatever reason, and a family is deported, we have at least a moral responsibility to ensure that they are in some degree of safety when they return to their society. If children who are growing up and attending school in this country are suddenly removed to a place of great danger, they deserve at least to be monitored so that we can try to help them and perhaps review deportation policy in specific cases. The way in which children are treated in many parts of the world is appalling and terrible. We contribute to much of that if we take children away from a place of safety in this country to a place of danger, and then pretend that it has nothing to do with us after that. It has everything to do with us, and my hon. Friend the Member for Sunderland, South has done the House a service in securing this debate.

11.34 am

John Robertson (Glasgow, North-West) (Lab): I congratulate my hon. Friend the Member for Sunderland, South (Mr. Mullin) on securing this debate. The only thing that I am sorry about is the low attendance. I prepared a short contribution because I thought that many colleagues, particularly from south

[John Robertson]

of the border, would want to be involved. It is a sad indictment of our colleagues that they are not here to make contributions.

Mr. Mullin: With all due respect to the Under-Secretary of State for the Home Department, my hon. Friend the Member for Leigh (Andy Burnham), who is a fine fellow, what I am most concerned about is the disappointing absence of the Minister of State responsible for policy in this area. I am sure that when my hon. Friend returns to the Home Office he will convey to him the sentiments expressed here today, but I would have liked to do that in person.

John Robertson: I agree, but in defence of the Minister of State, I must tell my hon. Friend that he has been to Glasgow on several occasions. On one prolonged recent visit he took considerable time to talk to Members of Parliament and the people most affected by the removals. I will commend him for doing that, while chastising him for not being here today.

It is pleasing to see the hon. Members for Orkney and Shetland (Mr. Carmichael) and for Dundee, East (Stewart Hosie) here today. It would be even more pleasing if those Members went back and asked their local councils to take on board the job that Glasgow city council took on in allowing asylum seekers to come to our friendly city, where I believe that they are looked after better than in any other city in the country. It would be more pleasing if the rest of Scotland, instead of getting on board the discussion on asylum, got on with trying to look after those people— giving them a home and welcoming them into society. That is my little plea for Glasgow and against the rest of Scotland.

A lot of press coverage north of the border, including the extracts in the excellent information pack that has been put together for today's debate, mentions Glasgow in particular. Yet some press statements that are emerging, by people who have been shouting the most against what has been happening to asylum seekers in the Glasgow area, are, unfortunately, from outside that area. Sad as it is, they have done very little to help alleviate the problem.

There are many points on which we can agree. We all agree that, as my hon. Friend the Member for Islington, North (Jeremy Corbyn) said, we have a moral obligation to look after refugees—genuine refugees, that is. We need to adjust the asylum process to establish who is entitled, and everybody undergoing that process must be treated fairly and have access to a full range of services. Everyone who meets the asylum criteria must be welcomed fully into our society. My hon. Friend the Member for Islington, North did not actually say those words, but I am sure that is what he meant in saying that those people offer much to the multicultural development of the UK. They add many of their cultures to ours and will make the UK a better place in the long run. It is to be hoped that parties such as the British National party will then find no place in our society.

What should happen to people who have been through the process and failed in their application? Have they no right to be in the country? How should they be returned to their country of origin? Or, as some would say, should they be allowed to remain here no matter what the circumstances? Those are the questions that we must raise in this debate. They have already been raised in certain ways, and I hope to add to that debate in my short contribution.

It is clear that the asylum system needs to be examined and improved. None the less, many people who come to this country to seek asylum make applications that are utterly unfounded. They seek to use the system to remain here, and eventually to benefit from an amnesty. I am against the amnesties that have been called for. As a result of amnesties—which have caused me many problems as an MP trying to deal with asylum cases—many people suddenly come out of the woodwork, as it were, and try to stay here when they should never have been allowed to stay in the first place. They had disappeared into the country, when they should probably have been removed at the outset.

Jeremy Corbyn: I was not aware that there was an amnesty; I thought that 2,000 pre-existing family applications were to be reviewed, possibly with a more sympathetic approach than might be used in other cases. So far as I am aware, there is no general amnesty—although there may well be a case for one, and I might well support such a scheme.

John Robertson: I thank my hon. Friend; he has put that much better than I did, and he is absolutely correct. There was no general amnesty as such, but there was certainly a slackening of the rules to allow people who have been here a long time to stay.

I can understand the arguments of immigration officials. I have been to the immigration service in Glasgow with asylum seekers many times to talk to officials and try to alleviate the misunderstandings created—in some cases, maliciously—between people seeking asylum and the immigration service. Unfortunately, there are those in our society who seem to want to use the subject of asylum for their own political ends, and I find that totally abhorrent. Whenever I can, I denounce those parties. They know who they are; they are on the extreme right or extreme left of our society, and as far as I am concerned, they have no place in British politics. I hope that we shall weed them out. They do no service to people who genuinely seek asylum, and who ask their MPs to solve their problems and help them to remain in the country.

By the time the media take control, they have totally distorted the actualities of the case. By the time the case gets to the Home Office, the Home Office has been put in an intolerable position. Eventually the people concerned are removed, although in some cases I know that I could probably have saved them if they had got to me first, and had not got involved in a series of lies and stories given to them by certain people. That has to be investigated—but the Home Office and its officials, too, have to think seriously about the information that they give out.

I appreciate that many of the details that the Home Office receives are personal and should not be revealed to the general public, but if someone goes to the press and gives their whole life story, as they see it, in support of their case for remaining here, I feel that the Home

Office should be entitled to give the story as it sees it, too. It is also important that it should give the hows and whens of the enforced removals. We want to know why people have been removed at a particular time, after having been four, five or six years in this country, as my hon. Friend the Member for Islington, North has described.

I commend Drumchapel high school in my constituency. The students there have won many awards, and many of them are from asylum-seeking families. They have done work to promote and campaign not just for themselves and their families but for other children from such families, and they should be commended. It is pleasant to see children taking an interest in what happens in everyday life, rather than just worrying about whether they will get the new PlayStation or Xbox or whatever, which is all that some young people care about. It is a pleasure to see that they care about each other and their fellow pupils. Long may it continue, and long may the students keep giving me a hard time. They come to my office and ask me why this happens and why that happens.

We politicians need to look at ourselves, too. I have a quote from one of my colleagues from Glasgow who is a Member of the Scottish Parliament. In a statement about a family who were allegedly thrown out of their home in a so-called dawn raid, he said:

"Police should not wear body armour".

The report adds the comment:

"despite the fact that one officer in England has been killed carrying out such duties."

Norrie Flowers of the Scottish Police Federation said:

"They don't really understand the issue. We are asked to go along in these situations in order to assist immigration officers. The bottom line is that we don't know what we are walking into. It can go from being very quiet to a frantic affair within minutes and they therefore wear protecting clothing for that."

I totally agree with him.

That is the kind of information that the Home Office should give us. They must tell us what happened when they removed a family. I want to know if the removal was easy or hard, what kind of force was needed and why, how many people were there, and what time it was. That is simple information, which any Member of Parliament would want to know about something that had happened in their constituency. If I found that something had gone wrong, that would give me the opportunity to try to do something about it. I would be grateful if the Minister would take that on board, talk to his officials and try to get something done about it.

Talk of children being handcuffed is very distressing. However, I have been to the immigration service and heard some of the horror stories from its side, of parents hurling children at officers who are there to remove them. The question would then be: should we take the children from the parents in the first place? Are those responsible parents? Sometimes such questions are addressed, and it does happen that children are removed from asylum-seeking parents. Those children are now part of our society, because the parents were incapable, or did not want to look after them in the first place.

We need to be told about such things. There are people in our society who are living and working, have been part of the system and are happy to be here. We may not want to know who they are, but we certainly want to know the numbers of such cases. The story is not always bad news.

I would be grateful if the Minister, in describing the procedures, could put some more meat on the bones of the thought behind the removals—although of course, he may not know about that. Why, after four and a half years, do we suddenly come to the decision that a family must be removed today?

The hon. Member for Orkney and Shetland talked about a more responsible way of removing people. Surely there must be a more humane way. I do not think that there is a humane way of removing any family that has been here for such a long time, but there must be a better way. I understand why the early morning visits happen. They may not be dawn raids as such, but people certainly go early in the morning and, if they go back, I know that that is because they can be sure that the family is in situ in the house at the time. I understand that.

Part of the main problem is that—as many have said here today—children are the innocent bystanders. They just happen to be there, or happen to be born, yet they bear the brunt of the removals. We should show some kind of sympathy, but the parents have to take the responsibility. It is not the Government's fault that people are here illegally. They have been told, I am assured, on many occasions that they can have an assisted passage back to their country of origin or they can make their own way back. They are told almost from the moment that they arrive in the country that if they refuse to do so, at the end of the process they will be removed. It is unfair to say that those people—those parents—did not know that they would be removed. They did know.

Mr. Mullin: With all due respect to my hon. Friend, I did not say anything of the sort. I deliberately kept the focus of my remarks on removal of children who have been here a long time to a handful of the most dysfunctional countries. I readily recognise that if we get into wider territory we will open up all sorts of impossibilities. I do not want to go down that road. I want to keep the Minister and the Home Office firmly focused on why we are sending those young children back to Congo, Angola or Sudan, after they have lived here all their lives. That is my principal interest.

John Robertson: I was not having a go at my hon. Friend; I am talking in general. If we read the Library pack for today's debate, we find statements along those lines, and it is important to get those messages across.

I have been a Member of Parliament for more than five years, and I have dealt with hundreds of asylum cases in that time. I have noticed a change in the applications over that period, particularly in the past few years. Psychiatric reports seem to be used as a reason why people should remain in the country. More people suddenly seem to have psychiatric problems—although I have to say that that does not apply just to asylum seekers; these days it also applies to people seeking incapacity benefit.

[John Robertson]

Why has that suddenly happened? Is it just that we have better doctors and psychiatrists to examine the cases, and people are referred to them more? Or is it because the judicial system now sees such an approach as a good way of keeping people in the country, so people are schooled in how to talk to psychiatrists? I would be interested in examining the figures. Did we not have psychiatrists three or four years ago? Have they suddenly come on to the market in the past few years?

In every case that I see, somewhere along the line it is said that the person involved is ill, or is not fit to travel to another country. In some cases there are actual illnesses. In one of my cases a gentleman is, unfortunately, dying of cancer and it is pretty obvious that he could not be sent back; in another the person has just had a heart attack, and he could hardly go back. In every other case, however, the people have strong psychiatric problems, and for them to be removed and sent home would apparently do them and their family immeasurable harm. Does the Minister have the figures to hand, or could he obtain them and let hon. Members know them? I would be interested to know whether such problems had not been looked at before, or whether they are just an excuse that some families are using to remain.

Will the Minister also examine the judicial system, particularly in Scotland? My hon. Friend the Member for Islington, North made a good point about how long cases can take, so that people stay in the UK for years. We tell families whose kids have been in school for five years to take them out and go home. Has the Minister examined the judicial system in Scotland, where a judicial review takes 18 months? South of the border a judicial review takes about six weeks. Is it any wonder that people who may be trying to abuse the system would like to come to Scotland? If they obtain a judicial review, it will take 18 months not to finish that review but for them to be allowed to go for it. Then they can bring new evidence, and they suddenly find another reason why they should get another judicial review. Such an approach stretches out the process to many years.

Jeremy Corbyn: The point that I was trying to make was not so much about the judicial review—how quickly a review takes place is obviously a matter for the courts—but simply about the process of correspondence with the Home Office, which I find unbelievable. I was referring to the number of cases in which files are lost or misplaced, or the Home Office simply does not reply to correspondence from solicitors, law centres, MPs or anybody else.

John Robertson: My hon. Friend is correct. I come across the same problems sometimes, but not as often as cases that go to judicial review. The problem cases all seem to take for ever and a day.

Mr. Carmichael: I am interested in the hon. Gentleman's comments about judicial review. Does he think that the judicial review situation will be improved if the Government's Immigration, Asylum and Nationality Bill, which is currently in the other place and which interferes substantially with the appeal rights open to asylum seekers, is finally given Royal Assent in its current form?

John Robertson: I thank the hon. Gentleman for his intervention, which leads on to a point touched on by my hon. Friend the Member for Islington, North about fast-tracking and the change in the system to make it quicker. We are talking about enforced removals, and in the case that has been mentioned we would expect things to be quicker. This is why we are getting the enforced removals now: we have caught up with the backlog. We are discussing the cases of people who were left to sit in the house all day, where the kids went to school and college, and got an education but could not do anything else in terms of work. In relation to enforcement, we are talking about people who have been here for a few years.

I understand what the hon. Gentleman is saying, but I shall not get involved in what has been discussed in the other place, because I know that his colleagues do their utmost to butcher whatever Bill is sent there. However, when we get the measure back, we shall put it back to how it should be. The most important thing is that in the end, we have legislation that is fair.

I shall finish now, Mrs. Humble, as I am on my last page—although I must admit that the speech that I wrote in advance bears no resemblance to what I have said. Some of what we read in the newspapers is lies, and some of it is a distortion of the truth; at best, it stretches the truth. The emotional blackmail that appears in the press is not helpful. It is certainly not helpful to those of us in this place who have to work with the Home Office to defend people. It is difficult to defend a case when it has been in the press and everybody has already made up their mind about what should be done.

We need to have a reasoned debate. I wish that more hon. Members were here today. I wish that my speech had taken less time—many other people here probably wish that, too—but it is important that we have a measured discussion. We must look after the children as best we can, but we must remember that ultimately, the parents are responsible for them. I shall finish on the following questions. Should we separate children from their parents? Should we remove the whole family or let them all stay?

11.36 am

Stewart Hosie (Dundee, East) (SNP): I am pleased that this debate was requested and granted. My worries about removals are similar to those of the hon. Member for Glasgow, North-West (John Robertson). The process is causing great consternation in Scotland. One of the questions posed continually during the recent tranche of high-profile removals involving children to which reference has been made was about enhanced disclosure through Disclosure Scotland for the immigration and police officers. Obviously, enhanced disclosure is required from Disclosure Scotland for anyone who works closely with children or vulnerable adults categorised in a certain way—and, in the case of asylum seekers with children, where there are the mental and psychiatric difficulties that have been described. I hope that the Minister can tell us whether the immigration and police officers in attendance were covered by enhanced disclosure from Disclosure Scotland.

Has the Minister been advised about the guidelines for the number of uniformed immigration and police officers required in such circumstances? I shall come to what Norrie Flowers of the Scottish Police Federation said about the use of body armour, but if the reports are to be believed, the number of immigration and police officers in attendance is in the high teens, which may seem excessive for a routine removal.

We can only imagine the trauma experienced by young children when woken in their own beds by a uniformed officer, not by their parents, and finding a large number of uniformed people in the bedroom. Will the Minister explain the rationale behind the removal of different family members in separate vehicles? Children see their fathers and perhaps older siblings being removed in separate vehicles. What about the use of handcuffs? I hope that he can contradict me, but the use of handcuffs for adult men and boys in their late teens appears to be routine; if he tells me that that is not the case, I shall be delighted.

It would also be useful if the Minister could explain the procedures for the use of handcuffs in such circumstances. Has the Department done any assessment of the overall impact on children involved in the process? If so, could it be made available? The hon. Member for Glasgow, North-West suggested that we needed more information from the Home Office about the procedures and protocols of the removal process—concerning the separate vehicles, the body armour, the handcuffs and so forth. That would be helpful for us all.

The processes that I have described have been well documented and well reported, although in some cases with a little hyperbole in certain quarters. I shall not repeat the more hysterical remarks that have been printed in the press. None the less, the process and the removals have upset a great many people. They have led the children's commissioner for Scotland, Kathleen Marshall, to suggest that the process terrorises children. I mention that because she is a sane, rational, intelligent professional woman doing a particular job. This is her role. I am not quoting some of the maddies on the ultra-left, but someone in a very specific position.

Dr. Marshall said:

"I've become increasingly distressed by the inhumane methods of removal of children and families from Scotland. What can happen is immigration officers and police, big groups of them, 11 to 14, go to a family's house at seven o'clock in the morning, sometimes earlier, and waken the children in their beds. The officers in bullet proof vests"—

I suspect she means stab vests, but never mind—

"waken the children, not the parents, they handcuff the parents in front of the children and then they remove them by van on long journeys down to these prisons, basically to other detention centres or to holding centres."

Those are genuine and legitimate concerns for the children's commissioner, and they led the Lib-Lab First Minister in Scotland, Jack McConnell, to seek an asylum protocol. The BBC reported that he had asked the Home Office to involve Scottish education and social services when it deports and removes the families from their homes. I would add that the children's commissioner should be involved in any discussions about the procedures and processes for the removal of families, particularly those with children.

The best description of the fear that the families face was by an Algerian lady, who in advance of the process said:

"We are scared all the time . . . every morning I get up between 5 and 6 o'clock and get . . . dressed . . . I don't want to be in my night clothes when they bring the door down. I want to be ready so that I don't get shocked and so my children don't get frightened . . . what happens to children of 7 and 3, they could not stand the shock of doors being brought down, seeing my husband being handcuffed, being separated from their mother."

To be that afraid for one's children, or to be a child oneself and consider the possibility of that happening—particularly if it has happened to one's school friends, as it has in certain parts of the country—must be quite horrendous.

I welcome this debate and am delighted to have had the opportunity to contribute to it. I agree with the hon. Member for Sunderland, South (Mr. Mullin). He said that he broadly supported the immigration and asylum system, but that the issue was about specific countries. Like him, I would support a case-by-case review of certain cases in certain circumstances. I hope that the Minister will take on board the genuine anxieties felt by many people awaiting removal and deportation. Their Members of Parliament have anxieties, and many other people feel concerns about the process. I hope that the Minister will be able to answer some of the questions that I have put to him.

12.4 pm

Mr. Alistair Carmichael (Orkney and Shetland) (LD): As others have done, I congratulate the hon. Member for Sunderland, South (Mr. Mullin) on securing this debate. He spoke not just with tremendous knowledge but with great compassion. He gave the example of his constituent's child writing a will and leaving his Pokémon cards. As a parent whose house is littered with those cards, I found that particularly poignant. The hon. Gentleman rightly presented a tightly focused argument in relation to highly dysfunctional countries such as Congo, Angola and southern Sudan—to which I would add Burma, and other Members could add other countries. I hope that the Minister will address his specific concerns.

The hon. Member for Glasgow, North-West (John Robertson) made an interesting contribution about the forced removal of children, particularly young children. He rightly put forward the concerns of immigration officers and police officers, and I do not argue with what he says about the difficulties facing those public servants in such situations. However, I cannot go along with his conclusion, because in creating policy that affects children, our primary consideration must always be the best interests of the child. That is the test that we apply for our own children, and I cannot countenance a different standard or approach being adopted for the children of others.

John Robertson: I understand what the hon. Gentleman is saying, but he obviously did not listen to my closing remarks about the children themselves. None the less, it is the parents who are the asylum seekers, and the children are the dependants of the parents. Under the system in this country, it is the parents who are investigated, not the children.

Mr. Carmichael: There is an old expression about visiting the sins of the fathers upon the children, and that is perhaps the situation here. However, I am not in as direct a conflict with the hon. Gentleman as he might have thought from my introductory remarks, because I think that the fault lies with the system. That system was graphically described by the hon. Member for Islington, North (Jeremy Corbyn). It seems not only to produce delays, but actively to encourage them, and there are often significant delays.

I remember an earlier Westminster Hall debate when the present Chief Secretary to the Treasury was the Minister of State responsible for asylum matters; it took place back in the good old days when Ministers of State used to attend such debates. He said that delay was the asylum seekers' best friend. In many ways he is right, because that can leave asylum applicants in a situation where they have an expanding family, with children who have never lived anywhere else, who feel themselves to be British in every respect, and who are well integrated with their local communities. Tackling that delay must be at the heart of addressing the problems that have been highlighted. We have so-called dawn raids, the enforced removal process and delays, and they are all products of a system that is dysfunctional and requires to be fundamentally examined.

The hon. Member for Sunderland, South made a telling point about the need for what might be loosely called "after care" for those who have been returned, especially to highly dysfunctional countries such as Congo. That is an exceptionally sound suggestion; we have substantial overseas business even in those very different dysfunctional countries, and there should be no reason why the Government should not be prepared to provide that. If they have confidence in their decision-making process that has returned a person in the first place, they should be prepared to back that up by offering some sort of after care and review to ensure—for quality control, if for no other reason—that the correct decision has been taken.

Several Members have spoken about their experiences as MPs, and I shall leave the Minister with a final matter that has caused me some difficulty. My hon. Friend the Member for Rochdale (Paul Rowen) brought to my attention a case that came up in his constituency in the course of the general election campaign. Neither he nor Lorna Fitzsimons, his predecessor, was allowed to make representations, because neither of them was a Member of Parliament at the time; during the period of Dissolution there is no such thing. Can the Minister tell me that that was a one-off aberration, and that that sort of nicety will not be used routinely by the Home Office and the immigration and nationality directorate to ensure that representations are not heard?

12.10 pm

Damian Green (Ashford) (Con): I echo the thoughts of other hon. Members on both sides of the Chamber, and congratulate the hon. Member for Sunderland, South (Mr. Mullin) on illuminating this part of the asylum debate. I part company from him on the subject of feeling in any way slighted by the presence of the Minister that the Home Office has sent to answer the debate. In starting the debate, the hon. Gentleman made the good point that in some areas progress can be made only on a cross-party basis. He will understand that I am in my early days as immigration spokesman for my party; but I can assure him, and the Chamber, that I see my role as helping to create a civilised and credible immigration and asylum policy for the Conservative party. That is what I will seek to work towards.

The debate has illuminated one corner of the tangled web that is the Government's asylum policy. To continue the metaphor, it is a corner where the web has holes through which innocent people—young children—can fall, and are falling. What has stood out in this debate, as well as in the research that I have done—as others have done, I commend the debate pack prepared by the Library—is the obvious emotive resonance of every case that comes up in this area. Every case is a hard case.

That is an observable fact from my constituency experience in east Kent, which for years has been at the sharp end of asylum cases involving people coming in to the country. A few years ago there was an overwhelming preponderance of hostility towards all kinds of asylum seekers, which over the years has been markedly tempered by the rise of cases of families who have become part of the community, and who have become liked and respected and, in particular, have put down roots with local schools. The temperature of the debate in that part of the world has significantly changed in recent years. The sort of problems that the hon. Gentleman illustrated with one family being deported to Angola apply to many families being deported to a number of countries.

The debate has been gratifyingly devoid of the emotional grandstanding that has clearly gone on in some cases in Scotland. We have heard contributions from Scottish colleagues on both sides of the Chamber. The Library debate pack makes it clear that the debate on some cases in Scotland has contributed a lot more heat than light.

It is possible coherently—although I think wrongly—to believe that no child should ever be removed. However, like the hon. Member for Sunderland, South, I do not agree with that belief—for good humane reasons. If that became the case in this country, it might, among other things, encourage the human trafficking of children and encourage families who had no right to seek asylum here to do so. The second-order effects of taking that kind of radical policy position would be counter-productive for children.

Jeremy Corbyn: Does the hon. Gentleman recognise that although we all deplore human trafficking, there are occasions when parents are so desperate for the safety of their children in a war-torn society that they are prepared to do anything to get them to a place of safety, including paying bribes and giving money to traffickers to get the children to this country?

Damian Green: I recognise that, but it does not obviate my point that a blanket position that no child would ever be deported might do more harm than good.

So far, I have been rather sympathetic to the Government's position and the problems facing Ministers in policy making. I am indeed sympathetic to those who have to take decisions in every individual case, but there are legitimate questions to be asked and criticisms to be made of the Government's current

position. I echo the point made by the hon. Member for Sunderland, South concerning the organisation in the host countries for those who are sent back. Common humanity should dictate that some kind of decent reception is organised as a matter of course, and clearly that does not happen at present, not only in the particularly dangerous countries the hon. Gentleman mentioned, but in many other places.

I also echo a point made by Save the Children relating to the detention, rather than the removal, of children—although it applies even more strongly if a child is to be removed. Decent pastoral care of the child should be organised before the removal happens. From a child's point of view, it would be even more inhumane if such a thing were to happen out of the blue than it would if they had some knowledge and explanation beforehand. That does not happen often enough.

My third point concerns the length of time it takes the Home Office to respond to contact from families—a point that was also raised by the hon. Member for Islington, North (Jeremy Corbyn). I have seen no improvement in recent months and years, but I hope that the Minister can produce some figures to show that my anecdotal experience is wrong.

My fourth and most general point concerns the time for which families are in this country before their case is decided. For a young child, every month that passes is a significant amount of time, during which normality is established. For such children, three or four years living in one town in one country is literally half a lifetime. That is why it is legitimate to criticise the Government for the administrative failures that still bedevil the asylum system, which forced them to introduce the amnesty—if we can use that word—to reduce the numbers of those here illegally to manageable proportions.

In that context, I would like to ask the Minister some questions designed to inform us about the scale of the problem that remains. The hon. Member for Sunderland, South has at times suggested extending the amnesty time beyond the three-year period. I am not sure whether I agree with the idea of individual case-by-case extensions because we need certainty in this area for the families.

Mr. Mullin: Country by country, perhaps.

Damian Green: The hon. Gentleman specifically suggested doing that on the basis of countries.

Will the Minister tell us how many children are covered by the amnesty in its current form? How many extra children would be covered if it were extended by one or two years? I appreciate that he may not have the exact figures to hand, but they could be provided for him.

According to the Home Office press release of 22 November, the five nationalities accounting for the most removals are Serbia and Montenegro, Afghanistan, Iraq, Turkey and Pakistan. Are those also the countries to which most children are being removed? If not, to which countries are children most likely to be removed? With which of those countries does the Minister think that we have satisfactory reception arrangements when children are returned? That is particularly important for unaccompanied children, but it applies to children as part of a family as well.

The next question relates to those not covered by the amnesty. The Government's estimate of those living here illegally is a fairly elastic figure. The central figure is 430,000, but I understand that it could be 310,000 or 570,000. How many of those are children, according to the Government's best estimate? That is perhaps the most important number for all concerned with the issue, because without it we can have no real feel for the scale of the problem. We all agree that every individual forced removal of a child is a desperately hard case in which emotions will run very high, so it is vital that we develop policy on a factual basis.

The point at which the desire to run a properly managed asylum and immigration system runs directly into the natural instincts of common humanity and generosity of spirit is precisely the issue raised by this debate. I genuinely have sympathy for the Minister and his colleagues, who have to make the decisions, but the underlying problem will be solved only if the system works efficiently. It has not worked well enough in the past few years, and as long as it does not work, there will be more hard cases. Each hard case that involves the removal of children threatens to become an individual tragedy, so simply carrying on as before is not acceptable.

12.20 pm

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): First, I pay tribute to my hon. Friend the Member for Sunderland, South (Mr. Mullin) for securing this debate and for focusing our attention on the extremely important issue of the removal of children, particularly those born in this country, to some of the most challenged and economically difficult countries in the world. It was welcome that he rightly focused our attention on that point, and I shall seek to address it directly.

Many excellent points have been raised in the debate. We have covered a broad terrain in discussing this issue, which arouses strong feelings. I fear that I shall not be able to do justice to every point, but I shall seek to do so as much as possible. However, I assure hon. Members that their comments will be heard in the Home Office. My hon. Friend said that he was disappointed that the Minister for Immigration, Citizenship and Nationality is not here. The Minister of State is chairing the Ministerial Committee on Asylum and Migration—a Cabinet Committee—this morning; otherwise he certainly would have been here. I assure my hon. Friend that he is deeply engaged in the issues that have been raised this morning and has asked Ministers to consider them—and I will, of course, draw these proceedings to his attention.

I am grateful that my hon. Friend made his comments in the measured and considered way which is his hallmark. We are dealing with what I believe to be the most challenging and emotive area of public policy. For that reason the use of language, particularly by people such as ourselves—those in positions of responsibility and those who hold public positions and public office—is all important. That point was made well by my hon. Friend the Member for Glasgow, North-West (John Robertson). Too often, because of the emotive nature of the debate,

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hyperbolic language is used at both extremes, whether to demonise those who come to this country to seek asylum or, at the other end of the spectrum, in comments about the nature of enforcement operations and the staff who carry them out. Such language is wrong in both cases. What the debate needs—in this place, more than anywhere—is accuracy and temperate language that reflects the facts and deals with these most difficult issues in a considered manner. I am glad that we have been able to achieve that this morning.

I welcome the hon. Member for Ashford (Damian Green) to his new position as the Conservative spokesman on immigration. I was pleased that he said at the start of his remarks that he would follow a civilised and credible immigration policy—although that begs the question of why Conservative policy was not like that before he arrived. Perhaps we can all welcome his party back to a more civilised position on these matters, and I hope that that will remain the case in the months ahead. As my hon. Friend the Member for Sunderland, South said, we do justice to the people who seek asylum by conducting the debate in that manner.

Let me make it clear to my hon. Friend that Ministers—including the Minister of State—would prefer no enforced returns to any country, and particularly no enforced returns of children. We would prefer to persuade and encourage people with no basis of stay or leave to remain in the country to leave voluntarily. That would be better for all concerned. Clearly it would be better for the Home Office, but it would also allow people to leave with more dignity and at a time of their choosing. That is a preferable outcome for all concerned.

We must do more. Responding to the issues raised by the National Audit Office report on returns, we must do more to encourage people to return voluntarily. I draw to the attention of my hon. Friend the Member for Sunderland, South the fact that later this week my hon. Friend the Minister of State will put forward more proposals on precisely that subject. His statement will deal with helping reintegration in society and providing more assistance, and will address some of the concerns raised by my hon. Friend the Member for Sunderland, South.

The broader picture relates to international development concerns that go beyond the remit of the Home Office. As my hon. Friend knows, the asylum system does not deal with the economic hardship, conditions or development of some of the most deprived countries in the world. As my hon. Friend the Member for Islington, North (Jeremy Corbyn) said, the system must follow the terms of the 1951 convention on refugees. We do not forget about nor draw a veil over those conditions. They are important, and that is why we must work closely with the Department for International Development on these issues.

Mr. Mullin: I am interested not so much in people who return voluntarily, to whom we do indeed offer some help, but in people who are sent back by enforced return to the dysfunctional countries that I mentioned, to whom we offer none.

Andy Burnham: I have taken that point in the course of the debate. As my hon. Friend probably knows from his experience in office, the numbers returning to those countries are by definition quite small, because of the dysfunctional nature of some states. We are talking about a small number of people.

Mr. Mullin: We are, indeed—which makes the situation much easier to deal with.

Andy Burnham: I have heard the points that my hon. Friend has made, and I shall reflect on them with my hon. Friend the Minister of State.

Jeremy Corbyn: Will the Minister give way?

Andy Burnham: I do not have much time, but I will give way once.

Jeremy Corbyn: I recognise that the Minister has time problems, and if he cannot answer all the points in his 10 minutes, perhaps he could write to us about them. In specific terms, I should be interested to hear his views on the Congo, Somalia and the British Government's attitude to the way in which the convention on the rights of the child is operated.

Andy Burnham: I shall seek to explain that in the short time that I have left, but first let me draw together a few points that people have made. My hon. Friend the Member for Sunderland, South talked about basic human decency. Of course, that is what we should all strive to achieve. No system is beyond improvement, and by visiting Scotland my hon. Friend the Minister for Immigration, Citizenship and Nationality is engaging in precisely that debate, to see how we can respond to the concerns that have been expressed and create a system in which we can all have confidence.

However, there is a choice. At the end of the day, if the system is based on a series of rules, at some point the rules must be enforced. If we accept that, the debate shifts to how we do that as humanely as possible, respecting the basic humanity of all citizens. I would argue that that is happening now. Much intemperate language is used about the operations of the immigration service. Some of its public servants are carrying out some of the most difficult responsibilities on our behalf. We do not have an open-door immigration system, and I have not heard that any party in this House favours such a system. If we accept that, it follows that we must support the people who in challenging circumstances implement the system on behalf of the citizens of this country.

Those public servants deserve our support. That is not to say that we should not consider the practicalities of what they are doing on the ground; of course we should. We are sensitive to the points that have been raised by the hon. Member for Dundee, East (Stewart Hosie); we certainly do not use handcuffs routinely, and we certainly do not use them on children. We assess the risks involved in each operation to try to ensure that the scale of the operation is proportionate to the risk presented. We balance all those issues and we seek to improve all the time, but I assure the hon. Gentleman that some of the scare stories are not backed up by the reality. I urge everyone to consider the reality.

My hon. Friend the Member for Sunderland, South asked for more precise information from the Home Office about the operations, how they were carried out and the numbers that were involved. That is a good suggestion, and I shall consider it. Every Member of this House should be given the information if they want particular facts about the way in which an enforcement operation was carried out, so that there can be a local debate on what actually happened, and we can debate such matters in an informed and considered way.

Seasonal Agricultural Workers Scheme

12.30 pm

Hugh Robertson (Faversham and Mid-Kent) (Con): I welcome you to the Chair, Mr. Gale, for this debate on the Kentish fruit industry, about which you no doubt know a great deal. I also welcome the Minister and thank him for taking the time to respond to this short debate.

By way of introduction, let me say that I represent what I believe is the only remaining constituency in Britain in which fruit farming is the predominant type of agriculture. The county of Kent owes its reputation as the garden of England to that industry. I made my maiden speech on the subject in July 2001, when the Minister and I entered the House together, and since then I have served as secretary of the all-party group on the fruit industry. I asked for this debate, in the tradition of Westminster Hall, on behalf of my constituents, but it deals with concerns affecting the entire fruit sector.

Why is the seasonal agricultural workers scheme so important? To put it bluntly, without labour there is no means of picking the fruit that we grow. Labour accounts for between 40 and 60 per cent. of a fruit farmer's cost base and almost all the labour comes through SAWS. It follows that if the scheme is restricted in any way, the UK fruit industry will collapse. That will have enormous consequences for the wider local economy because there are jobs all over Kent in transport and marketing related to the fruit industry and in tourism. It will have enormous consequences for the environment, both locally, where orchards will be grubbed up, and nationally and internationally as alternative produce is sourced from abroad. It will have considerable consequences for Government policy, as well. The Government have launched schemes such as the healthy eating initiative, the five-a-day scheme and the fruit for schools scheme. Finally, it will have consequences for SAWS students, who benefit enormously financially and from the knowledge and experience that they gain of living and working in Britain. Almost none of them abscond at the end of the scheme.

This debate takes place against a backdrop of a Home Office review and I believe that a decision is due at the end of January. My aim this morning is to convince the Minister of three key points, the first of which is that fruit farming needs to be encouraged. It is important for the local economy, it produces high-quality produce close to the marketplace that is vital to a healthier diet and so on, and it is good for the environment. It deserves our support. Secondly—this is crucial—SAWS is not an immigration or asylum issue and should not be confused with either. Finally, SAWS is a welcome success story. It is a well managed and trouble-free scheme, which brings enormous benefits to the United Kingdom and, critically, to the students who participate in it. It needs to be encouraged and improved in the years ahead.

SAWS was set up after world war two to encourage European workers to take up short-term employment in agriculture and horticulture. It has always been aimed primarily at students at agricultural colleges or who have experience of the agricultural sector. In 2004, 25,000 students from outside the EU visited the UK to work on our farms and to learn our language and about

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our culture. Sadly, that number was reduced to only 16,000 in 2005 and the future of the scheme is now being reviewed as the Home Office launches a five-year plan to simplify the immigration system. The concern felt by many of my fruit farmers is that some people in government believe that the recent enlargement of the EU will provide a sufficient pool of low-skilled labour to replace SAWS students. That is emphatically not the case for the following five reasons.

First, SAWS is a well established and successful scheme. The model of students visiting the UK and gaining work experience and understanding of Britain has worked well for more than 40 years. SAWS is well managed, all operators are licensed by the Home Office and all participating farms are carefully monitored. The Home Office administers the scheme without difficulty and there is a simple fee to cover the costs. The fact that all the participants are students means that they have to return to their own country to complete their studies at the end of their time here. A parliamentary written answer tabled recently revealed that less than 1 per cent. of SAWS students ever abscond, so the scheme does not present any threat to immigration and asylum policy.

Secondly, there is a proven need for exactly that type of temporary labour force. Quite apart from what I said about the need to encourage fruit farming, the Government recognise the importance of the scheme. In 2002, the Home Office White Paper on managed migration, "Secure Borders, Safe Haven: Integration with Diversity in Modern Britain", stated:

> "There is a clear need for short-term casual labour. Although this comprises only a small proportion of all employment in the UK, it is important in industries such as agriculture. We will look again at the operation of the long-standing Seasonal Agricultural Workers' Scheme (SAWS) to see how it might better meet the needs of the agricultural sector. We will build on its principles to meet the demand for short-term casual labour in other sectors of the United Kingdom economy."

A couple of years ago, the Curry report recommended that the number of places on the scheme be increased to 50,000—double the peak of 25,000 in 2004. The White Paper suggests a mechanism for any sector to prove the need for labour, entirely based on SAWS. SAWS is popular with farmers and workers alike. Demand from UK farmers for reliable, well motivated SAWS students continues unabated and applications from students wishing to participate in the scheme outstrip demand by a ratio of 2:1. In short, there is a proven need among UK farmers and the students for SAWS to continue in Government policy.

Thirdly, developments in the EU labour market will increase the pressure on UK farmers and reinforce the need for SAWS. France, Germany and Italy have imposed restrictions on workers from the accession countries that are due to be lifted by 2007; indeed, by 2011 all restrictions of any sort will be lifted. Given that by then the UK is likely to be less favoured than some other EU countries as a work destination, due to its climate, geographical isolation and the resulting higher travel costs, it is premature to conclude that workers from the A8 accession countries will fill the demand presented by SAWS. We need to retain SAWS until we are sure that our agricultural labour requirements can be met by other means. My view is that they never will be.

Fourthly, it is most unlikely that EU workers will fill the void. Workers from elsewhere inside the EU want permanent jobs rather than the seasonal ones available in agriculture, and they will quickly move on to better paid opportunities here or in their own countries as their economies improve. If the Minister doubts that, he should consider the present lack of UK students working on farms during the summer vacation compared with 20 years ago, when I was at university. Most UK students would greatly prefer to work in, for example, the hospitality industry, and workers from other EU countries replicate that pattern precisely. In short, workers from the other EU countries cannot fill the void that is currently filled by SAWS students.

Fifthly and finally, the cultural and educational elements of the SAWS scheme set it apart from immigration and asylum issues. It is a remarkable testament to the success of the scheme that the Polish Agriculture Minister, Mr. Kowalski, is a former SAWS student. The experience gained by students in production technology, food and retailing plays an important part in helping their own economies when they return home. Furthermore, while they are here they benefit the local economy in the UK, as many local shops and pubs know well. Some students even earn enough money while they are here to buy their own land and set themselves up when they return home. One student I met two summers ago on a farm in my constituency had been coming here for three years while doing his medical studies and reckoned that if he returned for a further two years he would be able to pay off the mortgage on his flat in Belgrade.

In conclusion, I hope that I have convinced the Minister of the three key points that I set out at the start of my speech. First, fruit farming deserves our support. It produces high-quality produce, which accords with Government policy on healthy eating; it produces it close to the marketplace and it is good for the environment, particularly in areas such as the garden of England. However, the sector is under extreme pressure: costs are rising for farmers, which is set against the downward pressure on prices exerted by the supermarkets, while the demand for land in the south-east is growing fast. The availability of a capable seasonal labour force is a key issue. Without it, many fruit farms will sadly fold. Secondly—the key point—SAWS is not an asylum and immigration issue. It is a means for students from non-EU countries to visit Britain for up to six months and then return home. It has nothing to do with the immigration and asylum issues that cause so much public and political concern. Thirdly and finally, SAWS is a success story. Less than 1 per cent. of SAWS students ever abscond; the majority return home enriched by their experience of Britain and considerably wealthier. Put simply, there are no losers.

It is apparent to me that SAWS has an obvious home in tier 4 of the new system proposed in the Home Office White Paper. Can the Minister reassure my constituents and the wider fruit sector that he understands the issue and is able to make the necessary recommendations and representations inside his Department?

12.41 pm

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): I congratulate the hon. Member for Faversham and Mid-Kent (Hugh Robertson) on securing the debate. He is right to say that the fruit sector is important to our economy. I believe that the whole country is indebted to his constituency for the vast amount of fine produce that emerges from it. I am unsure how many people on the SAWS scheme are involved in hop picking, but if they are I certainly pay tribute to the fruits of their labour.

The hon. Gentleman is also right to say that the industry depends upon seasonal labour and is under pressure. We all know from the debate we see in the media that pressure is being exerted on agricultural producers in this country by price competition among supermarkets. Although that has been good for consumers in that the prices they pay have come down, it has made the pressure on domestic agriculture more severe. While celebrating the lower prices, we must understand what that equation means. He is also right to say that we would like local produce to be used in schools in pursuit of the five-a-day initiative. We would all want to unite behind that; I am pleased that he made reference to it.

I listened carefully to the three key points that the hon. Gentleman outlined and the arguments that he used to substantiate them. I agree with two of the three and disagree with one, but that is not to say that there is an unbridgeable gulf between us. I hope that he will find some cause for comfort at the end of my remarks.

The hon. Gentleman's first point was that the industry deserves support. As I have said, I agree. There is a long tradition of fruit farming in his part of the world. We obviously listen to the industry's concerns, to ensure that it is supported and that the people who depend on it can continue to do so. Of course, the industry is operating in a changed market. I picked strawberries in my youth, between A-levels and university, and it is certainly not glamorous work. Such work is not on the increase among the domestic work force, so I understand that there are pressures on the industry. Since the economy has expanded in different ways, people have alternative ways to make money. We have to understand how the industry operates in a changed environment and we have to provide support.

I agree with the hon. Gentleman's third point, that SAWS has been well managed and is a success. In some senses it is a win, win scheme. SAWS has been successful and has provided great benefit to those who have taken part in it and to our domestic agricultural industry over a number of years. He is right about that.

I disagree with the hon. Gentleman's second point, however. He says that SAWS is not an asylum or immigration issue. True, it is not an asylum issue, but it is an immigration issue. That is why I am answering the debate today. I respect his point about the cultural exchange elements of the scheme; none the less, SAWS deals with people coming to this country to work. That makes it an immigration issue and we have to consider it as such within the broader context of the Government's immigration policy. I shall discuss how that context is changing and how SAWS is affected.

The hon. Gentleman made the reference himself, but let me emphasise that the debate takes place against the backdrop of the development of a points-based system for managed migration, the consultation on which finished last year. The Home Office has consulted extensively with industry on developing the new scheme. Our aim is to move away from myriad, complicated niche schemes for immigration towards a much clearer, transparent scheme, where the public can have clear information about who is allowed into this country and why. The points-based system is not about letting fewer people or more people in; it is about letting enough people in to help the economy of this country at any given time and, in so doing, allowing the public to see clearly the reasons why people have been allowed to enter. Central to the rationale for the points-based scheme is that it is not intended to run at the same time as the range of niche schemes, such as SAWS and the working holidaymakers scheme. The whole point is to move to a more transparent system. That is the basis of today's debate.

The Government's five-year strategy on asylum and immigration stated that existing, quota-based, low-skilled migration schemes would be phased out over time. As I have said before, the basis of the decision in relation to SAWS is not that we think the scheme is flawed—on the contrary, SAWS has been successful. What we question is whether it is still required, given that the expansion of the European Union has given growers access to a larger pool of workers who are free and, on the evidence, willing to meet seasonal labour needs in the agricultural sector.

In July 2005 the Government published a consultation document, "Selective Admission: Making Migration Work for Britain", which set out in more detail our proposals for a new system to regulate economic migration. Stakeholders in the agricultural sector have been fully involved in the consultation process. I hope that the hon. Gentleman recognises that there has been detailed discussion with companies throughout the country, including in his own constituency. We are considering the responses to that document and we will publish our response, including what we intend in relation to SAWS, in due course. I am not in a position today to state precisely what we intend to do in relation to SAWS, but I will go through some of the issues that are shaping our thinking.

In 2003 nationals of countries that have since acceded to the European Union accounted for 60 per cent. of the 20,430 workers admitted under the scheme in that year. Romania and Bulgaria, which should accede to the European Union in the near future, accounted for a further 12 per cent. In 2004 we decided to cut the SAWS quota from 25,000 to 16,250 in the light of levels of take-up of the scheme by nationals of the accession states. Since their accession, nationals of the new member states have taken up employment in the agricultural sector in significant numbers. Since 1 May 2004, some 36,621 nationals from the eight accession countries have registered as employed in the agricultural sector under the worker registration scheme. The distribution of applications suggest that many are coming to do seasonal work. I can tell the hon. Gentleman that in the second quarter of 2005 there were 9,283 registrations, compared with 3,996 in the first quarter. That suggests that the expansion of the European Union and granting the

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nationals of the eight accession countries access to our labour markets has resulted in people continuing to come to do agricultural work.

Hugh Robertson: I entirely accept what the Minister says, and I thank him for his earlier remarks. The problem, as many farmers will tell him, is that many students from the EU come to work for farmers at first, but quickly move on to other jobs in the UK economy—they go to work in the hospitality industry, for example. In contrast, people who come to the country under SAWS can work only in the agricultural sector. They come, work on the farms for six months, and go back to their home countries, whereas those from inside the EU work on the farm for a month or so, then quickly get a better paid and more comfortable job in the local pub, for all the reasons to do with strawberry picking that the Minister mentioned. The retention of students from inside the EU is very small indeed.

Andy Burnham: I understand, and I take that point on board. I can understand the attractions for the agricultural sector of a scheme that is tied in that way. The figures that I gave suggest that people are coming to work in the agricultural sector. I know that the hon. Gentleman believes in the free market, in market enterprise, and in people being able to offer their labour where they can get most return for it, but if there is the pressure that he describes, people will have to look harder at how to retain the staff that they want, which is not necessarily a bad thing. One of the strengths of EU enlargement is that people can come and work in a range of sectors. The effect that the hon. Gentleman describes will be considered when the points-based system is developed, but it must be balanced against allowing people to contribute fully and to use all their skills, rather than being tied to a particular sector. That is particularly true of EU nationals, who should have that freedom.

Let me pick up on a point that the hon. Gentleman made about the rest of the EU beginning to open its labour markets to nationals. He mentioned that there was greater competition to attract people to work here. That might be true, and we have to respond to that, which raises the issue of how easy we make it for people to come here and work. I do not accept his point about Britain not being an attractive place for students to gain work experience. It is an extremely attractive destination and will continue to be so.

There may be more A8 nationals employed in the agricultural sector than the worker registration scheme statistics suggest. The National Farmers Union and the Association of Labour Providers consistently tell us that the worker registration scheme under-records the number of accession state nationals employed in the agricultural sector. If so, one reason for the under-recording may be that the WRS requires workers to be registered only if they have worked for a particular employer for a month. Seasonal agricultural work is no doubt more transient than other types of work, and many workers—research suggests almost half—may stay with a particular employer for less than one month, so it is possible that those people are moving to other employers within the agricultural sector.

The Government's view is that the availability of workers from an expanded EU calls into question the continued need for SAWS. It is not simply that an alternative source of labour is available; it is also a question of the robustness of the scheme. SAWS is a temporary migration scheme. Participants who are students are expected to return overseas at the end of their six-month stay. The evidence is that participants from eastern Europe have traditionally complied with that requirement. We are, however, responsible for upholding the integrity of the immigration system, and if SAWS were to continue alongside accession country migration, participants would necessarily be recruited from further afield and possibly from countries whose nationals have less incentive to return at the end of their stay. That is why this is an immigration matter—I must take issue with the hon. Gentleman on that point. SAWS must be seen within the context of the changing picture of immigration more generally.

There are two principal objections to a policy of relying on EU labour. The first is that employers in the agricultural sector have difficulty retaining workers who are free to take more attractive employment. I understand and accept that point, although the evidence does not entirely bear that out. We have examined WRS applications and have found that 50 per cent. of those who initially registered as employed in the agricultural sector and then changed employment changed jobs within the sector. As I said, the hon. Gentleman's claim has some basis in fact, but it is not entirely accurate. Individual employers may have problems retaining workers, but that is not necessarily true of the sector as a whole. If the retention of workers in this sector is an issue, however, we must find long-term solutions other than temporary migration schemes.

Secondly, as the new member states prosper, they will cease to provide a source of workers who are prepared to take unattractive jobs in the UK. That may well happen and we will need to monitor the situation, but there is little to suggest that it is happening now. Furthermore, the drying up of the new member states as a source of workers for low-skilled jobs may occur in tandem with the further expansion of the EU, which will compensate.

The role of temporary migration schemes in meeting the need for temporary workers in the agriculture industry needs to be put into context. SAWS is designed to meet a seasonal need for labour rather than any endemic labour need, but the evidence is that labour need in the agricultural sector is increasingly a year-round phenomenon. Research commissioned by the Department of Environment, Food and Rural Affairs and the Home Office suggests that demand for temporary workers, the majority of whom are engaged in packing and grading, peaks in the winter rather than in the picking season. If agriculture increasingly needs a year-round work force, it follows that that need is best met by relying on those with the freedom to enter the labour market rather than relying on seasonal immigration schemes.

We need to be realistic about how far migration, or at least specific low-skilled, temporary migration schemes, can or should meet the labour needs of the industry. The objection that removing such migration routes would lead to an increase in illegal working in the sector also needs to be put into perspective.

The research that I just mentioned suggested that the total number of temporary workers employed in agricultural, horticultural and collocated primary processing businesses was between 420,000 and 611,000. Only 3 per cent. of businesses in that sector that use temporary labour use the seasonal agricultural workers scheme. Some of those businesses may be concentrated in particular parts of the sector, but the seasonal agricultural workers scheme is quite marginal to the overall labour needs of the sector.

The number of workers admitted under SAWS is also small compared with the total number of migrants admitted to the UK in other categories and who are free to work some or all of the time. The figure was approximately 450,000 in 2003, and no doubt some of those migrants work in the agricultural sector. One way forward where needs emerge may be to encourage those who enter under other categories, such as youth mobility schemes, to take work in the agricultural sector. We continue to consider those issues as we develop the points-based system.

The Government are taking measures to address illegal working in the agricultural sector. In particular, the Gangmasters (Licensing) Act 2004 will require the licensing of labour providers in the sector and compliance with conditions set by the Gangmaster Licensing Authority, including compliance with the law on illegal working.

As I have said, no decision on the timing of phasing out SAWS has been taken, and we will want to take account of the views of the industry in taking that decision. We will also take account of the views expressed by the hon. Gentleman today. It remains the Government's view that opening up our labour market to the new member states should remove the need for temporary migration schemes to meet labour shortages at low-skill levels. The Government hear what the hon. Gentleman says. We are working to develop a system that responds to the needs of the industry and gives us an immigration system in which we can all have confidence.

Health Services (Huddersfield)

Mr. Roger Gale (in the Chair): I understand that the hon. Member for Wakefield (Mary Creagh) has arranged for other Members to participate in this debate. As she knows, this debate is strictly limited to 30 minutes, so it is up to her to manage the time.

1 pm

Mary Creagh (Wakefield) (Lab): Thank you, Mr. Gale, for your flexibility in allowing colleagues from neighbouring constituencies to speak in this debate.

Hon. Members may be asking why, as the Member for Wakefield, I am discussing Huddersfield health services. The reason is that my constituency contains two wards, Denby Dale and Kirkburton, that fall under the local authority area of Kirklees. The wards are large rural areas covering some 80 square miles with poor roads, and my constituents will be deeply affected by the proposed changes. I am grateful to my hon. Friend the Member for Colne Valley (Kali Mountford), in whose constituency the Huddersfield royal infirmary lies, and my hon. Friend the Member for Huddersfield (Mr. Sheerman) for attending today, and I look forward to hearing their views on how the proposals will impact on their constituents.

In October 2005, the Calderdale and Huddersfield NHS trust and the local primary care trusts published proposals in the "Looking to the Future" consultation on the future of health provision in the area. The laudable aims are to move services closer to people and to provide safe high-quality hospital care. However, maternity care and gynaecology and obstetrics are to be transferred from Huddersfield royal infirmary to Calderdale royal infirmary five miles away in Halifax. The document states that the changes are being made because local people said that they wanted as much care as possible to be provided closer to their homes. The trust wants to provide local services, and local people want local services, but the changes in maternity services will have exactly the opposite effect. Obstetricians and anaesthetists who are on call for childbirth at Huddersfield royal infirmary will no longer be available, and women who need specialist treatment during childbirth will have to travel to Halifax. Fewer services will be available locally and specialist care will be provided further from my constituents' homes.

At present, women from Denby Dale or Kirkburton can give birth at Huddersfield royal infirmary, which offers the full range of back-up should the birth prove more difficult than expected. Under the new proposals, that option would no longer be available to any woman at risk of complications. The trust proposes a new midwife-led unit at the hospital for low-risk women, but the criteria by which women are judged to be high or low risk are fairly wide. I can understand the reason for that, as birth is a risky time for mother and baby. Women who are considered at risk include those who are having their first baby, those who are aged under 18 or over 35, and those who have a medical condition such as diabetes or high blood pressure. They also include women who need epidurals and caesarean sections, women with infections, users of class A drugs, those who have received in vitro fertilisation treatment, and women with a high or low body mass index. In short, a large percentage of pregnant women would be unable to give birth in the new midwife-led unit.

[Mary Creagh]

Women from Denby Dale and Kirkburton and their partners would have to travel 25 miles to the Pontefract general infirmary in the Wakefield district, 15 miles to the Calderdale royal infirmary in Halifax, or 12 miles to Barnsley. At present, 2,700 women give birth at Huddersfield royal infirmary. It is expected that a maximum of 400 or 500 women will give birth at the midwife-led unit, so the remaining 2,200 will have to travel to the Calderdale royal in Halifax.

There is a birth centre in Wakefield in the heart of my constituency. I wish to discuss some of the issues that have arisen there. Despite the excellent care provided by midwives, the number of women choosing to give birth in the birth centre has been much lower than expected. One of the consequences of that is that staff sometimes spend entire shifts without helping a woman give birth, so the centre has been downgraded from a 24-hour service to a 9-to-5 operation.

A woman at the proposed midwife-led unit at Huddersfield royal infirmary would be transferred if she developed unexpected complications during her labour to Calderdale royal infirmary. She would be moved out of the room that she was giving birth in, taken out of the building, put in an ambulance and transferred to a new hospital with a new set of carers. We must ask ourselves whether that will prepare the woman mentally to welcome her new baby.

Carolyn Saville, a Royal College of Midwives steward, has written a consultation response, in which she highlights the concerns of midwives and ambulance services working in this area. The ambulance crews are concerned because they do not feel that they have a great deal of specialist maternity training to support midwives who are transferring labouring women. Both sets of professionals feel that they have not been properly consulted. She also talks about the figures from the Halifax midwife-led unit—the Calderdale midwife-led unit—where between one third and half of the women were transferred to the consultant-led unit during labour. That is just a transfer down a corridor, but women labouring in the Huddersfield royal infirmary would be transferred 5 miles.

Women rightly have high expectations for a positive, safe and comfortable delivery of their child. The stresses that that type of transfer brings will not help their sense of being in control and of being in a positive frame of mind. Women with a retained placenta or extensive tearing after the birth will also be transferred. What will happen to the partner and the baby? Will they travel with them in the ambulance? How will the partner choose between caring for their new baby and supporting their sick partner?

My hon. Friends the Members for Huddersfield and for Colne Valley and I have collected a petition and postcards as part of our campaign against the changes. We have spoken to our constituents, who want to keep a fully supported maternity service in Huddersfield. My hon. Friend the Member for Colne Valley and I met Diane Whittingham, the chief executive of Calderdale and Huddersfield NHS trust, and her officers and colleagues last Friday to convey our constituents' concerns. It is clear that the changes are driven not by a lack of funding but by the need to maintain specialist training of doctors and provide consultants with sufficient cases to ensure professional development. We want well trained specialists, but if it is necessary for them to undergo training, surely transport could be provided for the doctors to travel between the hospitals, rather than forcing labouring women to make the journey in an ambulance when they are giving birth?

A woman who suffers the tragedy of her baby dying in the womb would have to leave the midwife who supported her during her pregnancy, travel to Calderdale and have a different midwife caring for her if she wished to have an induced labour or a caesarean. A woman who presented at accident and emergency in Huddersfield with an ectopic pregnancy would have to make the same journey or, if she was in extreme danger, would be operated on by a general surgeon in Huddersfield. All of those things happen, albeit rarely—we might be talking about only 10 cases a year—and they all matter.

We believe that the trust should re-examine the proposals. We are grateful to the Minister for taking part in this debate. We want mothers to have confidence in the service and to know that they will be fully supported should anything go wrong. I look forward to hearing what my hon. Friends have to say.

1.8 pm

Kali Mountford (Colne Valley) (Lab): I am grateful to my hon. Friend the Member for Wakefield (Mary Creagh) for securing this important debate. It is important for three MPs present, because it affects our constituents so profoundly.

The changes date back to before I became an MP. Changes to local services were considered as long ago as 1996. Indeed, in 1999 a consultation took place in our constituencies whose findings were profoundly rejected by the local community. That set of proposals would have resulted in all the maternity services and many other services being transferred to Halifax. The health authority at that time rejected the proposals because the campaign against them in our communities was so strong.

It is important to mention that, because the current consultation has to be real and has to be listened to. Local people have developed a certain cynicism about what lies behind it. They do not hear doctors' concerns for their patients and for their own long-term development as clinicians; instead, they hear little more than, "We have something that you want to take away." Some people were consulted before the so-called official phase of consultation took place, and I applaud the hospital trust for attempting to find out what women of birthing age who had recently had babies or were about to have them thought. What they thought was very interesting and must be considered. The key thing they wanted was to have midwife support throughout the pregnancy and up to the birth; they did not want to have a break in care at any point in between. They needed that confidence.

It is not that local women do not want a midwife-led centre, but that they want one in which they can have trust and faith. If the midwife-led centre is set up as proposed, there will be dangers and worries. The key worry for me is whether it would have the public confidence it needs to be set up successfully.

I wish to discuss one or two issues other than the maternity services, so I shall try to make sure that I have time to mention them, but maternity services are the ones in the consultation that draw the most concern. Most other conditions mentioned in the report are special cases, for which people would travel anywhere to get the best treatment, but giving birth is seen as an ordinary, everyday event. It is not an illness, but an ordinary part of every family's life. People expect to have their babies at home or near home, and certainly in their home town. The idea that they may not be able to have their babies in Huddersfield causes the people I have mentioned great concern. Indeed, our local paper's last campaign was called the "born in Huddersfield" campaign.

This is a serious issue for people. Some clinicians have turned their noses up at it, but it matters, not only because of the real concerns outlined by my hon. Friend the Member for Wakefield about whether we can clinically support women during transfer, but because of questions about whether the women would have the confidence to use the midwife-led unit.

I would like to see a successful midwife-led unit. The evidence is that if a midwife-led unit has a home-like setting, it produces a better birth experience and fewer clinical interventions—certainly fewer unnecessary ones. We have seen a rise in unnecessary Caesarean sections and in all sorts of other procedures that some of us might have experienced but that the gentlemen here will certainly not have. For the sake of your stomach, Mr. Gale, and that of my hon. Friend the Member for Huddersfield (Mr. Sheerman), I shall not go into a description of them, but a lot of them are now demanded by women when they are really not necessary. In a more home-like setting, such births and procedures would not be necessary. The proposals could, if handled properly, give women the confidence to give birth in a more natural way, and I applaud that idea.

The problem is that even in the most natural and normal of settings, even if there is only a one in a thousand chance of something going wrong, people want to know that the moment it does, the person who can best help them will be there on site. The real dispute is about whether there are people on site who can help. On Friday, my hon. Friend the Member for Wakefield outlined to our colleagues in the health service the particular case of an ectopic pregnancy. They said immediately, "Yes, of course we would have general surgeons on site. We would be willing to come immediately ourselves; we would be good Samaritans. In such circumstances, we would obviously not transfer a woman, but help her there and then in the hospital where she had presented herself."

If we can be good Samaritans, can we not build into the protocols a means by which women can be confident that when something that has not been sorted out by the sifting process goes tragically and unexpectedly wrong, they will be assured of giving birth with some surety that they will be safe? That is paramount. Otherwise, a midwife-led centre will not be successful because people will automatically choose the place where clinical interventions can be made immediately and where all the obstetricians, gynaecologists and paediatricians that women feel they need are already on site.

I do not want a centre to be set up to fail. We need to be careful about how it is set up in the initial stages so that we can have the confidence and build up the number of births in that centre before making any other changes. I cannot see how removing services when the number of births is still about 200 a year can be a viable proposition. I want to see as many babies who can properly be born in Huddersfield to be born there; it is the right place for them to be.

I should like briefly to mention breast cancer services. Public subscriptions were used to buy equipment and local people feel that they paid for it, but they fear that it will now be taken to Halifax. I want people to know that on Friday we received an assurance that the equipment will stay in Huddersfield and will be there for local people, who have paid for it. That part of the breast cancer service will stay there. It is important that that is known.

It is important that the consultation takes account of all the public concerns and that the postcards and petitions that have been sent in do matter. The Socialist party petition, which unfortunately does not even mention these particular services has been signed by 1,700 people, who do not realise that they are not being counted. In my view, they believed that they were signing something that said that they did not want maternity services removed. Unfortunately, the petition refers to having no Government cuts to health services, so those people are not being counted. I want to put on record that those 1,700 people, with those who signed the petitions run by my hon. Friends and myself, want maternity services to stay in Huddersfield.

1.15 pm

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): I shall be brief. Given the considerable expertise on these issues of my hon. Friends the Members for Wakefield (Mary Creagh) and for Colne Valley (Kali Mountford), who am I, a mere mortal man, to contribute to the debate? However, I have four children and a family history of using the excellent facilities of the excellent Huddersfield royal infirmary over many years. The service is great. We all know how much we appreciate a first-class service from a local hospital when our children are ill. A good general hospital is founded on two pillars: a good accident and emergency department and a good maternity department. If one of those pillars is taken away, it undermines the whole notion of a good, comprehensive general hospital.

Let me give some background. Huddersfield is a much larger town than Halifax. The healthy Huddersfield trust—it was financially healthy and well run—merged with the Calderdale trust, which had been less well managed and faced an expensive overrun on a private finance initiative hospital. Huddersfield residents, taxpayers and council tax payers have a right to believe that they got the short end of the deal not only in terms of having rescued the other trust, but because, further down the line, it seems that some of the services to Huddersfield are threatened.

There is an important issue at stake in the sense that we have been scrutinising midwife-led units throughout the country. There is no doubt that it will be some time before the National Institute for Health and Clinical Excellence inquiry reports. It seems strange to make a

[Mr. Barry Sheerman]

big decision before there has been a full evaluation of how midwife-led units work. Some of the evidence that has come to the attention of my office and those of my colleagues suggests that there is a question mark over some of the units. They may be appropriate: certain women, usually those from more affluent backgrounds, consider that to be the sort of unit in which they want to deliver their children. That is perfectly all right, but most of the units are small, dealing with an estimated 400 or 500 births a year each. As my colleagues have said, there are 2,500 births a year in Huddersfield, so 2,000 women would have to go elsewhere.

Many people who look at the topography of our part of the world do not understand that the 5 or 6 miles between Huddersfield and Halifax is a hell of a long way, given the hills, valleys and traffic. If we build into that the experience that my constituents have had trying to park at the new Halifax PFI hospital, it is a daunting prospect indeed. It does no one any good if people estimate that it will take only 12 minutes to travel between Huddersfield and Halifax, when most of us who have travelled that way know that one would be a lucky man or woman to do it in that time. It is much more likely to take at least half an hour. There are real difficulties.

Do not let us dismiss—I know that my colleagues have not—a town that produced Harold Wilson, who was born in the local hospital. People feel that they should be able to be born in the hospital in their town—born in Huddersfield. If you had seen the valiant display Huddersfield Town put on against Chelsea on Saturday, Mr. Gale, your heart would have swelled with pride in Huddersfield and you would know what we are talking about. Unfortunately, we were robbed of a draw, but the fact of the matter is that pride in one's local area and local town, especially when it is the larger town, is important.

I must make one party political point and I hope that it will not upset you, Mr. Gale. We ran a wonderful democratic campaign on the issue. In 1999, my hon. Friend the Member for Colne Valley and I fought and won the campaign. We were proud of that success and we have worked constantly for the hospital. It is a fine hospital that has delivered excellent care and usually obtains all the stars that are available to it. No one can take away my pride in its public servants, whether porters, consultants, administrators and so on. All are first class and I do not want to downgrade or do any disservice to them. However, the Liberal Democrats, without a majority, have overall control of Kirklees metropolitan council. They went on the attack and made the issue a party political one. That destroyed my faith in local democratic politics because it should not be a party political issue. It is about local people who want a local resource that is accessible. That is the strong message from Huddersfield and I hope that the Minister is listening.

1.21 pm

The Minister of State, Department of Health (Ms Rosie Winterton): I congratulate my hon. Friend the Member for Wakefield (Mary Creagh) on securing this debate on an important local issue. I also congratulate my hon. Friends the Members for Colne Valley (Kali Mountford) and for Huddersfield (Mr. Sheerman) on the way in which all contributions have reflected their constituents' needs. Their constituents will be extremely reassured to know that their views are being so eloquently voiced in this place.

I concur with much of what has been said about Calderdale and Huddersfield NHS trust being well resourced and well managed. I congratulate it on being awarded three stars this year by the Healthcare Commission, thanks to the hard work and dedication of local NHS staff. I am sure that they are pleased to have Members of Parliament who take up issues in the House and thank them for their hard work. Too often, we do not thank our NHS staff. However, the trust and local PCTs clearly feel that despite the stars awarded more changes need to be made to build on the improvements and to ensure that high-quality services continue to be offered.

I reiterate that we are discussing proposals which are out for consultation. It is absolutely right that that consultation process should take account of all views expressed. I remind my hon. Friends that Kirklees metropolitan council will be able to refer any changes to the Secretary of State if it contests a substantial change to health services and feels that there has been inadequate consultation or that the proposals do not have merit. We are in the middle of a consultation process and it is right that local decisions are taken in that way. Local people know their priorities and the services that are available and it is important that they have the right to make their views known.

I know that a number of the proposals are controversial and I shall explain the information that I have been given on why the PCTs and the trust feel that they need to make changes. I have been given an assurance that after the proposed changes the majority of women who currently give birth at Huddersfield will continue to do so. Most births will take place at the two new midwife-led units based at hospitals in Huddersfield and Halifax. The trust has planned for 500 births a year at the unit in Huddersfield initially, and hopes that this will rise over time.

The trust proposes that neonatal intensive care, paediatric in-patients and obstetric care all be centralised at the Calderdale royal site in Halifax. Let me be clear about this: I have been informed that there is real concern that without those changes the trust will lose its intensive care accreditation awarded by the Yorkshire Neonatal Network, because the trust is unable to provide senior medical staff cover on the labour ward from Monday to Friday. Withdrawal of intensive care accreditation would result in all local babies who require intensive care having to travel to Leeds. That is one of the clinical reasons the trust has given to explain why it does not believe that children's and maternity services can be maintained at both sites.

Mr. Sheerman: Will my hon. Friend address the arithmetic? If there are 2,000 or 2,200 live births in Huddersfield per year and only 500 will be accommodated by the new unit, 1,700 mothers will have to go to Halifax. It is not just the more difficult cases, but most women who will have to travel. I think that she has been misinformed.

Ms Winterton: That is certainly one of the issues I would expect the trust to take into account. However, the concern is that the trust cannot provide the level of round-the-clock cover on children's wards it believes is needed. By centralising in-patient services, Calderdale will be able to have two consultant paediatricians available in an emergency at all times. It is also struggling to meet national clinical standards for obstetric services which state that an obstetrician should be present on labour wards for at least 40 hours a week. The trust is the only one in Yorkshire and Humberside that is unable to provide readily accessible senior medical cover to the labour wards from 9 am to 5 pm, Monday to Friday.

I know that some people have expressed concern that patients will not be able to receive the best care from the midwife-led unit in Huddersfield, but I hope that I can give some reassurance following the comments of my hon. Friend the Member for Colne Valley. Research shows that for a healthy woman with a normal pregnancy, delivery at home or in a midwife-led unit is as safe as a hospital birth. There are already 100 such units across the country and the vast majority of women in a midwife-led unit have a problem-free labour.

I return to a point that my hon. Friend the Member for Wakefield raised with me before, which is the capacity of the ambulance service to deal with increased transfers between Huddersfield and Halifax. I have followed her question up and I have been assured that the trust is already discussing the matter with the West Yorkshire metropolitan ambulance service to ensure that a robust service is in place. I hope that that reassures her.

My hon. Friend the Member for Colne Valley suggests that the changes should not go ahead until the midwife-led unit at Huddersfield is up and running. She has mentioned that to me before and I have some sympathy with that view. I have made inquiries and I am assured that the midwife-led unit will be up and running before consultant-led services are transferred to Calderdale.

Final decisions about the reorganisation of these services have not yet been made. The purpose of any consultation exercise is to seek out and listen to the views of the public on proposed changes. However, I felt it important to give some of the important reasons relating to the need for emergency services and so on for the proposed changes. It is important to have that intensive care accreditation, because there would be bigger problems without it—

Mr. Roger Gale (in the Chair): Order. We must move on to the next debate.

Post-doctoral Scientific Careers

1.30 pm

Dr. Evan Harris (Oxford, West and Abingdon) (LD): I am pleased to have the opportunity to discuss a matter of importance to the present and future success of the United Kingdom science base. I note that the *Hansard* record is not full of previous debates on the topic. I am pleased that you are in the Chair, Mr. Gale, as I know that you take an active interest in all matters relating to the future of the UK science base. I also welcome the Under-Secretary of State for Trade and Industry, the hon. Member for Brent, North (Barry Gardiner). The Minister for Science and Innovation, Lord Sainsbury, sits in the House of Lords, so it is the role of the hon. Gentleman, who is also a Department of Trade and Industry Minister, to substitute for him in this place, which he does ably. It seems as though it was only the other day that we were discussing scientific publications and open access in another Adjournment debate.

The people we are discussing—post-doctoral researchers or post-doctoral students—are scientists who have got a good result in their degree, which has enabled them to get funding for and then to complete a doctorate, and the majority of whom have gone on to work in what is called contract research. There are tens of thousands of them and they are some of the brightest people our higher education system has produced. They have the potential to help to make great discoveries through science, pure research and applied; through the application of experimental techniques and the basic knowledge taught to them at university during their degree courses and doctorates; through interactions with other people in their laboratories and work areas as well as internationally through collaborations and conferences; and through their reading. It is my contention that they feel undervalued and that we are not making the best use of them, because many of them are leaving.

That is not a new concern. In fairness, it must be said that the Government have recognised the problem, as have the higher education funding councils, research funders, and the Wellcome Trust and other charities that are members of the Association of Medical Research Charities. The questions now are: has enough been done, are the initiatives working, and do the Government have mechanisms in place to determine whether the initiatives are working? I shall set out what post-doctoral researchers hold the problems to be, examine some of the initiatives that have been put in place, question how well we are measuring the outcomes, and then address what next steps the Government can take—or help to catalyse, because responsibility in this area does not lie with Government alone, although the Government have an important role, as they are the major source of public funding for schemes and have a role in quality assurance in science and in personnel and human resource policies.

I am grateful to the individual post-doctoral researchers who have told me their views. In my roles as Liberal Democrat science spokesman and as a member of the Science and Technology Committee, I visit institutions and I take the opportunity to ask to meet with post-doctoral researchers on a group basis, without senior management or heads of department being

[Dr. Evan Harris]

present. Heads of department usually provide excellent hospitality on such visits and they tell us about their strategies and the progress that is being made, but, speaking as one who is particularly interested in the careers of scientists, I believe that there is no substitute for asking them individually and in groups, and in the absence of their bosses, what they really think of their lot. One of the questions I wish to discuss is to what extent the high-level bodies that look at research careers are directly in touch with the views of the people who are affected.

Post-doctoral researchers, whether they have jobs in rigorously selective research departments of high reputation or in other research departments also doing excellent work, report their concerns to me. The concerns are not specific to the departments that may be seen to be struggling in terms of the research assessment exercise, or to those who feel that they are not the brightest and the best of a very bright and effective group of people. We are talking about some of the top people who are still not happy, who are leaving and who are encouraging people not to stay in this role.

I am grateful to Cancer Research UK in particular, to Universities UK and to the British Heart Foundation for their briefings. I pay tribute to the work of people in the Wellcome Trust such as its director, Mark Walport, who has looked into this issue, and those who have served in the Research Careers Initiative, particularly Professor Sir Gareth Roberts, whom I was pleased to meet just last week at the Association for Science Education conference in Reading. He has gone beyond the call of duty in what he has sought to do. He has not only taken the thorny crown of dealing with the research assessment exercise which has a bearing on this subject, but, with his report "SET for Success", he looked at the supply of scientists to the UK science base and then chaired the Research Careers Initiative and the Research Careers Committee of the Research Funders' Forum, which flowed out of it. I pay tribute to his work and I was pleased to have the opportunity, albeit brief, to talk to him in advance of this debate.

Cancer Research UK describes the position well. It says that post-doctoral researchers are a valuable asset to UK research but that the lack of job security and clear career structure is a disincentive for scientists to stay in research. Let me explain what the real issue is. We are talking about people who have completed their undergraduate training, accumulating debt on the way. The Minister knows that I think that that is a flawed policy because it deters people who could benefit from it from going into higher education. In particular it deters those who graduate with debt, particularly those from debt-averse backgrounds, from going into less well-paid public sector jobs, which are highly valuable to this country's economy and certainly as valuable as better paid jobs in the City and in industry. Those people emerge from university with debts and they then do doctorates. I acknowledge that the stipend for doctorates has been increased, which I welcome, but it is also not sufficient to enable them even to think about living independently. They then go on to get three-year contracts which do not pay well compared with the earnings of people who are likely to be as bright as them, but who took their degrees in other subjects and are now working in the private sector. The people we are discussing are often earning between £20,000 and £30,000 three, four or five years after getting their doctorates.

We are talking about people in their late twenties and early thirties who may still be in debt from their student days and who have no prospect of being able to buy a house on their own or even with their partners. They are stuck with the prospect, particularly in high living cost areas such as my constituency, Cambridge and London, of sharing a house, just as they did in their student days. When people ask them whether they would encourage others to go into their career, they often reply, "What career? There is no career. There is a job. There is a pretty poor salary. It has been improved recently and there are some career development opportunities. There may be sources of more advice but fundamentally things have not changed."

Post-doctoral researchers play a crucial role in UK academic research and losing people of their valuable experience is a real problem. Let us consider what happens if someone with great experience of how a lab works and the experimental techniques in the broad area in which the work is being undertaken leaves because his funding runs out. The university cannot retain him because it has not been able to attract the grant that it requires to keep on an experienced person, or it is more likely to receive funding if within the grant application it substitutes an experienced post-doctoral salary for a more junior post-doctoral salary even though the junior person does not share the experience of the person who has done the good work that has enabled the university to renew the grant or explore new areas. In those circumstances, who will be left in the lab to supervise the students? As the Minister knows, the principal investigator is often not around to do the hands-on supervision and training of students. Often, the result will be either demoralised doctoral students or poorly less incisively done science. The role of the laboratory expert with experience must be recognised, cherished and nurtured. I fear that that is not happening at the moment.

Despite the initiatives that the Minister will no doubt describe, the position is not getting better. Although I welcome the initiatives, in recent years the proportion of research funding that universities receive in the form of fixed-term grants has gradually increased. The type of funding that promotes short termism has increased, as a result of which the proportion of researchers on short-term contracts has also increased markedly. Currently, more than half of post-doctoral researchers in United Kingdom universities are funded through short-term contracts, and that proportion is increasing. We are now left with a growing number of people who have a lack of job security as a result of working on multiple short-term contracts, which is a strong disincentive for scientists to remain in academia. Researchers can end up spending many years on short-term contracts, each lasting for only two to three years, but as their experience grows they become more expensive to employ, and ultimately they may be priced out of the market in favour of young, less experienced scientists on a lower pay scale.

It is a matter of chiefs and indians. I am not arguing that every post-doctoral researcher should be given a job for life and tenure. No one would argue that, but

there must be ways to enable the best of the post-doctoral researchers who are not in a position to take on lectureships or principal investigator roles to convert to open-ended contracts. Some people are simply not interested in doing that and are interested only in doing the work that they love. They recognise that that will limit their lifetime earnings, but there must be a way to allow them to convert to open-ended contracts.

Another problem engendered by the present culture is that researchers are constantly moving every two to three years. Research projects have little continuity and suffer as a consequence, making it less likely that research goals can be reached. I accept that we cannot be too purist about such matters because it is necessary for researchers to be mobile at an early stage in their career if that suits the area that they are exploring. They must be able to look at different groups, try different techniques and have the opportunity to move around. I am not saying that there are no benefits in mobility, but it is not the case that those benefits cannot be achieved—indeed, I believe that they can be best achieved—from the basis of an open-ended contract that people can move from because they have the confidence to put everything into their scientific career without worrying about whether they ought to consider training in something else in order to have some form of career that will give them the job security that they need as they enter their 30s.

There is also concern that the training received by post-doctoral researchers on short-term contracts does not meet all their development needs. It often relates specifically to their research fields and does not provide them with transferable skills. I am pleased that there are initiatives to provide a certain number of sessions and funding to go with that to tackle the problem, but has the evaluation been done?

I am not the first person to raise the issue. It has been raised in the main outside general parliamentary debate. It has certainly been investigated in Science and Technology Committee reports—there have been Lords and Commons reports into such issues. Sir Gareth Roberts' report "SET for Success: The supply of people with science, technology, engineering and mathematics skills" clearly stated several points. It said that research councils and other research sponsors should significantly increase starting salaries for post-doctoral researchers. Some of that has now been done through the initiative in the higher education sector to tackle issues of equal pay for work of equal value, which has generally tended to uplift salaries, but no one could argue that that solved the problem—the difference between people of the same age in different jobs who are and are not clinically qualified is enormous—or that that current post-doctoral research salaries are satisfactory. Sir Gareth also pointed out that unattractive career structures, including short-term contracts and low levels of responsibility, are responsible for deterring postgraduates from pursuing a career in science.

The final report of the Research Careers Initiative, which stemmed from the work of Sir Gareth Roberts and his colleagues, recommended that various issues be taken forward by the Research Funders' Forum and dealt with in the promulgation of a new protocol to renew the old protocol on setting higher standards for post-doctoral research. I should like to ask the Minister what point that work has reached, because the timetable set in the report appears to have slipped drastically. No help is found in the minutes of the careers research sub-committee of the Research Funders' Forum, because the only minutes available on the website are of what appears to be the first meeting, held on 1 October 2004. That talks about reporting to the Research Funders' Forum in April 2005, and states that it is intended that work on the replacement for the concordat will be completed by July 2005 and presented to the Research Funders' Forum in autumn 2005. I should like the Minister to tell me what has happened.

Finally, I should like to touch on the European working time directive on short-term working. The EU fixed-term contract directive is designed to protect workers by preventing employers from using successive contracts as a means to avoid making employment permanent. To comply, Governments and the member states must introduce measures that specify

"(a) objective reasons for justifying the renewal of such contracts and relationships;

(b) the maximum total duration of successive fixed-time contracts or relationships;—

and—

(c) the number of renewals of such contracts or relationships."

Crucially, the directive requires that fixed-term workers

"shall not be treated in a less favourable manner . . . because they have a fixed-term contract or relation unless different treatment is justified on objective grounds."

It is unclear what the impact of that has been in this country. I shall be grateful if the Minister clarifies what work is being done to identify whether—in contrast to what we hear from Cancer Research UK—there has been a move towards universities giving people open-ended contracts funded by the prospect and prediction of grant income, which is one of the key ways forward. Post-doctoral researchers tell me that that directive means only that they get a few hundred pounds in redundancy money; it does not change the situation on the ground.

Finally—recognising that we do not have time for a full debate about all the issues—I remind the Minister that one of the key points about the treatment of this group of people is the differential and disproportionate affect that it has on women and ethnic minorities in science. That message runs throughout the reports—it is not directly dealt with, but is certainly referred to in almost every report—and the Government clearly recognise it. If the Government's commitment to promoting science as a career for women and promoting the careers of women in science is to mean anything, they must tackle the problems of short-term contract working, a demoralised work force, and the loss of expertise and the waste of talent and investment that results from people leaving science because of unsatisfactory career prospects for those who are good at science and who would otherwise want to continue. I look forward to the Minister's response.

1.48 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Barry Gardiner): Mr. O'Hara, anyone reading *Hansard* may be confused about why I address you in the Chair, but the quick change that was done in the hot seat while the hon. Member for Oxford, West

[Barry Gardiner]

and Abingdon (Dr. Harris) was speaking has brought you to it and I am glad to see you there supervising the remainder of this afternoon's debate.

I thank the hon. Gentleman for raising the subject of post-doctoral scientific careers and for the way in which he based his contribution on the experience of conducting his own research among the researchers. He spoke with great candour and I shall try to respond in the same vein.

The Government attach importance to this subject, which is particularly significant if we are to realise the UK-wide and European-wide targets that depend so much on having enough well trained scientists. If the UK is to have a supply of highly motivated and well trained post-doctoral scientists, it is essential that their career options are attractive. The Government's determination to achieve that has been evident in the last two spending review commitments. For example, one key theme of the 2004 spending review allocations was the importance of strengthening the health of the engineering and physical science disciplines. The £10 billion allocation of funding for the period between 2005 and 2008 aims to lay the foundations by improving the health of key disciplines.

The hon. Gentleman introduced one perhaps contentious note when he spoke about student fees and the legacy of debt that they leave. I trust that he acknowledges that whereas under the old regime post-doctoral students would face a requirement to pay back 9p in every pound that they earned over £10,000, under the new regime the threshold is raised to £15,000. Year on year, while they are doing their post-doctoral studies, the chances are that they will be at least £450 better off and less likely to have to repay the debt in the first place. I shall not dwell on that point, because the hon. Gentleman made a great many important comments to which I want to respond.

The Government have already taken steps to improve the attractiveness of careers in science and to maintain the future supply of skilled people by enthusing schoolchildren about science and careers in that field. In recent years we have made a number of changes that have improved the attractiveness of research careers generally and the conditions for those engaged in them. Those changes stem from the review, which the hon. Gentleman mentioned, carried out by Sir Gareth Roberts on the supply of people with science, technology, engineering and mathematics skills. The "SET for Success" review brought to wide attention the key issues that affect post-doctoral and other research staff in universities and their impact on the recruitment and retention of those individuals. Issues included a lack of a clear career structure, uncertain career prospects, unsatisfactory training and increasingly uncompetitive salaries.

Although universities and research organisations are the employers of post-doctoral scientists, the Government, through the research councils, have introduced a series of measures designed to encourage employers to improve the attractiveness of research careers and to support the training and development offered by universities and research organisations. The Government have provided £185 million of new money up until 2007–08 to introduce the so-called Roberts measures. They are aimed at not only post-doctoral researchers, but at PhD students, who have benefited enormously from them. Specifically, research council PhD students, who comprise about one third of the total, receive a stipend of at least £12,000, tax-free. That represents a tangible increase in their remuneration, which has almost doubled since 1998, and it improves the attractiveness of further study to those who have the capacity to go on with it. That is at least one way in which the Government have attempted to address the problem, on which the hon. Gentleman commented, of people feeling under-valued.

Research council PhD students also receive two weeks of training in transferable skills every year—another issue mentioned by the hon. Gentleman. That has already had an impact on attitudes to such training in UK universities, and universities are actively participating in the sharing of good practice. Measures are also being developed in consultation with the sector to evaluate the impact of that additional training on the employability of PhD graduates.

For post-doctoral researchers, funding has increased research council salaries in areas that experience recruitment and retention difficulties. Research council researchers are also now provided with career development training through that funding. In addition, a new academic fellowship scheme has been developed to provide 1,000 new fellowships over five years. The schemes aim to provide more stable and attractive routes into academic careers, for which the hon. Gentleman was calling.

As part of the process of assessing the effectiveness of these measures, the research councils have commissioned a study to monitor the impact of increased funding for post-doctoral salaries on the higher education employment culture. They are particularly interested in the impact that that aspect of the funding has had on the employment practices of universities and research organisations.

With regard to the other measures aimed at post-doctoral researchers, the academic fellowships scheme has had a positive impact, and at least two universities have effectively cloned the scheme for the recruitment of their academic staff. The scheme has a clear structure that aims towards an academic career and includes outreach work into schools and teaching duties. That clear structure tackles the concern that the post-doctoral researcher has no identifiable career path. The scheme was launched in March 2004, and 398 fellows are now in place. If their performance is satisfactory, those fellows will be given a permanent academic post at the end of the five-year fellowship.

The funding for skills training for post-doctoral researchers has enabled universities to expand considerably their training and support for post-doctoral researchers and to provide them with opportunities to develop broader professional skills. That step change in the training and support provided to post-doctoral researchers in universities allows them to explore the full range of their responsibilities as scientists, including commercial awareness and sensitivity to public concerns about the advancement of science. The training focuses on a researcher functioning in a variety of research environments and therefore equips them with broad experiences that they can apply to a range of research problems. In addition to that

training, the research councils operate targeted schemes that provide researchers with broader training, including public engagement training, and grants for public engagement activities.

Further changes in recent years have had positive impacts on post-doctoral researchers in the university sector. One such change was the introduction of the fixed-term employee regulations in 2002, which the hon. Gentleman outlined. Under the regulations, from July 2006, when a researchers contract is renewed, those with more than four years' fixed-term employment will have to be considered for permanent employment. The use of short-term contracts is a fundamental issue that affects the recruitment and retention of researchers in the university research sector. Placing the risks and uncertainties created by short-term funding on to the researchers makes it difficult for them to plan their lives and careers. It is not uncommon for researchers to work without pay while they are waiting for the outcome of grant applications, yet such dedication to their profession is often taken for granted by their employees. The fixed-term regulations should deal with many of these issues by encouraging universities to move away from over-reliance on the use of fixed-term contracts. They will need to be far more proactive in the management and development of their post-doctoral researchers.

Some employers have already taken steps to reduce the use of fixed-term contracts. Research council institutes, for example, have already introduced guidelines to ensure that fixed-term contracts are used only in very limited circumstances—for example, when specialist skills are required in the short term. The reliance on fixed-term contracts in the higher education sector is also being challenged through other initiatives. For example, the introduction of the full economic costing of university research now means that universities can include so-called bridging funds as an indirect cost in grant applications to research councils. That allows them to continue the employment of a researcher while grant applications are pending, so although the fixed-term regulations require universities to provide proper redundancy procedures, full economic costing of research allows universities to build contingency funds to manage the redundancy of their permanent researchers should it become necessary.

The fixed-term regulations are also likely to have an impact on the mobility of researchers. At present, while such mobility is very beneficial generally to the development of research, it can also be viewed as being enforced in some instances. Those who are less mobile, perhaps because of family commitments, could be disadvantaged, as the hon. Gentleman described very succinctly. The regulations should, however, help in that researchers will be able to take control of their careers. They will be able to seek out further career moves as and when it suits them, rather than having relocations forced on them because a contract ends.

Salaries are also seen to affect the attractiveness of careers in research. Although most researchers often cite their interest in their subject area as the prime reason for undertaking such careers, the role of pay cannot be overlooked.

It being Two o'clock, the motion for the Adjournment lapsed, without Question put.

Westminster Hall

Wednesday 11 January 2006

[FRANK COOK *in the Chair*]

Energy Review and Coal

Motion made, and Question proposed, That the sitting be now adjourned.—*[Claire Ward.]*

9.30 am

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): I feel extremely fortunate to have been chosen to introduce this debate on future energy needs. Many of my colleagues applied for a similar Adjournment debate, which underlines the importance of energy and our future needs in the United Kingdom. My right hon. Friend the Prime Minister recently said that global warming and the environment was one of the most important issues of our time. I do not want to disagree with the boss, but in my view energy and the environment go hand in hand and are not mutually exclusive.

If anyone were in doubt about the importance of energy, the first few days of 2006 will have created absolute clarity. The dispute between Russia and Ukraine brings the issue of future energy needs into sharp focus and emphasises how important it is for diversity to be at the centre of the UK's energy policy, including domestic supply and the import of energy. A detailed examination of Europe's dependence on Russian gas should instruct our future policies. We should consider the following. France obtains 20 per cent. of its gas from Russia, Italy 30 per cent. and Germany 35 per cent. The figure is 20 per cent. for Poland, 60 per cent. for the Czech Republic and 60 per cent. for Austria.

What is the position in the UK? This year, the UK will no longer be self-sufficient in gas production and will depend on gas imported from Europe. That gas will come from various sources. Some will come from stable democracies such as Norway and some from less politically stable countries and regions. In those circumstances, we must ensure that we are never a hostage to fortune.

The Parliamentary Office of Science and Technology has said:

> "The UK's gas reserves are declining. Government and industry analysts estimate that by around 2006 the UK will no longer be self-sufficient in gas production and will revert to being a net gas importer. Gas is the largest proportion of the UK's primary energy supply, and gas-fired power plants are the main method of power generation. The UK will increasingly depend on gas imported from Europe and further afield."

If in the past few weeks European countries have been shivering, that may well be down to more than the weather. We have witnessed President Putin send a shiver throughout Europe.

Paddy Tipping (Sherwood) (Lab): Has my hon. Friend seen the projections from the Department of Trade and Industry, which suggest that, by 2020, 70 per cent. of our electricity needs will be met by gas, 90 per cent. of which will be imported? Is that not a perilous situation?

Jim Sheridan: I thank my hon. Friend for his intervention. I have not seen the figures, but I have no reason to doubt them. He is right to say that we are in a perilous position, and action must be taken now.

David Taylor (North-West Leicestershire) (Lab/Co-op): The statistics cited by my hon. Friend the Member for Sherwood (Paddy Tipping) were known five or six years ago, when, sadly, our Government allowed the north-east Leicestershire coalfield around Asfordby, with 800 million tonnes of coal on the Nottinghamshire borders, to be sterilised and not used for the future of the country. Is that not a rather sad position? Should we not be reinvesting in deep mines with clean coal technology and avoiding the scar of open-cast coal, which would be the short-term, easy option that Governments might be tempted to pursue?

Frank Cook (in the Chair): Order. Perhaps I can explain to hon. Members that I am somewhat short of hearing facility and it would be better if the words spoken were addressed directly to the Chair, as is proper.

Jim Sheridan: Thank you, Mr. Cook. My hon. Friend the Member for North-West Leicestershire (David Taylor) makes a valid point, and I will be interested to hear what the Minister has to say. No doubt some of my colleagues, who have a long history of working in the coal industry, will be able to make a contribution later.

If we are to reach a sensible conclusion, any energy analysis or assessment must be free of prejudice and, above all, totally objective and evidence-based. That is a challenge we face in considering our future energy needs.

The starting point of any energy review must be an audit of the contribution of our present energy sources. That assessment needs to consider nuclear, coal, gas, wind, oil, tidal, biomass and hydro. My view is that there is not one answer to our future energy needs. We need an energy mix that rejects dependence on foreign supplies.

In planning our energy needs, a central question will be the decline of our oil and gas reserves. The prerequisite for any energy review and new policy is that the debate should not be about conventional versus renewables. Both have a valid and relevant contribution to make to our future energy needs.

At the outset, I confirm my standpoint—I would like to see the development of renewables. I want wind, tide and wave to play a greater role in our energy jigsaw, but there appears to be a lack of urgency in the development of renewables in the UK.

On the question of manufacturing and the energy industry, trade unions such as the Transport and General Workers Union are already expressing concern about major gas suppliers moving abroad. That raises genuine concern among many of us.

All forms of renewable energy will create jobs and some manufacturing in the UK. The number of jobs will depend on the type of technology and on how far and

[Jim Sheridan]

where it develops. The jobs will cover a range of skills, including design, construction, manufacturing, assembly, installation and maintenance. The key is to provide appropriate support from the research and development stage to demonstration projects and fully operational plants.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing the debate and on his remarks about the importance of us not being, as we are about to be, over-reliant on imports of energy from overseas.

Drawing upon the hon. Gentleman's last point, the energy review is a wonderful opportunity for Britain to start to become the world leader in some of the new energy technologies. Not least, it is an opportunity for this country to become a leader in clean coal technology, given the huge reserves we still have.

Jim Sheridan: The hon. Gentleman makes a valid and important point. The UK should become a showcase for the world, placing UK companies in a good position to win export orders for new technology. Without UK-based, full-size plants, it becomes much more difficult to prove the technologies and, more importantly, to win export orders.

As I said, many hon. Members present represent mining areas. Britain has some of the largest coal reserves in Europe and that should not be lost on us. At present, many of the UK's coal-fired power stations are planning to implement the large combustion plants directive, which demands a significant reduction in emissions by 1 January 2008. The challenge to the coal-fired stations is to fit flue gas desulphurisation equipment and to guarantee themselves a future. In my own constituency, Mitsui Babcock is at the leading edge of new technology for coal-fired stations, which will assist them in reducing emissions of sulphur, nitrogen oxides and dust. I pay tribute to the management and work force of Mitsui Babcock. Not only can they make a major contribution to our future energy needs, but hopefully they can realise the export potential of their emissions capture technology.

At the beginning of the debate, I expressed the view that our future energy policies need to be a genuine mix, with nothing excluded. For too long, hydropower has been the poor relation in the energy debate. It is often described as relevant in the 1940s and 1950s, but of no consequence today. I, for one, completely reject that analysis. Hydropower is relevant today. If we upgrade the pumping equipment at plants in the UK, we could achieve a 5 to 15 per cent. improvement in output. I also welcome the decision of Scottish and Southern Energy to build a new hydro-station at Glencoe near Fort Augustus, in Inverness-shire, which will generate up to 100 MW of electricity.

I have said that future UK energy policy needs to give validity to every source of energy. The final portfolio needs to recognise our future needs and the protection of the environment against global warming.

Mr. David Marshall (Glasgow, East) (Lab): Does my hon. Friend agree that as well as ensuring continuity of energy supply, there needs to be some tighter price control mechanism? Many poor people in constituencies such as mine are struggling very hard to pay ever-increasing, spiralling energy costs, yet the profits of the energy companies increase even quicker than the prices.

Jim Sheridan: My hon. Friend makes an important point. People are struggling to pay the ever-increasing, spiralling energy costs. It is not just consumers; local businesses are struggling to pay as well.

Mr. Jim Devine (Livingston) (Lab): I do not know whether my hon. Friend is aware of the situation in Grangemouth, where every night a lot of energy pours out of the top of the spiral and into the atmosphere. A similar plant in Sweden provides free heating for about 150,000 pensioners. Does he think that such an initiative could be part of the strategy?

Jim Sheridan: My hon. Friend is absolutely right. There is a learning curve that we all have to follow. If we can learn lessons from countries such as Sweden, so be it. We would be the better for it.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Does the hon. Gentleman think that another important lesson that we need to learn from Scandinavia and other countries is that prices of energy will go up and down, as will the cost of heating homes, so the crucial thing for the long-term health of the occupants of homes is to get better quality standards for the conservation of energy and to reduce demand for energy and the need for people to buy it, whatever the price?

Jim Sheridan: The hon. Gentleman is right. I disagree on only one point and that is that I have had no experience of prices going up and down. I know that they go up. They very seldom come down.

I hope that the Minister will confirm that the Government-stated objectives of getting 10 per cent. of electricity from renewables by 2010, 15 per cent. by 2015, and 20 per cent. by 2020 will not be amended or discarded. We collectively need to realise those objectives and we need to formulate our decisions with speed and consideration. Time is not on our side.

Consumers and local businesses depend on us to provide and safeguard energy supplies. They should not, and hopefully, with Government support, will not, be held to ransom by any one supplier or source of energy supply. If we do not act now, future generations will rightly ask why we did not when we had the opportunity to do so. Economies such as China, India and Brazil are expanding and their thirst for energy will mean our competing with that to secure our own supplies. That is why I was delighted to hear that our Government and China have secured an agreement on the development of clean coal technology with carbon dioxide capture and storage, which also aims to reduce significantly the climate change impact from coal-fired electricity generation.

Bob Spink (Castle Point) (Con): I congratulate the hon. Gentleman on securing this important debate. Coal has a part to play in our future energy supply. He has just mentioned carbon capture and storage—

CCS technology. Carbon is, of course, a bête noir in this. He mentioned previously sulphur and nitrogen but not carbon. Does he believe that this country has an opportunity to lead in that technology, and that the Government must come forward with a regulatory framework for CCS and promote a demonstration plant, so that we can not only use up the coal that we have without damaging the environment, but sell that technology to the world, including China?

Jim Sheridan: I have no reason to disagree with what the hon. Gentleman says. I am sure that the Minister has also listened to what he has said. The hon. Gentleman's proposal will take a great deal of investment, and that is what we need.

There is tangible evidence of willing partners in the agreement reached with China, working together to combat the global challenge of climate change. New technology available today could cut CO_2 emissions from power stations by up to 90 per cent. There are estimates among our energy experts that, within our shores, we have the capacity to store our total carbon emissions for decades to come. Known as carbon sequestration, the technology can be used to separate CO_2 from coal-firing and gas-firing power stations. The CO_2 is then pumped into depleted oilfields via disused pipelines.

There are opportunities forthcoming for Government and private interests to invest in drilling into coal under our shores with a combination of drilling rigs, pipelines, storage facilities and power plants, exploiting an energy resource that has a 300-year future. Underground gasification of coal is an idea whose time has come. It has green credentials, with the potential to pump waste carbon dioxide into the underground holes. Hydrogen could be extracted from the gas for a new generation, emitting nothing but water vapour.

Who knows where that new technology could take us and what other uses it could have. One thing is clear, however: there is a window of opportunity in the review. We must take it and resurrect old king coal from its premature death.

Frank Cook (in the Chair): I have had a formal request for the removal of jackets, and those of you who have had the misfortune to work under my chairmanship in Committee will know that I am normally amenable to such requests. However, in this instance, this is a parallel Chamber to the parent Chamber below, so for that reason and that reason alone, I am afraid that jackets must remain on—not necessarily buttoned, but on.

9.48 am

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I congratulate my hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan) on securing this debate. It is timely because my hon. Friend the Minister has announced the review, and he has the unenviable task of deciding the energy mix for the future.

I want to make three points: first, I want to consider some of the issues that the Minister will have to deal with in the energy review; secondly I want to make the point that all forms of energy have a substantial impact on the environment; and thirdly, I want to refer to the position of the United Kingdom coal industry, urging the Minister to act to ensure that the industry is around when the review is completed, so that it can play its part in ensuring the security of supply of UK energy.

During the review, the Minister will need to consider the impact of the energy mix on climate change, the retention of a diversity of suppliers, to which my hon. Friend the Member for Paisley and Renfrewshire, North referred, and the security of supply. Having watched events during the past few weeks, I have no doubt that the security of supply issue will loom large for the Minister.

There is also the commercial framework of the energy market to consider. The Minister will be aware that we have gone through a number of phases. We had the pool system, which gave way to the new electricity trading arrangements. Each system has impacted differently on the energy scene. Although at present there is a sparsity of gas, in the next 18 months, much more gas is likely to become available from Norway. Unless we are prepared to consider how the commercial framework of the energy economy has altered, we are likely to see a second dash for gas. In my estimation, five or six years after the start of that dash, the position for the UK could be far worse. I refer to the point that my hon. Friend the Member for Sherwood (Paddy Tipping) made: it is estimated that we could be 80 per cent. dependent on imported gas if we go down that route.

The Minister will have to consider those matters in the review. I take the point that my hon. Friend the Member for Paisley and Renfrewshire, North made in opening the debate: there is a need for diversity and there is room in the energy market for all energy sources. At present, roughly 40 per cent. of electricity is generated by gas, 33 per cent. by coal and about 19 or 20 per cent. by nuclear, with 4 or 5 per cent. from renewable sources. The 40 per cent. reliance on gas should be our limit. We should not allow a second dash for gas to take us into an area where we are 80 per cent. dependent on gas. In future, gas will come from areas of the world that are less stable than Norway and at the same time we have to consider the current phenomenon of terrorism. Terrorism could place us in a very vulnerable position should those gas supplies be interrupted.

During the review, I should like the Minister to think about the limits on gas. In thinking about the commercial framework of the energy economy, he may decide that it should be divided between the current sources. We know that 2020 is the target for 20 per cent. of renewables. That is a commendable target. We should ensure that we reach that target because we need the renewable technology. I must tell the hon. Member for Castle Point (Bob Spink) that, in 1992, a world-leading plant at Grimethorpe in Barnsley, a clean technology plant, which was built and administered by British Coal, was dismantled by the Conservative Government. It certainly put us in a far worse position in catching up on the technologies, which we must do now.

All forms of energy have an impact on the economy and the environment. Some have a worse impact than others, which are detrimental nevertheless. I have a wind farm in Penistone in my constituency. It caused a great deal of concern when it was built because it is a very picturesque area. Many people took the view that it created visual pollution. I agree. Some argue that wind

[Mr. Michael Clapham]

farms add to the beauty of a scene, but when one sees the wind farm on the hills above Penistone that is certainly not the case.

I understand that experts who have been looking at the nuclear industry will be reporting to my hon. Friend the Minister. Monday's report in *The Guardian* showed that a new regime of nuclear generation would not result in less waste, as some have argued. According to experts on the matter, it could increase eye-level waste fivefold. The Minister will need to consider that issue.

John Robertson (Glasgow, North-West) (Lab): I have a copy of the article. Is my hon. Friend aware that the points made in the article have not been substantiated? It was just the opinion of the person who wrote it.

Mr. Clapham: The article is based on the report coming to the Minister and when it is available we will know the position. I am not attacking the nuclear industry, but just pointing out that all forms of energy have a substantial impact on the environment, which the Minister will need to consider. Coal has a substantial impact on the environment, which is why we argue for clean coal technology.

My hon. Friend the Member for Paisley and Renfrewshire, North referred to the large combustion plant directive, which will require the fitting of flue gas desulphurisation to power stations that burn coal by 2008. I understand that it is likely that 16 gigawatts of capacity will be fitted with flue gas desulphurisation. That leaves us with CO_2 and how to deal with it. My hon. Friend also referred to clean coal technology, which could be dealt with by developments in his constituency. Mitsui Babcock has a super-critical boiler that is fitted with a facility for carbon capture. Some super-critical boilers are being offered to China, as my hon. Friend said.

What we require is to incentivise the generation industry to take on the retro-fitting of the new technology. Most of the coal-fired stations will be decommissioned by about 2015, so between now and then a new regime of coal-fired power stations will be needed, which means using the new technology and giving the generators incentives to do so.

Mr. Mike Weir (Angus) (SNP): Does the hon. Gentleman agree that generators will invest in the technology to retro-fit the stations if a signal is given to the coal industry that there is a long-term future for coal generation in this country? That is what is lacking at the moment.

Mr. Clapham: I thank the hon. Gentleman for his intervention. We need to send that signal. We need to be able to tell the UK coal industry that there is the potential for long-term contracts, which would give the industry a future.

That brings me to my final point: the UK coal industry is in a perilous state. Three large collieries are in mothballs, two owned by UK Coal and one by RJB.

Mr. Denis Murphy (Wansbeck) (Lab): Is my hon. Friend aware that at a recent meeting between UK Coal and the National Union of Mineworkers, Mr. Spindler, chief executive of UK Coal, stated on the record that he was not concerned about the coal industry? His concerns lay in the property portfolio. Does my hon. Friend share my view that it is extremely worrying that the nation's coal reserves should be vested in a company whose chief executive has no concern for the coal industry?

Mr. Clapham: I thank my hon. Friend for his intervention. He is right. If we allow a major energy supplier to switch to property, we will lose what could be a major plank of energy security. The Minister should be willing to emphasise that he is prepared to incentivise UK Coal to remain in energy.

Paddy Tipping: My hon. Friend will know, because of his knowledge of the coal industry, that UK Coal has been in discussions with the Department about loan guarantees. The work force at Harworth is listening closely to this debate. It is important that an early decision be made. I believe that UK Coal, with support, can keep the pits open. Is that my hon. Friend's view?

Mr. Clapham: I thank my hon. Friend for that intervention. It is my view, and I hope that the Minister will respond favourably to UK Coal's suggestion for loans to be able to keep the industry going.

As I said, there are three large collieries in mothballs. One of those collieries leads into the last large reserve on the east side of the country; it is an enormous reserve. If the Minister is prepared to respond to UK Coal favourably, we could see those collieries open. There is an opportunity for growth. I understand that applications have been made for a new shaft at Daw Mill in the midlands, and a new colliery at Margam, and I understand that Scottish Coal is talking about the sinking of two drift mines. It is important that the Minister responds favourably to UK Coal, because we need the UK coal industry to be able to provide that security of supply.

Several hon. Members *rose—*

Frank Cook (in the Chair): Order. There are currently five hon. Members seeking my eye, only three of whom have taken the trouble to send written notification of their intention to intervene. We are left with only 29 minutes, so I look to all hon. Members to make their comments suitably brief and pertinent, and not to accept all interventions. If they do accept interventions, they should make their responses brief.

10.1 am

Mr. Mike Weir (Angus) (SNP): I congratulate the hon. Member for Paisley and Renfrewshire, North (Jim Sheridan) on securing this important debate. The future of coal in the energy review is important to Scotland and the UK generally. I was interested in what he said about an energy audit. He will be aware that, during the previous Parliament, the Select Committee on Scottish Affairs—several members of which I see in the Chamber today—considered the issue. It said:

"As a matter of urgency before any final, irreversible, decisions on what sorts of power generation are the most appropriate for Scotland are taken, we recommend that the Government

undertake an audit of the energy resources that are currently available, and then to use that as a basis to work out the energy requirements that will be needed in the future."

That is good advice for the Government, for the UK as a whole and for Scotland. We all agree that we need a mixture of energy resources, although we may disagree about what goes in that mix and what the proportions are. We cannot rely on any one energy resource to provide our energy for the future.

Coal clearly has a potential for producing energy within the UK. It is reckoned that there are some 200 years of coal reserves left, as opposed to perhaps as little as 38 years of gas. However, most of our energy at present is produced from gas-burning stations, which does not make great economic sense. We talk about the security of energy supply, but in the UK—the situation is different in Scotland, which produces much more gas than it uses—we will shortly be reliant on imported gas. We have already seen, as the hon. Member for Paisley and Renfrewshire, North mentioned, what happened between Russia and Ukraine over the new year period, and the potential difficulties in that situation. There is no point in going for coal-burning technology if we do not ensure that there is a coal industry in this country to produce that coal. Otherwise, we will then start to import coal from places that are as remote and unstable as those from which we are importing gas.

On the question of the security of energy supply, we must examine the coal industry. However, there are difficulties in doing so. As the Scottish Affairs Committee pointed out, if coal is to have a viable future, coal stations will have to take on the European directive on large combustion plants. The difficulty is that coal produced in the UK is generally higher in sulphur than elsewhere. Coal from Scotland is less sulphur-intensive than that from England.

Nia Griffith (Llanelli) (Lab): Does the hon. Gentleman agree that in south Wales we have some of the finest anthracite in the world, which produces far fewer side products than many other forms of coal?

Mr. Weir: I will take the hon. Lady's word for that. Certainly in Scotland the coal is less sulphur-intensive than that in some areas of England. None the less, flue gas desulphurisation plants will have to be fitted to coal-fired stations if we are to meet the directive and if there is to be a future for coal. I understand that only two stations in the UK at present—Drax and Radcliffe—have that technology fitted, so considerable investment is needed and the cost of fitting the equipment to coal-fired stations will be considerable. The coal and generating industries will do that only if they are given a clear signal that there is a future for coal generation in this country. The nuclear industry is looking for such a signal in the energy review before investing in new stations—I shall not go into whether that is good or bad—and the coal industry is also entitled to look for direction from the Government and perhaps some Government investment in the production of that technology.

Many other countries will invest in coal. China, India and the US all have huge coal reserves and can make a political reality of the situation. Despite international agreements on climate change, their coal is a large economic resource and they will burn it, particularly in countries such as China and India which have booming economies. We must deal with that reality and we must do so by considering clean-coal technology. In this country, we have developed that technology, as has the United States, and we must work together to ensure that it is available throughout the world. We must take account of climate change and we must ensure first that it is put into our coal stations that generate electricity from coal.

Carbon capture has been mentioned and it is a relatively new technology with huge potential. Large areas in former oilfields under the North sea could be used to store carbon and new developments could help to get more oil out, as well as storing carbon gas. However, that is a relatively new technology and it may be many years before it has a significant impact.

Mr. Clapham: Is the hon. Gentleman aware of the project being run in Scotland, supported by work of the university of Strathclyde, to infuse CO_2 into coal seams and announce gasification? For some reason, CO_2 does not separate at the point of burning.

Mr. Weir: I am aware of that and various other technologies that could help.

The debate has wandered somewhat from coal to other energy resources. When considering energy resources for the future we must accept the necessity for a balance between our energy and environmental needs. The hon. Member for Barnsley, West and Penistone (Mr. Clapham) talked about the wind farm at Penistone and the hon. Member for Paisley and Renfrewshire, North talked about the hydro-station at Glencoe. That hydro-station also faced objections from environmental and other groups that were concerned about its environmental impact despite the fact that it is undeniably a green energy resource.

The sad fact is that whatever energy source we adopt we must meet environmental objections, and that is as true of coal as it is of any other method. Many traditional mining areas were environmentally blighted by the coal industry for many years. Much of the current coal industry is open-cast and any proposal for open-cast mining invariably produces many objections. We must consider those issues and balance the two but, ultimately, the Government must give a clear steer to the coal industry, stating that it has a future and that, if we are to burn coal, we shall not import foreign coal, but use the massive coal reserves in this country. That is the only way to obtain security of energy supply from coal.

When talking about the security of energy supply, perhaps we should consider what is happening with our energy companies. It is only recently that the German company E.ON Energie proposed taking over Scottish Power. I noticed in the weekend press that the Swedish state energy company, Vattenfall, is proposing a bid for Scottish and Southern Energy. If we are to consider the security of our energy supply, we should perhaps consider also the future of our energy companies.

Frank Cook (in the Chair): There are 20 minutes remaining and four hon. Members bidding.

10.10 am

John Robertson (Glasgow, North-West) (Lab): I have two speeches, and I have now created a third to try to shorten my contribution to the debate and allow other Members to get in as well. I congratulate my hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan) on securing the debate. I was fortunate to get a similar debate at the beginning of December, in which hon. Members who are present today took part. Would that more Members than the usual suspects take part.

Along with my hon. Friend the Member for Midlothian (Mr. Hamilton), I was a member of the Scottish Affairs Committee that the hon. Member for Angus (Mr. Weir) mentioned. The Committee produced the report on the energy needs for Scotland, and I have no doubt that the report could be easily transferred to the whole of the United Kingdom. We agreed that we should include everything in the energy mix to ensure that the needs of the people of Scotland are met, but a few members of the Committee were against nuclear energy at all costs. The hon. Member for Angus was one, and it was a sad indictment of his party. The Liberal Democrat Member, who is not present today, took the exact same position.

The energy review will come up with a balanced energy policy for our energy needs, and that is the most important thing that it can do. There is also a place for coal. As far as I am aware, we in this country can have only three energy suppliers—gas, nuclear and coal. They are the main producers of energy. Although it is more than acceptable to look for new ways of creating energy, we must consider this country's needs.

The plight of the Ukrainian people and the five-fold price increase imposed by the Russians gives an example of the type of outcome that in previous discussions we were always worried could happen when 70 per cent. of our needs were made dependent on other countries. As my hon. Friend the Member for Paisley and Renfrewshire, North said, we must have a sustainable energy policy that is secure for the needs of the people of this country.

It is correct to mention what happened to the coal industry in the 1980s and 1990s: the industry was dismantled by a short-sighted and vindictive policy from the Conservative party. Tens of thousands of miners were put on the dole, and there were hundreds of thousands of knock-on job losses. The unemployment list, high as it was, increased manifold as a result. Those of us who were active in the trade union movement in those days well remember the collection of food and moneys for the mineworkers and their families.

We should not forget that we would be at the forefront of any new coal technology if it had not been for the then Thatcher Government. I deplore everything that they did, and I have never, ever failed to feel hatred towards that Government. The circumstances that I have mentioned are the main reasons why I feel that hatred.

I should be very pleased if the Conservative Front Bench spokesman took this opportunity to apologise not only to the mineworkers and their families but to the country for what that Government did. It is important that that is put on record.

I suggest to my hon. Friend the Minister that we seriously consider something that, again, the Conservative party did with the Board of Trade when the Department for Energy was got rid of. There is a justification now more than ever to recreate a Department of Energy with a Secretary of State who takes care of our energy needs. There is no doubt from what we have seen in Russia and Ukraine that there is a need for more than one source of energy. We must also consider how we preserve our gas reserves in the North sea and how they can be maximised for the use of the British people.

I believe that many people will take part in the review and put forward their ideas about what should and should not be done, and that is absolutely right. It is important that the review and the Minister consider the needs of the nearly 60 million people in this country and not take on board some of the petty and unsustainable lies and half-truths that some opponents of coal, gas, nuclear or, in many cases, renewables have put about. The review and the Minister must seriously consider planning departments and how planning permission is given to build new energy installations, and come back to us and explain why things were done. I hope to take part in the review—I hope to make a submission—and I hope that other hon. Members will do the same.

Mr. Frank Cook (in the Chair): Fourteen minutes remain, and three hon. Members wish to speak.

10.16 am

Mr. David Hamilton (Midlothian) (Lab): I thank my hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan) for bringing the debate to the House. Like many hon. Members present, I was part of the debate that took place previously on the Scottish Affairs Committee report. As my hon. Friend the Member for Glasgow, North-West (John Robertson) said, many of the recommendations in that report could be taken forward with regard to a UK position. There are differences in the market in Scotland, but I hope that my hon. Friend the Minister will consider the essence of the report when examining the energy review.

I am mindful of your comments about the time remaining, Mr. Cook. The debate is about both the energy review and coal, and I would like to talk about some of the other issues relating to coal. When the comment was made about "old king coal", I felt myself sliding down in my seat, because I am sometimes referred to as old king coal.

With regard to the security of energy for the United Kingdom, alternative energy sources must be considered. In Scotland, hydro is about 6 per cent. of the market. Hon. Members have referred to nuclear, to renewables, including wind—wave power has not been referred to—to gas and coal and to security of energy. There was the problem that we faced at the beginning of the year. Every national newspaper carried the same headline, which was "Russia turns off the gas to Europe". The issue was not just about the UK. Politicians throughout Europe did not really care about Ukraine; they were much more concerned about the pipe coming through into Europe. Many of us have been saying for many years—I do not say that with any glee—that the most important issue that we must face is

Britain's dependence on sources of energy coming from abroad. That debate must take place in much more detail, and I am glad to see that there will be a debate on Thursday, although there is only a one-line Whip.

As politicians, we must decide on the principle of whether we leave ourselves being dictated to by other countries or, indeed, whether we leave ourselves to market forces. I do not believe that either situation is acceptable to us. Or do we rely on our own resources, knowing that there will be a cost to that decision? That is important. It has been alluded to on a couple of occasions that whatever decision is made, there will be a cost factor. If we make a decision about self-reliance in the UK, there will be a cost to that, and we must bear that in mind, not only for consumers but for business and so on.

We need to consider what is happening throughout the world and especially in China, which has become the engine house of the world. According to the 2002 statistics—not the latest ones—1,393 billion tonnes of coal were produced in China. Germany is the biggest European producer, producing 207 million tonnes. The UK is right down the line again, producing only 30 million tonnes.

It is also important to realise that several European countries produce coal, about one or two of which I was surprised. They produce coal on a greater scale than the United Kingdom does—not just Germany, but also Poland, with 161 million tonnes, Greece, with 71 million tonnes, and the Czech Republic, with 63 million tonnes. We are therefore in a market within the European network. Recognising that that is important. Britain, which has used only 15 per cent. of its coal resources, has some of the biggest reserves within Europe. At the end of the day, that we have not improved on our position is a tragedy.

In many instances we are at the cutting edge of developing new coal technology, but at the same time the coal industry is on its knees. That that is happening is a contradiction in terms and, to me, ironic. We have the transport and the expertise, which we have developed along with other European countries, but at the same time we are not paying heed to our own coal industry.

There are a number of issues that I will come on to, and one is about the Glencoe station. The hon. Member for Angus (Mr. Weir) said that there were objections when it went ahead. There will be. There are objections to every single thing that is proposed in relation to energy, whether that be open-cast, wind farms or tidal. There will be objections to hydro, which is very attractive in Scotland. The decision was made many years ago about hydro. Indeed, the organisation that represents renewables within Scotland has indicated that hydro could take up at least 20 per cent. of Scotland's needs, and in the renewable market it is talking in terms of 40 per cent. of Scotland's needs being met by renewables.

The wider base brings in not only energy, but the Department of Trade and Industry. What about when planned applications go forward for housing and so on? Industrial units are being built to specifications with the worst common denominator. They are not built with a specification that includes ensuring that there is heat retention, for example.

I will give some examples. Midlothian council is a good example, with a housing stock of 7,500 council houses. Every such house in Midlothian has wall cavity filling, insulation in its attic and double glazing. Each house had to have all such things installed after the houses were built. Could the planning process not have been better? Building contractors agree with us. When we talk to them about planned applications, their argument is that they want a fair crack of the whip, a fair playing field, when they make applications to build houses.

If every housing contractor across the UK was told that when they build a house they must have cavity filling, attic insulation and double glazing—to make sure that heat is retained, which in turn reduces the demand on energy—that would be very positive. We must look more at how we save energy, as much as how much we can produce energy. That issue has to be addressed much more than at present.

A report from a debate in the Select Committee on Scottish Affairs has another good example from Midlothian. Please excuse me for the argument, but Midlothian boasts an area including Monkton Hall colliery, where I worked for 20-odd years. Although closed, the colliery, 3,000 ft deep as it was, is producing substantial amounts of hot water—geothermal water. An experiment in Midlothian, with £3.5 million allocated from Europe, is considering how to use the geothermal water coming up from Monkton Hall to heat some 230 houses—to start with—industrial units and a primary school. There is a possibility of expanding the use of that geothermal water to some 4,000 new-build houses. I ask the Minister to come along for a meeting, and, with the council, to discuss these matters.

There are 230 ex-collieries within Scotland, two-thirds of which have the potential of using geothermal heating coming up from them. Therefore, using old collieries can take us up to the 21st century, which in turn can develop a strategy for us.

I am mindful of what the Chair said and will cut short everything, because other speakers took far too long.

Several hon. Members *rose—*

Frank Cook (in the Chair): Order. I remind the Chamber that the Chair is required to call the first of the three Front Bench wind-ups at 10.30 am.

10.24 am

Dr. Roberta Blackman-Woods (City of Durham) (Lab): I am grateful to my hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan) for securing the debate. Our prime consideration must be to argue that coal should not only feature in the energy review, but be given a degree of prominence. Like many other Members, I am pleased that the debate about using coal has moved on and we no longer have to argue about renewables versus coal. Because of developments in clean coal technology, we can argue strongly for both. I stress that the Government should continue to press forward with their target to reduce CO_2 emissions by 60 per cent. by 2050, but hopefully that can be achieved by investing in coal as well.

I press the Minister to look at developments in clean coal technology and how they can be used in the UK. A number of us in this Room were at a seminar just before

[Dr. Roberta Blackman-Woods]

Christmas where the more recent developments in clean coal technology and carbon capture were outlined. It is gratifying that many UK universities are at the forefront of developing that technology. We clearly want to invest in that.

We know that coal can be part of the environmental solution, instead of being part of the problem. We know that processes exist to remove SO_2, nitrous oxide and CO_2 during the electricity generation process. Coupled with modern mining methods and high energy prices worldwide, that means that we can make a powerful case for investing in a new generation of coal-fired stations, providing that the technology is in place. The National Union of Mineworkers and others make a strong case that Britain's coal reserves could contribute to our energy supply for a number of years, hence the need for long-term investment.

It is also worth pointing out that we are not arguing for a return to the mining industry of the past, much as I celebrate that. I represent a constituency where mining has been really important and I would like mining to be part of the future of the industry in that constituency. We no longer have to produce coal tips because waste can be stored underground. Modern ventilation methods are better. Accidents still occur. We know that, tragically, from what has happened in America recently. However, there are fewer incidents. Methane gas, or mine gas, can be captured and used in electricity generation. We can also blend coal with biomass or other renewable sources, including household waste. We should be investing in the production of those renewable coal products. That should be a feature of our energy supply for the future. I am told—I do not profess to know the details—that we should be considering integrated gasification combined cycle power stations. Alongside carbon capture, that is what I press the Minister to consider.

I will conclude in the hope that there is time for another Member to speak, but it is worth emphasising that a number of us are really concerned about what happened in our constituencies during the Thatcher years. It would be very much welcomed if a Labour Government could again invest in our coal mining industry.

Huw Irranca-Davies (Ogmore) (Lab) *rose—*

Frank Cook (in the Chair): Order. I must counsel the hon. Gentleman that if I call him he will have to relinquish the Floor in one minute.

10.29 am

Huw Irranca-Davies: What a challenge. The Minister will know that I am making my own contribution—I am building my house with a wood-powered boiler, solar panels and a rainwater harvesting system. I am doing my bit. When the Minister looks at the Welsh coal industry, will he return the favour? He knows my support for the UK coal industry is firmly on record. Tower colliery is facing declining reserves in its seams. There are applications for new deep mines in Wales. There is also the issue of keeping skills going in the deep mining industry. It is vital that rapid decisions are made on that.

I also want to flag up one of the issues that was raised earlier in relation to marine and tidal energy. This is not only about south Wales and the Severn estuary, which has the second highest tidal range in the whole world; we also have the Menai straits and the Irish sea. That source of energy is massively underused and we need to do a tremendous amount on that.

There is also a place for wind energy. There is already one wind farm in my constituency. One community has one in front of it and there is an application for another behind it. It has two more on either side of it. I do not want it to be like Custer's last stand surrounded by wind farms. We have a role to play. I have lived opposite a wind farm. I have no problems with them, but they should be in the right place and there should not be too many of them. Thank you, Mr. Cook, and do not forget Welsh coal.

10.30 am

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I congratulate the hon. Member for Paisley and Renfrewshire, North (Jim Sheridan) on introducing today's debate, on raising the wider issues of the energy review and on concentrating on the future of coal. He raised the question of our dependency on the worldwide energy market. Whatever happens and whatever the mix, we are in an interdependent world and we cannot completely hide from market forces and our trade with the rest of the world. We must therefore ensure that we maximise the stability and predictability of that trade.

Can the Minister give us any reassurance about how market liberalisation is getting on in the rest of the European Union? One of the big distortions at present is that our market is connected—and becoming even more connected—to another market that operates under different rules. A larger market becomes a more stable market because people can predict more effectively how it will operate and how the future will pan out. They can make investment decisions based on their judgment of the commercial risks in an open and fair market in which they can have confidence.

I must declare my entry in the Register of Members' Interests: I am a shareholder in Shell. Coal has played a major part in building the UK economy. As many hon. Members have pointed out, there are major reserves of coal, so the potential is there. As has been outlined, however, the environmental impact of coal still holds it back from playing its part as an energy source in this country. I think in particular of climate change. We understand more how our world is affected by the emission of carbon dioxide into the atmosphere, and how we must meet the challenge of reducing our emissions, not only at home but around the world.

Clean coal technology shows how coal can play its part without doing any environmental damage. The ultimate goal must be carbon capture and storage. In previous debates, we have talked about the excitement of the Miller project in the North sea, where we are getting much closer to seeing the full cycle of capturing the carbon, producing the electricity and returning the CO_2 under the North sea, rather than letting it out into the atmosphere, with the added benefit of enhancing oil recovery in the process. There is a virtuous circle in making that process work.

The Government have announced carbon abatement grants and a carbon abatement strategy. Can the Minister give us more details of how those grants will operate and how people will access them? If those grants are available and the details are out there, people can understand how best to make use of them. We could help to take carbon capture and storage forward if carbon credits were allowed under the emission trading system. Again, can the Minister tell us how that is developing and what the potential is?

The Miller project is able to take place because the CO_2 that is put in the North sea is used as an agent to recover more oil. Obviously, in the longer term, the discussion is about possibly storing CO_2 in exhausted and redundant fields. There we have the concern that the OSPAR and London conventions restrict the disposal of CO_2 under the North sea. People have talked about a long time scale for the development of that technology. The reality is that changing arrangements such as OSPAR takes a long time, too. It would be good to hear what initiatives the Government are already taking to ensure that conventions will not stand in the way of disposal of CO_2 under the North sea if we can prove the technology is successful and we want to make full use of it. That major resource, which we have developed through our oil and gas exploration and production, could now provide an added benefit. Using it to dispose of CO_2 could benefit coal and other energy sources.

This debate is part of a wider climate change debate. In response to a debate initiated by the hon. Member for Ogmore (Huw Irranca-Davies), the Minister stated that

"the Department for Environment, Food and Rural Affairs has also initiated a climate change review that will report by the end of the year."—[*Official Report*, 12 October 2005; Vol. 437, c. 416.]

That was last year. Perhaps the Minister can update us as to whether the DEFRA report will finally appear at the end of this year or, I hope, earlier in the year. Obviously, people need to know how environmental impacts fit together.

Blending coal with biomass has been raised. Perhaps the Minister could explain why the biomass that can be used in the blending process with coal is restricted to only 15 per cent. Again, a bit more flexibility could reduce the environmental impact.

The hon. Member for Paisley and Renfrewshire, North made an important point about the jobs that will be available in the renewable and marine sectors. This country has engineering skills and experience from working in the marine environment that would be eminently exploitable if we were to allow marine technologies such as wave and tidal to take off. There is great potential to transfer the skills that we have learned through all the other work that we have done in the North sea.

It was somewhat perverse of the Government, who deal with security issues, to turn their back on the resources that we have in this country. There was considerable disappointment with the Chancellor's approach to North sea oil taxation. His pre-Budget report created concern among investors that he is changing the fiscal regime. The big picture is that he is frightening away investment at a time when we seek to maximise the production of gas in the North sea, and that seems a perverse strategy. Has the Minister had a chance to review the studies that show how marginal the gas-gathering pipeline networks for the west of Shetland are, and to consider whether the tariffs on the use of the pipeline infrastructure will tip them the wrong way?

If we are to make full use of carbon storage in the North sea, the pipelines and infrastructure are important. Obviously, some of us who look at the big picture want the Chancellor to change the tax regime back to a more attractive one for investment. Have the Government considered in detail the impact of the tariffs on the use of infrastructure? Maintaining a core infrastructure of pipelines and production networks in the North sea allows the more marginal and newer discoveries to be exploited and would also allow carbon to be reinjected. It is crucial that full use can be made of them, so putting a tax on something that we want to incentivise seems somewhat perverse. Can the Minister give some assurance that the Government will reconsider that?

I want to finish by saying again that coal played a great part in the UK's economic development. It is facing the challenge of its environmental impact. If we can tackle that issue, coal will have a role to play in supporting the UK's future energy economy.

10.38 am

Charles Hendry (Wealden) (Con): I also congratulate the hon. Member for Paisley and Renfrewshire, North (Jim Sheridan) on securing this debate. As he said, it is timely, given what happened during the Christmas and new year period. I also want to thank him for the balanced way in which he introduced the debate. He raised a tremendous number of important issues, and his approach has characterised the whole of the debate this morning. We have had an opportunity to consider the important role that coal can play within the wider policy of the energy review.

I agree with the hon. Gentleman that we need balanced energy provision, and I broadly agree with the mix that he proposed. Of course, we all support greater use of renewables, but, as was made clear by several hon. Members, they are not without environmental consequences as well. As the hon. Member for Barnsley, West and Penistone (Mr. Clapham) said, there are considerable environmental concerns about wind power provision on land. That was brought home to me recently when I went to Switzerland. I drove out through Germany and came back through France. Throughout Germany, there is a tremendous reliance on wind power, but there is none at all in France. What strikes one is the environmental impact of row after row of wind turbines on an otherwise beautiful landscape. As the hon. Member for Angus (Mr. Weir) reminded us, even hydropower, which in the security of the south-east we think of as an extraordinarily valuable means of energy provision in Scotland, is not without its environmental consequences.

We have seen a huge amount of balance in this debate, and I hope that the energy review will focus on that need for balance, and not allow the country to become over-reliant on any single source of energy. The hon. Member for Angus also made a valid point that we must ensure that we do not end up depending on imported energy supplies. The debate has shown the degree of expertise that exists in the House on these matters, and I hope that, during the energy review, the Minister will use that

[Charles Hendry]

expertise and not simply rely on external expertise. If all of us can be as brief and concise as the hon. Member for Ogmore (Huw Irranca-Davies), this House would operate in a better way. If, in one and a quarter minutes, hon. Members can make points that are pertinent both to the energy review and to their constituency, that is a lesson for us all.

In recent years, we have seen a dramatic reduction in the use of coal. In 1950, almost all the primary fuel used was coal, but in 2000 only 15 per cent. was used, the majority being oil and gas. We are also seeing a continuing decline in the provision of coal from within the United Kingdom. The hon. Member for Glasgow, North-West (John Robertson) commented about how that decline happened under a Conservative Government. However, he has turned his mind away from how that decline has continued under his own Government. Since 1997, the number of mines in this country has dropped from 22 to 13, and the number of miners has dropped from 14,000 to 5,000. Coal output has halved from just under 50 million tonnes to just over 25 million tonnes.

Mr. Clapham: The hon. Gentleman will know that when the industry was privatised in 1994 it was beyond its critical mass. It was in a failed market and depended on Government support. The industry's decline was inevitable, but it was built into the privatisation.

Charles Hendry: I understand where the hon. Gentleman is coming from. The point that I was seeking to make is that it has been a long-term decline which has not been reversed under this Government. Our reliance on imported coal has doubled over the last eight years, from 19 million tonnes in 1997 to about 36 million tonnes now. It is not a short-term phenomenon that only happened in the 1980s; it has been happening for over 30 years.

Mr. David Hamilton: Is the hon. Gentleman suggesting that we renationalise what is left of the coal industry, so that we can expand it?

Charles Hendry: I am not going down that route. The Conservative party may be going through a process of evolution at the moment, but I am certain that we are not going to go down the route of renationalising the means of production of energy, as the hon. Gentleman suggests.

In introducing the energy review, the Prime Minister said that by around 2020 the UK is likely to have seen decommissioning of coal and nuclear power plants that generate together over 30 per cent. of today's electricity supply. It is clear that if decisions to invest in new coal-powered power stations are not taken soon, the future role of coal will decline further.

It has become evident in today's debate that there is scope for a renaissance of coal as a result of new technological advances. As my hon. Friends the Members for Kettering (Mr. Hollobone) and for Castle Point (Bob Spink) set out, it is a sector in which the United Kingdom can become a world leader. There has been some discussion about carbon capture and storage, whereby carbon dioxide emissions are captured and can be kept safely. There are creative and imaginative ways in which that can be done. For many years, pure carbon dioxide has been captured and used in the food processing and chemical industries. To make that more effective, we need huge opportunities for storage. About 500 million tonnes of carbon dioxide per year is produced and that requires imaginative new ways of considering the problem.

The approach that the hon. Member for West Aberdeenshire and Kincardine (Sir Robert Smith) has talked about—storage in the North sea—would allow us to do something dramatic and novel. It is encouraging that British companies are in the lead in the use of that global technology. As he explained, additional benefits arise from that, such as improved methane extraction from the oilfields. Enhanced oil recovery, if achievable, will start to make carbon capture more economic.

However, there is the risk that international treaties will make that process more difficult. Will the Minister clarify the legal situation as to whether the injection of carbon dioxide into the sea bed for storage will be permitted, even when it is not linked to enhanced oil recovery? A distinction is drawn in the international treaties between those two approaches, and if we cannot put it there for storage, that approach could be made more difficult.

There is a tremendous, once in a lifetime opportunity to get decisions right in order to have a balanced energy policy that makes use of the natural advantages this country has in energy supply and other provision. We can take the lead in conservation and encourage new technologies where the UK can be a world leader. Without doubt, coal has an important part to play in that process. We wish to work with the Minister during the energy review, on a cross-party basis, to ensure that we take the right decisions. We want to examine what is right in the long term for this country in terms of provision and conservation and we hope to work with the Minister in that process.

Mr. Denis Murphy: Will the hon. Gentleman please clarify a point for me? Is it his party's policy to offer financial support to a privatised mining industry in order to keep the coal reserves there?

Charles Hendry: If one wants to have a balanced energy policy, certain aspects of it will require financial support from the Exchequer. We recognise that in order for renewables to make good progress, public funding will have to be involved. At this stage, we have not reached a conclusion—that is what we shall do during the energy review—but we do not rule out the need for Government investment in those areas to ensure a balanced provision. I hope that we can assure the hon. Gentleman that we are considering the matter in relation to the long-term needs of the country and starting with a fresh sheet of paper to ensure that we take the right decisions. After an interesting debate, we all look forward to hearing what the Minister has to say.

10.47 am

The Minister for Energy (Malcolm Wicks): I, too, congratulate my hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan) on securing the

debate. It is the latest in what is now a short series of recent debates. For some reason I was not invited to the Scottish debate—I am not sure why—but I remember a serious discussion in Westminster Hall.

I am struck by the fact that, while the prime focus has understandably been coal, we have debated the matter in the wider context of other energy sources and technologies, not least carbon capture and storage. We are examining those international treaties, which were designed to prevent dumping in our seas, and we are confident that we can get satisfactory outcomes. Other nations, including Norway, have an interest in that.

We have discussed the matter in that context, and in the context of what the United Kingdom's strategic energy objectives should be, which must be a part of the debate in the energy review. We have considered the matter in a global context. As has been noted, the new year was barely struggling into its early seconds and minutes before we had the serious dispute between Russia and Ukraine, which has now, I hope, been happily resolved. Perhaps we should delete the word "happily": it has now been resolved, at least in the short term. That reminds us of the global context and the important geopolitical and national security dimensions, which have come to the fore not only here but in other nations, and even since the White Paper of 2003.

We have had an important debate. Again, I congratulate my hon. Friend the Member for Paisley and Renfrewshire, North. I shall not refer to every contribution as it would take too long, although I too was struck by the one-minute dash, without gas, by my hon. Friend the Member for Ogmore (Huw Irranca-Davies). It was a model; it was energetic, yet energy efficient. Given his use of both brain and heart, it gave us an example of combined heat and power that we will remember for at least a few more minutes.

The House will be aware that the Prime Minister and the Secretary of State for Trade and Industry have asked me to lead a review of UK energy policy and to bring forward policy proposals by the middle of the year. Things have changed since 2003. North sea gas reserves have declined faster than many experts anticipated, and we know about the projected decline in nuclear power. We became a net importer of gas in 2004, and in a few years we will become a net importer of oil.

There have been other changes beyond our borders. I was asked about the slower than expected liberalisation in the European Union, as it has exposed us to higher, more volatile prices. We made some headway under our presidency at the Energy Council of Ministers in Brussels just before Christmas. The Commission is determined to press forward with that liberalisation, but there is still a long way to go. Even more internationally, China is already the world's second largest consumer of energy, and reports suggest that it has just overtaken the UK to become the world's fourth largest economy. It is truly an international problem.

We must learn from those developments, and from events so far this winter, both here and overseas. At the headline level, we need to answer a number of important questions. How do we ensure affordable energy in the future? How do we deliver a 60 per cent. reduction in carbon? That reduction was mentioned earlier, and we remain committed to it. How do we manage our reliance on imported gas, and what are the implications?

In a nutshell, how can we create and maintain a fully functioning market that provides secure, affordable and clean energy? I take the point about affordable energy for the poorest and eldest in our communities. Those are big questions. They raise vital and complex issues, and there are important and intricate links between the decisions that we make on coal and other fuel sources.

Some assumptions have been made about the outcome of the review, but it is not about finding one solution to all those challenges—a theme that was echoed today. Hon. Members recognise that, despite the fact that enthusiasts from various quarters think the whole answer is this or that, we are talking not about where 20 per cent. or 30 per cent. of our energy supply will come from but about 100 per cent. of our energy supply. We recognise the need for diversity. There is no one solution. There is no silver bullet. There is no uranium bullet. With respect, there is no coal bullet.

Renewables has been a theme of the debate, as has strategic support for renewables—although not necessarily in one's own constituency. That, of course, is one of the dilemmas when considering the investment that is needed. Renewables are important. We have a renewables obligation, with a 10 per cent. target of our electricity coming from renewables by 2010, and the aspiration that it will be doubled to 20 per cent. by 2020. I do not come to the review renewables-neutral; I am an enthusiast for renewables.

Huw Irranca-Davies: On that point, does the Minister accept that, with his Department's support, MPs could be a useful tool during the energy review, becoming involved in confronting the renewables issues with their constituents? I am very pro-renewables, but one has to deal with them in the full light of day, putting the hard facts before one's constituents. The Minister and his Department could be a great help in putting forward those arguments.

Malcolm Wicks: That is an important point. It is not that the whole answer is blowing in the wind; but some of it is, and we are also developing other technologies. MPs can play a role. Indeed, I would go further: when we publish the consultation document on the energy review, which I expect to be later this month, I hope that hon. Members on both sides of the House will help to lead a well-informed debate in their constituencies. There has to be a public debate, and renewables are a part of it.

I can promise that the medium and long-term role of coal and its potential contribution to secure energy supplies is an important consideration in the review. For coal to have a future, it must be used much more cleanly than it is now, with significantly lower emissions of carbon dioxide and other harmful gases.

We have therefore developed the carbon abatement technology strategy to develop mechanisms such as research and development support, which will encourage the development of more efficient coal-fired plants, the use of coal with biomass and eventually the deployment of carbon capture and storage technologies. The latter technology has the potential to eliminate up to 95 per cent. of CO_2 emissions from coal use, not only in power generation but in other industrial processes. However, the review will be investigating ways we might encourage generators to deploy all these important technologies.

[Malcolm Wicks]

The Chancellor has set aside £35 million of Government grant aid for the demonstration of carbon abatement technologies, which will be made available from April 2006 and will last about four years. My officials are working up a scheme for supporting those demonstrations and we plan to announce it by March, with a call for proposals to follow. I hope that my hon. Friends can see that we are providing serious support to enable coal to have a future in a sustainable world.

On coal production in the UK, the Government has paid out almost £37 million in coal investment aid and expects mine operators to draw down most of the balance of their awards during the first half of 2006. That investment aid, and about £160 million of UK coal operating aid, helped mines such as Thoresby, Kellingley and Daw Mill to maintain the investment they needed to keep them in production through the difficult early years of this decade. It was a relief to see the latest output figures, which show production at the remaining deep mines up almost 5 per cent. in the three months to the end of November compared to the same period last year. The outcome reflects the commitment of Government, management and, of course, the work force alike. However, as we know, there has been an overall decline in home production and an increase in imports—up 16 per cent. in the first nine months of 2005 compared to the same period a year previously. That compares with the latest figures of just under 18 million tonnes of UK production.

The continuing rise in imports highlights the availability of coal on world markets. The UK has unworked reserves of coal, in shallows and at depth, but with reliable, competitively priced supplies from South Africa, Colombia, Poland and elsewhere, many coal customers are choosing to import, which is the reality that we have to grapple with.

I said in a debate in Westminster Hall—back in those historic days when it was functioning as a modern debating chamber—that the time was right to take a new look at the UK coal industry and to consider how best to create a climate in which to attract the long-term investment needed to secure its future. The future of coal in meeting our energy policy goals in the medium and long term will be an important part of our review of energy policy. That is the right context in which to consider the matter. We are considering the proposal on Haworth colliery and I will respond to the company in the very near future.

The work on the energy review has now started, and I assure hon. Members that the views they expressed today and, indeed, the views I want them to discuss in the coming months with their constituents, will be taken into account as it continues over the coming months.

Again, I thank my hon. Friend the Member for Paisley and Renfrewshire, North for securing what has been a lively and energetic debate—pun intended—and hon. Members for their considered contributions to it. I wish you, Mr. Cook, albeit late, a very happy new year.

Private Sewers

11 am

Paddy Tipping (Sherwood) (Lab): I am grateful for the opportunity to discuss the problems associated with private sewers. This is an important matter, particularly for those facing problems, and has a long history but, until recent years, has not had much attention. Perhaps it has been a case of out of sight, out of mind.

I commend the Government for what they have achieved and particularly the Minister for his help over many years. However, I am concerned about the delays in making announcements on the way forward. The timetable for decision making has slipped and that underlies this debate. I want to press the Minister on what issues remain to be resolved, when definitive policy announcements will be made and, most importantly, when we will begin to tackle the problems on and under the ground.Most Members will know about these problems from their constituency work, and I am delighted to have the support of my hon. Friend the Member for Ogmore (Huw Irranca-Davies).

I have been associated with the problem for about 10 years and I am grateful to Newark and Sherwood district council, and particularly to one of its environmental health officers, Jeremy Hutchinson, who has provided a great deal of help and support. The council estimates that about 1,500 properties are involved in its area alone. I believe that that is an underestimate because we know the scale of the problems only when they arise.

I shall talk about three real and current problems in the Sherwood constituency. First, in Branston avenue, Farnsfield householders discovered in the autumn that their sewers had become blocked and sewage was being discharged on to gardens. The first that they knew about private sewers was when they began to explore the problem. They were horrified when they realised that they were responsible for repairs, and there is a profound argument in Farnsfield about who is responsible for the collapse of the sewer. The residents believe strongly that a new school—St. Michael's school—and the heavy traffic involved when it was being built or the utility companies making connections to the school have caused the problem. They pointed out that they had no problems for 40 years until the new construction. Not surprisingly, the school, the diocese and its contractors deny all responsibility and there is no causal link at this point. While we are debating the matter, contractors are digging the ground. I take the strong view that if the construction of the school has contributed to the problem, the school and the diocese, not the residents, should accept the cost.

At the moment, the residents are buying a pig in a poke. Newark and Sherwood council has issued notices, the contractor is on site and the repairs will be done. The householders may be charged, but they do not know what the cost might be. They are mainly elderly people and the situation is most unsatisfactory for them. They would like it to be resolved quickly.

Secondly, there are also problems in Hardwick drive, Ollerton. It is a nice estate and a nice place to live. The estate has been built for 40 years and the developer never put the sewers forward for adoption. There are long-standing problems on the estate and, again, Newark and

Sherwood council has issued notices. The cost of the repair will probably be about £1,000. The repair will sort out a small gap, a leakage and a rodent problem, and I expect that the householders will be charged about £25 a house. That is not a great deal of money, but the problem does not stop there. It is a long-standing problem. The repair will be done but Severn Trent will not adopt the sewers and so there will be problems in future until policy decisions have been taken.

At Reynolds way in Calverton, residents have had to pay much more. In this case, Gedling borough council issued notices and major work has been done at substantial cost to the individual householders. Some, but not all, have been able to claim against their insurance. That has been a major piece of engineering work, but with all the work that has taken place, and despite much discussion, Severn Trent has decided not to adopt the sewer. It argued that the sewer is not up to adoptable standard. Most particularly, the company is not prepared to adopt because part of the system runs under a private household and is not on the highway.

There are further problems looming at Reynolds way in Calverton because a planning application has been made for major residential development on adjoining land. Gedling borough council and Severn Trent were unaware of problems with the sewers, and it has taken a great deal of argument from the residents, supported by myself, to establish that one of the issues in determining a planning application should be that of flooding and sewage disposal. Unless serious thought is given to the planning application, there will be increased problems at Reynolds way.

These are profoundly unsatisfactory situations for the householders involved. I am pleased to say that the Government are mindful of the issue, have recognised it and are taking action. A considerable amount of action is taking place. First, there has been some welcome research from WS Atkins, which, for the first time, has given indications—not definitive ones—of the scale of the problem. I was surprised—I think most were—when the Atkins report suggested that up to 50 per cent. of all households in one way or another could be connected to private sewers. Atkins went further and made a number of recommendations.

The second area in which the Government have made significant progress is in putting out those options for consultation. The overwhelming, rather than unanimous, view is that water companies and sewage undertakers should take responsibility for the sewers over a period to bring them up to standard. Of course, there are issues connected to that, particularly cost and timetables and the division between residential properties and commercial decisions. I understand that there are problems, but I know from the discussions in the consultation that the Minister is mindful that this is the preferred way forward.

Thirdly, the Minister convened and spoke at the opening of a seminar with stakeholders on 26 January 2005 about possible ways forward. I was at the seminar. It was lively. There was a good debate, acknowledgement of the problem and a resolve that we needed to make progress. In parallel to all that, the Government have taken other action. The Minister—in this Room, I think—accepted and refined amendments to what became the Water Act 2003, which gives the Secretary of State the opportunity to introduce a scheme by secondary regulation for the adoption of private sewers. We have a legislative peg to help us make progress.

Importantly, too, the all-party parliamentary group on sewers has been set up. I do get some jobs: I am the chairman of the group and 105 MPs are involved. Residents' associations and all the interested parties in the sewerage industry are also involved. It is a lively group that is keen to make progress. It recognises that it needs to have good relationships with the Minister and his officials, and those exist. I am pleased to be able to thank Frank Jones from the Plastic Pipes Group, who acts as secretary to the group.

Huw Irranca-Davies (Ogmore) (Lab): I congratulate my hon. Friend on holding this important debate. He has already alluded to its scale. He has complimented the Department on the great strides that it has taken to clarify the matter and lay out the options, none of which is without pain. Does not he agree, however, that many residents, including hundreds who are affected on the Sarn estate in my constituency, are looking for a way forward, even if it is painful? They want to be able to say: "We can get out of this mess. Even if it is over a period of years, we know the way forward." That is what we are looking for.

Paddy Tipping: My hon. Friend has picked up the main thrust of the debate. That is what I am pressing the Government to do: to make an announcement, if not today, certainly soon, about the way forward. There are problems associated with any way forward, but I know the Minister, and I know that his officials are aware of the problems and are determined to take action.

One area in which action has been taken is on the new protocol adopted in April 2002 to deal with new sewers. The notion is that if new houses are built to adoptable standards, there will be no problems in future. Again, the Government have been careful about that approach, and they have asked WS Atkins to consider how successful the protocol has been. I was astonished to read in the Atkins report that only 1 per cent. of new houses are being built with sewers to adoptable standards. The report gives a variety of reasons for that, but its conclusion must be that when building new houses, mandatory steps must be taken to put the protocol in place.

Mr. David Drew (Stroud) (Lab/Co-op): I apologise for missing the first few minutes of what my hon. Friend has said, and we commend him on bringing this matter to the notice of the House. Does he agree that as well as installing traditional sewers, water companies must be encouraged to consider soft technology solutions as one way forward? Does he agree that there have to be other options?

Paddy Tipping: My hon. Friend takes a great interest in the matter, and in rural areas the notion of reed beds may be one way forward. Severn Trent Water has undertaken some work on it, but unfortunately, it seems to have come to an end. Different steps will need to be taken in different areas, and I am keen to press the Minister to consider the use of building regulations, particularly part H, to ensure that new houses are built with sewers up to adoptable standards.

[Paddy Tipping]

I want to make two further points from the industry. First, although there is a code of practice for developers on the design and construction of new sewers for adoption, it is beset by several different appendices in different parts of the country. It would make sense to have a universal approach throughout the country to the laying down of sewers. Secondly, it would make sense to have a workforce that was able to do the work. The industry has been pressing for the energy and utility sector skills council to be tasked with producing appropriate NVQs in those areas. I should like the Minister to consider those practical proposals and solutions from the industry.

It is clear that the Government have achieved a great deal. Much research has been undertaken, more work is in hand and consultation has been successful; but my central concern that underlines the debate is the need for an established decision-making timetable, and to keep to it. In October 2004, Ministers announced that a decision would be made in spring 2005, but the timetable was extended to autumn 2005. In a recent parliamentary answer, the Minister stated that the Government expected to publish a decision on transfer in the new year that would not rule out further consultation on the options for implementation.

Happy new year. New year 2006 has come. It is almost a year since the seminar that I mentioned earlier. Important discussions are continuing between players such as Ofwat, WaterVoice and Water UK. For me, the way is absolutely clear: I want water companies to be able to adopt the majority of the sewers. I know that there are problems associated with that, but it is the appropriate way to resolve the issue. There will be costs, but the cost per householder of a levy across all water users would be less than the cost of private sewers.

I am confident that progress has been made, and I have been delighted with the help of the Minister and his Department. However, I want from him today a firm announcement about the timetable for the adoption of private sewers. Unless we take that approach, there will be dismay across the country.

11.16 am

The Minister for Climate Change and the Environment (Mr. Elliot Morley): I join my colleagues in wishing you all the best for the new year, Mr. Cook.

I congratulate my hon. Friend the Member for Sherwood (Paddy Tipping) on securing this debate and on the thoughtful and constructive way in which he presented what are, as he knows, complex arguments and real issues. I would like to express my appreciation for the work of the all-party group on sewers and sewerage, which had a major input in developing options to address the problems caused by private sewers and lateral drains.

My hon. Friend rightly stated that the Government accept that there is a problem that must be addressed. He also pointed out that there are no simple options. Alternatives for addressing the issues are what we need to deal with at present.

My hon. Friend said that a great deal of progress has been made to ensure that sewers in new build are built to adoptable standards and that we avoid the problems of the past. That has been done, and it has been effective. A new protocol has been introduced for the construction of new sewers. In fact, we are considering whether it should be made mandatory, as recommended by the Atkins report. I am pleased that it will be referred to in the reprinted building regulations and the upcoming review. That is the first stage in preventing such problems from developing in the future, and we have addressed it.

As my hon. Friend rightly said, we have taken the necessary powers under the Water Act 2003 to give us flexibility for implementing whatever option we decide on. That is part of the second stage, which involves dealing with the existing private sewers—the legacy of the past—and the problems that they present. He mentioned the Atkins report. Like him, I was surprised by the high percentage of sewers identified as being in private ownership. There has been extensive consultation, including the stakeholder conference in January 2005.

My hon. Friend asks, where do we go now, what progress has been made, where are we? Obviously, we must address the questions that came out of the seminar and the consultation about the scope of any transfer, the form that it might take, costs and funding, which, of course, are significant issues, the impact on the drain repair and insurance industries, and public expectation. Those are the key questions that we need to look at. If we decide that transfer is the best way forward, we have those enabling powers. We also need to ensure that we have the maximum input from the various stakeholders who are affected.

WaterVoice, which is now the Consumer Council for Water, felt that there was a need for further work to gauge customers' views. That is not an unreasonable request. To address that, DEFRA has been overseeing qualitative customer research which has examined customers' views on current ownership, and possible transfer. It comprises 20 focus groups—two in each of the water and sewerage company areas—and was completed in August 2005. DEFRA was closely supported by the Consumer Council for Water and we also received input from the Office of Water Service, which is another key player in this.

Huw Irranca-Davies: On a technical point, can the Minister confirm that that consultation included the relevant agencies in Wales?

Mr. Morley: My understanding is that it did. We are looking at England and Wales in relation to these measures. It will perhaps come as no surprise to my hon. Friend the Member for Sherwood that the outcome of those consultations was that the focus groups believed that current ownership arrangements were unfair, inconsistent, complicated and untenable. The majority also believed that private sewers and laterals should be transferred to the water and sewerage companies, reinforcing the support for that option expressed in other responses. The full report and the findings of the survey are available on the DEFRA website.

We need to look at the scope for and the form of the transfer, what the costs will be, the funding, the impact on industry and public expectations. None of those are straightforward issues. I share my hon. Friend's

frustration that the wheels and machinery of Government appear on occasion to turn very slowly. I am as frustrated as he is. In fairness, my officials have done an excellent job in trying to pull together all these very difficult issues. Should private sewers, serving local authority owned commercial and industrial premises, be classed in the same way? That is a significant question that is complicated by the fact that some commercial sewers also serve domestic properties. Excluding some sewers might result in a piecemeal transfer leaving pockets of private sewers, thereby not securing effective and integrated management of the network as a whole.

The real options are overnight transfer—the whole lot moved into the ownership of the water and sewerage companies—or phased transfer, which could have the benefits of reducing the cost impact. If we go for phased transfer, do we encourage a voluntary approach or do we go for a compulsory approach? There are pros and cons for each option. While an overnight transfer would immediately resolve anxiety for private sewer owners and provide clarity for business, it might still take a considerable time as the companies work their way through the problems of the private sewers.

Whatever option is taken, we must be open and honest with people that in some cases it may be some years before there are solutions. We are talking of situations where nothing has happened for decades. Even if people expect that there will not be overnight solutions, if there is a potential solution, it will certainly be an improvement on the current situation.

Huw Irranca-Davies: Does my hon. Friend accept that one of the issues that I encounter in my constituency—I think that this happens throughout the UK—is that, because we are now decades into some of these ancient private sewer issues, an increasing number of residents will make complaints? While I fully appreciate what his Department has done and what he says about the complexities, there will be an increasing urgency to move forward on this matter.

Mr. Morley: I accept that. People suffer from problems with the sewage network. I well understand that there are real difficulties, which are likely to get worse rather than better the longer they are left.

Those are the considerations that we need to think about: overnight transfer, phased transfer, and whether phased transfer helps with the costs. All are important considerations. Ofwat has a major interest because of the impact on consumer bills. The last price round was a significant increase for many consumers, because of major works that are still being undertaken.

Paddy Tipping: Is it not the case that the consumer research—the focus group that the Minister referred to—addresses the problem and that the generality of view was that people were prepared to look at a levy?

Mr. Morley: Yes. Another question is whether the people affected would consider the option of a levy. Again, there are pros and cons. Some of the advantages are outweighed by the technical issues of applying the levy—the collection and costs. All the issues have to be weighed up.

My hon. Friend might like to know that Ofwat's research estimated that the impact on the average bill would be between £3 and £6 per annum for the highest cost option and between £1 and £2 for the lowest cost option. Those are within a range that is not unreasonable. The crucial issue before us is that, whatever step we, the Government, take next, we will have to produce a regulatory impact assessment. That is right. The assessment will look at the options, costs and of course benefits.

My officials are well into the process of drafting two RIAs. The first is to accompany the Government's decision on the transfer of private sewers and laterals to water and sewage companies, if that is the step we take. The second is a partial RIA to accompany the public consultation on implementation options that will be taken forward if the decision to transfer is made by the Government. That looks at the burden on the industry, which is an important issue.

A competition assessment and a small firms impact test have already been undertaken as part of the RIA process. That work, which is a crucial precondition of the decision the Government will make, is well established. The object at the beginning of the review was to alleviate the anxiety and distress caused to householders who suffer from some of those problems, which I know well and which have been clearly highlighted by the all-party group. I thank Ofwat, Water UK, the Consumer Council for Water, the all-party group and other stakeholders, which have been very much involved in and have assisted the review.

While I cannot give an exact time scale for the announcement, I can say to my hon. Friend that Ministers across Government will soon be in a position to weigh up the costs and benefits of transfer and to make a decision. I want to see that done as quickly as possible.

I also appreciated the point about skill training. I welcome proposals from the industry. It is essential to have proper qualifications and skilled work force and companies—both the water companies and small companies can do that kind of work.

In relation to the particular constituency issue that my hon. Friend mentioned, I understand that the work he referred to will start tomorrow. I certainly hope that that resolves the situation.

In conclusion, we are not too far away from an announcement. I know that my hon. Friend and others have worked hard and long on the issue. Although an announcement will not solve the problem overnight, I hope that what will be clear is that there is a solution in the offing for those people who have suffered from the problem for many years.

11.30 am

Sitting suspended until half-past Two o'clock.

Rural Post Offices

2.30 pm

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): It is a pleasure once again to serve under your chairmanship in Westminster Hall, Mr. Cook.

I am very grateful that this important topic has been selected for debate today, because the future of the rural post office network is vital to rural communities, not only in my constituency, but throughout the highlands and islands of Scotland and the length and breadth of the United Kingdom.

As the Minister knows, I requested the debate after his answer to my question to him during Trade and Industry questions on 1 December, which led me to have real concerns about the Government's intentions for the future of the rural post office network. What is the Government's commitment to the network, and are they willing to consider more broadly how its value should be assessed? That assessment should not simply be a crude financial one; it should consider much more broadly the social and economic value of the rural post office network.

The Minister's answer followed Postcomm's advice, which was published earlier this year after requests made under the Freedom of Information Act 2000 by my hon. Friend the Member for Orkney and Shetland (Mr. Carmichael). That advice on what should be the future of the rural post office network called, in effect, for a rural reinvention scheme to mirror the urban reinvention scheme that has already taken place. It postulated that some 1,600 rural post offices should be closed.

How should we assess the Government's record on post offices so far? To be fair, the social network payment of £150 million a year to support the rural post office network is a significant item on the credit side, and is worth noting. On the other hand, of course, it is equally worth pointing out that that is due to run out at the end of March 2008, subject to the funding for the period 2006 to 2008 securing the appropriate European Union clearance. Perhaps the Minister will mention that in his response.

Furthermore, Post Office Ltd has a duty to prevent avoidable closures of post offices in rural areas. That requirement, too, expires at the end of March 2006, and the Government have yet to say whether it will be extended or what will take its place.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing this important debate, which, as he rightly says, is relevant up and down the country. I draw his attention to Naseby post office in my constituency, which closed as a result of an armed robbery. Mr. Steane of the local "The Fitzgerald Arms" wanted to reopen it, but the Post Office has refused him leave to do so. I do not believe that avoidable closures are being dealt with as the Government say they should be.

Danny Alexander: I am very grateful for that intervention. The point is that, as well as preventing avoidable closures, we should also consider reopenings, where appropriate.

Mr. Peter Bone (Wellingborough) (Con): On the very same point, my office received a note from the Post Office only five minutes ago telling me that the post office in the village of Isham in my constituency, the only post office for miles around, is now to be considered permanently closed. There seems to be a difference between what is being said and what is actually happening.

Danny Alexander: I am grateful for that intervention, which again serves to underline the point that despite the duty to prevent avoidable closures, there are closures. Indeed, they number some 100 a year, and are gradually eroding the breadth of the rural post office network. That in itself is a significant concern.

Mr. Nigel Evans (Ribble Valley) (Con): Does the hon. Gentleman believe that the Post Office needs to be imaginative about its network, particularly in rural areas? I suspect that there are few villages without a pub. Rural post offices may have been closed, but is it not time that the Post Office started actively to consider how many pubs in rural areas could double up as post offices? Some already do, including "The Eagle and Child" in Hurst Green; the post office there was closed but it has been reinvented in the pub. That is the sort of reinvention that we want to see; we want openings in rural areas, not closures.

Mr. Frank Cook (in the Chair): Order. I am not in the business of encouraging bad habits. As I am partially deaf, and because *Hansard* writers have to hear precisely what is being said, I would appreciate it if hon. Members directed themselves to the Chair and to the microphones.

Danny Alexander: Thank you, Mr. Cook. I am grateful to the hon. Gentleman for that intervention. The point about imagination is important and I shall return to it later. As for the duty to prevent the avoidable closure of rural post offices, I would be grateful if the Minister spelled out what the position will be beyond March 2006.

On the downside when assessing the Government's record on post offices is the urban reinvention scheme—a title that conceals more than it reveals. In effect, the scheme closed a substantial number, several thousands, of post offices in cities throughout the country. In my constituency, three post offices in Inverness were closed under that scheme. All those who passed the main post office in Inverness during the run-up to Christmas will have seen queues stretching out on to the streets, with people having to wait for 40 or 45 minutes; they will have seen at first hand the consequences of those closures and the additional pressure brought to bear on the post offices that remain. That scheme was by no means a unalloyed benefit—I see hon. Members nodding. It significantly eroded the post office network.

Another major issue is the direct payment of benefits. People who used to collect their pension from the post office using their pension book have been encouraged, or even persuaded through aggressive telephone sales campaigns, to switch to having their pension paid into their bank account.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): Does not my hon. Friend think that it is particularly regrettable, given the lack of footfall that

that decision has caused post offices, that the Government did not look creatively at the delivery of their own services, perhaps using post offices to deliver those services?

Danny Alexander: I am grateful for that intervention. The point is very sensible. A much more innovative consideration of what Government services could be delivered through the rural post office network would help increase the footfall—the number of customers coming to post offices for a variety of services. I intend later to suggest some of the services that could be extended to rural post offices to help sustain the network. Direct payments is one.

It is important to understand why rural post offices are so important. Put simply, they are the heart of our rural communities. At the end of June 2005, there were 8,001 rural post offices in the UK, of which 1,144 were in Scotland; 170 of those were in the Highland council area within which lies my constituency. The rural network currently serves about 12 million customers, and provides communities with about 170 products, including, in some places but not all, new services such as mobile phone top-ups and foreign currency exchange. Indeed, over two thirds of villages with populations of between 500 and 1,000 have a post office.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I congratulate my hon. Friend on securing this debate. It gives us the chance to emphasise again to the Minister that in many villages the post office is the last available public service, and the last point of contact for public services generally. That is why the Government should be obliged to come forward with a safety net—one that will keep those services going—especially given that their decision on direct payments created the crisis in the first place.

Danny Alexander: I agree. One example of such a post office, which is the only remaining public service in the community, is in the village of Foyers, in my constituency, between Fort Augustus and Inverness on the banks of Loch Ness. Through creative and sensible business practices, opening a café and shop alongside the post office, the post office has been maintained, but the income generated through it is vital to ensure that all those services can continue in that village. There will be hundreds or thousands of similar examples up and down the land.

The public view is that the rural post office network has a special value as a focal point for our communities, forms a social function and is a trusted source of guidance and advice. The post office provides vital financial services to the 15 per cent. of rural households that do not have a car and the 49 per cent. of people living in rural settlements who do not live within walking distance of a bus stop with a daily service. Post offices are essential for vulnerable people. The people most dependent on post offices are the elderly, the disabled and people living on low incomes. Those are also the people who are least able to adapt if a post office closes. As Citizens Advice says,

"the closure of rural Post Offices has a profound impact on the local community and hits vulnerable groups such as the elderly, the disabled, and those with mobility problems particularly hard."

Of course, post offices are economically important, too. They support village shops and other businesses—cafés, pubs and even petrol stations—where they are co-located. As I mentioned earlier, the post office combined with a shop is often the last remaining retail outlet. If the post office side of the business is removed, the private retail business may lose customers, threatening its viability. In rural areas, only 4 per cent. of villages have a bank but 60 per cent. have a post office branch. Rural post offices provide for many people the only method of accessing financial services on their doorstep.

Local post offices have environmental benefits, too. Carbon emissions are reduced because people can walk down the road to their post office rather than driving 10, 15 or 20 miles to the next town or village. We talk a lot about building sustainable rural communities. There are many elements to that: affordable housing, good health and education services and so on. However, a community is much less likely to be sustainable if basic financial, communication and retail services are not provided within it. That is what post offices provide and support, and it is why they should be seen as a cornerstone of rural policy, not to be dispensed with lightly as a financial burden.

If rural post offices are so great, what is all the worry about? There is uncertainty about the funding for the rural network from 2008 onwards. The Minister will, I hope, acknowledge that the lack of certainty is causing problems for all concerned. Without a clear Government policy that goes far into the future, sub-postmasters and Post Office Ltd cannot plan for the future or ensure that rural services are maintained.

Post Office Ltd is a company with financial responsibilities, and the nearer it gets to 2008 with no decision taken on what funding will be available from that date, the more it will have to take steps to reduce the service. It has been made clear to me by Post Office Ltd that

"changes to the funding would inevitably mean changes to the network—but the extent and timing would depend on the detailed nature of the funding change."

In plain English, if funding is cut, branches will be closed. Postcomm says that 1,600 branches face closure, but it has also said that only 10 per cent. of branches are financially viable, so a purely financial measure could mean even more closures. Indeed, the Minister has hinted that he considers the issue in such financial terms with his remarks about 800 post offices serving an average of only 23 people.

I am grateful to the Minister for his letter prior to the debate, but I am not convinced that it offers a great deal of reassurance. He writes that

"we must look beyond the number of outlets and focus more closely on the accessibility of service provision."

Indeed, he goes on to say that

"it is clear that many existing Post Offices have too few customers to be viable"

I urge the Government to put away their slide rule and bring their social conscience to bear. The fundamental driver of Government policy towards the rural post office network should be its social and economic value to the communities that it serves, not just the Treasury bottom line. I would argue that £150 million is a relatively small price to pay for a network of 8,000 branches serving 12 million people in rural communities

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across the country. With a bit more innovative thinking on the part of the Government, as my hon. Friend the Member for Caithness, Sutherland and Easter Ross (John Thurso) suggested earlier, much better use could be made of that network.

Let us take a comparative example; it may not be perfect, but I will use it just the same. My constituents are among the taxpayers from all over the country who contribute every year to the £2 billion Government contribution to the London transport network. The post offices in Aviemore or Foyers in my constituency are as important to the social cohesion and accessibility of services in those communities as the tube is to London.

Mr. Evans: Does the hon. Gentleman accept that many people who live in rural areas do not benefit from the expenditure of taxation in urban areas on services such as swimming pools and libraries? They are not able to access those as much as people living in urban areas, so expenditure on the rural post office network is giving some of that money back to support those in rural areas. It is basically giving them their fair share.

Danny Alexander: I share the sentiment of that intervention. Public spending needs to be spread throughout the country in different ways and there has to be a balance. I urge the Minister to give us his estimate of the overall social and economic value of the rural post office network. I am sure that it is hundreds of millions of pounds more than the funding provided by the Government.

The Minister will no doubt tell us that the Post Office is piloting innovative new ways of delivering its services. Indeed, it is, and I welcome those pilot schemes. I would be grateful if the Minister told us of any assessment he has received on the success of the pilot schemes and whether he will publish any such reports. I know that some have been relatively successful—those using the hub and spoke method—but new ideas also include the use of mobile units. I hope that the Minister will be honest about what he finds from the pilots. According to one report that I have received, a scheme to provide post office services through a mobile unit in Caithness has been "a disaster" with technological problems proving to be a real "nightmare" and causing difficulties to many individuals.

John Thurso: I gave my hon. Friend that report, so perhaps I should first draw to his attention the fact that the scheme has suffered from considerable difficulty with the technological support that was promised. Secondly, post offices that were open daily or for several days a week are now open for half an hour or one hour per week. Thirdly, I extracted from the Post Office a promise that if the scheme failed, it would revert to the status quo. Perhaps in his questions to the Minister my hon. Friend would like also to ask whether such a promise will be valid in light of the fact that the guarantee expires in 2006?

Danny Alexander: I am grateful for that intervention. My hon. Friend has put the question more eloquently than I could and I trust that the Minister will answer it during his response.

It is also worth pointing out that the trials have their limitations. Postwatch has expressed its disappointment that the different types of services were not piloted in each region or in any remote island communities. The pilots only address how the service is delivered; they do not look at what service is delivered. Through direct payments, the Government have taken away a large chunk of income from rural post offices. What about looking for new services that could provide income and help the Government?

A joined-up approach by the Government could find a wide range of additional services to be provided through post offices. For example, the Government are currently embarked on a process of opening 70 new passport offices, to which every new passport applicant will have to travel for an interview. How absurd, when there is a perfectly serviceable network of local offices throughout the country that could do the job perfectly well: post offices.

In Fife, local police have worked with the post office to allow local residents to report low-level crime and lost and found property at the post office. Witness citations may be served and people required to produce driving documents may do so at their local post office. That not only improves access to police services, but helps to safeguard post offices in those rural communities. The scheme has recently been extended to Newburgh and Tayport. Why not consider rolling it out throughout the country?

In my constituency, pensioners are having real difficulty booking bus tickets. That will be even more of a problem as free bus travel for pensioners is rolled out. Why not enable post offices in rural areas to take such bookings? The technology is already available to make that happen. Other examples include locating lottery ticket machines in post offices, which will help to encourage footfall, and providing vehicle licensing, which is currently available in some post offices but not in others. In my constituency, there was a temporary switch of DVLA services to the Kingsmills post office in Inverness because another post office had closed, and a dramatic boost in services took place as a result. Spreading that to rural post offices throughout the country would bring real benefits.

The Government must acknowledge the importance of rural post offices to the community and to vulnerable people in particular. They must take decisions on future funding based on the social and economic value of that service. The Minister will know that Professor John Farrington and his team at Aberdeen university received Treasury funding to develop a tool for measuring the impact of policy changes on social inclusion in rural areas. Why has that not been used in this case? Currently, the risk impact assessments that are undertaken when considering where money should be spent do not include the social impact that rural post offices have on their community. The Government should have a statutory requirement to maintain the rural network. Will the Minister consider legislation to introduce such a duty before embarking on any further change to the network?

Will the Minister also explain how he is working with other Departments and the devolved Governments to put together a joined-up plan for the rural network? For example, is the Department of Trade and Industry willing to continue funding the rural network from its

budget, or is the Minister currently seeking financial support from other Departments? Given that the DTI does not necessarily have a social remit, is it necessarily the best place to make decisions about vital community services?

The Minister will understand that there is real concern that the urban reinvention scheme that led to the closure of several thousand urban post offices is soon to be followed by a rural reinvention scheme that will do the same. Let us be clear what that means. In many cases, it means reinventing rural communities without post offices. I do not want that to happen, and the attendance at this debate shows, I hope, that many hon. Members from all parties do not want it to happen either. Let us have a Government policy that ensures a flourishing and sustainable rural network long into the future, because that is in the best interests of rural communities, vulnerable people and the country as a whole.

2.51 pm

Mr. Russell Brown (Dumfries and Galloway) (Lab): I congratulate the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) on securing the debate and thank him for sending me a letter, also congratulating him on securing the debate, that he received from some constituents in my area who are part of the ongoing rural postal pilot.

This is about the delivery of the service. For many years—we have already heard this mentioned this afternoon—we have seen postal services delivered through village shops. My previous constituency had a post office in the village pub. I do not know whether that meant that people were picking up their pension and then spending a fair amount of it. There are also post offices in garages. The issue is about the service, not necessarily the structures and methods of delivery.

We are talking about the rural network. I want to mention something that happened 12 months ago in my constituency, in the town of Dumfries. When Safeway changed to Morrisons, Morrisons immediately decided that it wanted the post office out of the supermarket. There was quite an outcry, because it was a busy post office. However, I was quite astonished to discover that over 50 per cent. of the business being transacted through that post office came not from the townspeople of Dumfries but from people from further afield—from villages and some of the smaller towns. We are now looking at what some people would deem to be the Crown post office in Dumfries—the directly managed service—being franchised out to Spar supermarkets. To a certain extent, it has come as a bit of a surprise—although I am not totally astonished—that only 15 per cent. of the business transferred from Safeway to the main post office. The big question is: where has all the other business gone? I suspect that it has gone to a couple of the other urban sub-post offices, but some of it may have gone back to the rural localities from whence it came.

The public want a service and, in general, they do not worry too much about how it is being delivered—whether it is in the village shop, the pub or wherever. We have to ask ourselves what we are being asked for. Is it a public service, a social service, or a combination of both? In rural localities, it is a combination of both.

As I indicated, my locality is one of three in Scotland where a rural postal pilot is ongoing. It is what is deemed a hub and spoke service. In other words, from a centre—the town of Castle Douglas—the sub-postmaster operates the post offices in three villages. That started back in mid-September, and there was an outcry because the first thing that happened was that the hours were reduced. All three of the post offices operate out of shops. I visited two of them and asked the sub-postmasters, as they still were at the time, whether they believed that the significant reduction in hours—one of them had gone down from 21 hours to 10—was reasonable. Both of them believed that their new opening hours reflected the amount of custom that came through their doors.

The big difficulty was the way in which the hours were configured. A Post Office member of staff goes from one of those post offices to the next to provide the service. Like anybody else, that individual can be in only one place at a time. People wanted the post offices to be open for more hours in the morning, and there was a great demand for Saturday opening. I went to a meeting in one of the village halls and by pure chance, nothing more, a retired sub-postmaster and his wife were there when the public were demanding Saturday opening. The guy stood up and said, "People can make these demands, but the reality is that when I was running the post office nobody used it on a Saturday morning, so why do people want it open then?"

I will not paint a rosy picture; difficult decisions have to be made. Because there was an outcry, I asked people for feedback about whether the hours suited their needs. In general, the answer was no. I am a townie, and I was surprised to find that some people used the post office every day. That might well be the case. I even had people writing to say that they did not use the post office at all, but that the new opening hours were not right. I think that we would all agree that one has to respect people's views.

The pilot is to run for 12 months, and it requires the co-operation of the shopkeepers. I have made the point on the two occasions on which I have attended public meetings, one of them last night, that if there is no shop there is a difficulty: from where should we deliver the service? We could use the local pub, or whatever the case may be, but we need co-operation, especially when we are running a pilot.

I do not want to have a go at anybody, but I must be honest. Two of the villages seem to be operating fairly well. The other one has been something of a problem, and that is putting it kindly. From day one, one individual has been turning up at the post office with a clipboard and pen. I know that I said, "Keep me posted on any problems that arise," but that is harassment and intimidation, and it is not required. The gentleman has become a prolific letter writer and he is trying to drag me along.

Mr. Evans: That is more business for the post office.

Mr. Brown: The hon. Gentleman is quite right, and that point was made to the gentleman last night by a representative of the Post Office. Let me give hon. Members an indication of the situation. I wrote to the constituent in question on 16 December, and he wrote

[Mr. Brown]

back on 17 December. Regrettably, I did not get a reply away to him until 27 December. I went into my office on 28 December to discover that he had written to me on Christmas eve asking for a response to his letter of 17 December. I responded to him on 29 December and, lo and behold—I appreciate that the man has moved into the area and is not a Scot—he found time on Hogmanay to write me another letter. I have responded.

The local newspaper has been filled with nasty letters having a go at the Government and at me. I do not have a problem with that. However, I do object when the sub-postmaster and her staff are being harangued by a few individuals. That is not fair on them. They are public servants and they have been doing their best to keep the service running. During the initial two to three months, the position was reviewed. That demand from one village for morning sessions resulted in a change of hours on 5 December. That gave it two morning sessions, a late morning to early afternoon session and an afternoon session. It was admitted last night at the public meeting that some of the problems have died down. It did not help that, in the first week after the introduction of new hours, the machine for giving receipts broke down, but therein lies a problem with IT.

The new hours were introduced on 5 December. I visited two outlets on the previous Friday with the Under-Secretary of State for Scotland, my hon. Friend the. Member for Inverclyde (David Cairns). As far as I was concerned, the good news at those outlets was that business in the shop had not diminished in any shape or form; in fact, those involved were quite pleased with what was happening, and I suspect that there might have been a little additional business. If those shops closed, we would need to find a new base for the post offices, so I am relieved that business is going well.

I mentioned my constituent, the prolific letter writer. Among the things that he has written to me about is the fact that only 860 mm of counter space was negotiated. In the same letter, he even talks about the payment that the shopkeeper gets from the sub-postmistress. I have had to write back to him to say that that is neither his business nor mine, but a business transaction between two parties.

Some of the problems, I have to say, are being stoked up by the previous sub-postmaster. Nobody has been forced out of their position. There has been co-operation, although—this may have been the same with the urban reinvention programme—some sub-postmasters may not be too happy to tell their customers that they have co-operated in what is happening.

There is a great fear that there is an alternative agenda on the part of the Post Office. In another village in my constituency, the sub-post office operates out of a portakabin—there is nothing else there. The lady who runs it is getting on in years and decided that she wanted to call a halt to the whole thing. Fortunately, the Post Office moved in, knowing that it probably would not get anyone else in the area to run the post office. It went to the lady, looked at the hours that she operated and at the amount of business going through the post office and said, "You really need to be open only three sessions a week." On hearing that, the lady decided to stay with it and open only three sessions a week. We need to be conscious of just how much business goes through some of these places.

About 50 people went to the meeting that I attended in my constituency yesterday on what we in Scotland would call a dreich winter's evening—it was wet and windy to say the least. All but three or four of those people were elderly. We need to recognise that all ages use the post office, but there is a clear indication that the elderly value post offices more than the generations that are coming through.

At the meeting, the public were able to air their views. The Post Office rep, Steve Miller, who is a tremendous guy, said—this comes back to the point made by the hon. Member for Inverness, Nairn, Badenoch and Strathspey about the customer base—that one post office in the highlands had eight or nine customers a week. The cry in the village hall yesterday evening was, "Close it! We in this village are paying the price for that." I would say, however, that we should not close it down, but look at delivering the service in some other way. If people need a service, let us ask what other structure we can put in place to provide it. It is always the same: everyone believes that everything in their patch is fine and that everyone else is to blame. One person commented, "We just want the Royal Mail the way it was," but I sincerely hope that colleagues in this Chamber accept that it is 2006, that life has changed and that people carry out their business in a different way.

One of my great frustrations as regards the postal pilot is that the sub-postmistress is unable to do what she wants to develop, promote and market products. The one respect in which we have problems is that she is constantly tied up doing other things. She appreciates more than anyone else that she has to build the customer base—the opportunity is there, and she sees it. Last night, the Post Office representative pointed to the full range of products that were available, and it was astonishing that people were simply not aware of them. The fact that the sub-postmistress's efforts to promote those products are frustrated creates difficulties.

Others will learn from the postal pilots and from the experiences that my constituents are going through. Last night, I was asked how much longer the sub-postmistress wanted to promote products—was it a week or two weeks? I had to say that it is a 12-month pilot. I look forward to further debates in this Chamber and the main Chamber once we have a report about the pilots, just to see how we might deliver services to people. I emphasise again the importance of this debate, and repeat my congratulations to the hon. Gentleman. The future is about the services and the way in which we deliver them, not the structures.

3.5 pm

Mr. Owen Paterson (North Shropshire) (Con): I congratulate the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) on securing the debate on this important issue, in which I have taken some interest as the Member for North Shropshire.

A couple of years ago, in the summer, I drove 150 miles around my constituency. The Minister bumped into me in the Tea Room and asked whether I represented a rural seat; the fact that my constituency is

a 150-mile drive around shows that it is rural to an extent. I visited 28 post offices—I apologise to the four that I did not get to on that day—and found an extraordinary, consistent pattern. At that time the Government were being, quite frankly, brutal in ramming through a change in the way benefits were paid. The proportion of turnover in relation to benefits then was extraordinarily high in my post offices: it was 60 per cent. in Gobowen, 80 per cent. in Treflach, 70 per cent. in Pant, 60 per cent. in West Felton, and 50 per cent. in Baschurch and Prees. There was a real feeling that, unfortunately, the Government had not pursued the outgoing Tory Government's plan to pay benefits by card, which would have been just as secure but would have kept a proportion of the £400 million annual income going through the sub-post office network.

The current problem is very much of the Government's making, and is partly because they are an urban Government. I do not think that there is a single rural Member in the DTI team—they are all urban Ministers. I sympathise with the hon. Gentleman who secured the debate, and I want to get across the point today that this is a real problem in rural areas.

I draw attention to one particularly hard-working sub-postmaster, Colin Doyle, who has just retired after 25 years of working, probably seven days a week, in Knockin. His marketing has been to allow those who do not come from Shropshire to pronounce Knockin "Knockin", and he has a large sign over his shop saying "The Knockin Shop", which attracts large numbers of tourists on their way to Wales, who buy merchandise from his shop. He knows an awful lot about post offices and was very helpful when I went to see him. Following my tour, I took him to see the Minister's predecessor, the hon. Member for East Ham (Mr. Timms), to try to ram through to him the problems with what the Government were doing in so brutally forcing people to receive benefits by direct payment.

Colin Doyle had done everything one could ask for: he acknowledged the importance of benefits as the core of the post office business, which attracts customers in for other post office products, letter-writing materials and other stationery, he had a fresh food business and a fruit business, and, like many other post offices that I visited, he had diversified into having an off-licence. In fairness to the comments made by hon. Member for Dumfries and Galloway (Mr. Brown), I take my hat off to the sub-postmasters in my constituency, who have bust their guts to diversify and get into general merchandise.

I have a great quote from Colin. He said, "If the post office goes, the shop goes, and if the shop goes, the village goes." There is a real social benefit in keeping that focus of activity in the village, because the post office is not just about postal activities and other products that are sold; it becomes a focus for information. There is a village notice board for advertising jobs and so on. There is a real social dimension to the post office in an area such as mine, where large numbers of elderly people live on their own. It is noticed if they do not come into the shop and pick up a pint of milk or a loaf of bread.

Julia Goldsworthy (Falmouth and Camborne) (LD): Does the hon. Gentleman agree that older people are among the most vulnerable and often the most isolated groups in rural areas who depend on post office services? On my last trip to a rural post office, an elderly gentleman visited, and it was the first time that he had left his house for two years; it was the major social event of his day. Does the hon. Gentleman agree that the Government should accept and recognise the important social role that those village post offices play for many older people, in particular?

Mr. Paterson: Yes, I entirely agree. That was a most helpful intervention.

The point that I was trying to get across was that the activity of rural post offices is not just commercial and postal, and it cannot just be replaced, as the hon. Member for East Ham said when Colin Doyle went to see him, by the universal bank—which we have not heard much about, I must say—and other banking services. Those are all welcome, and the hon. Gentleman was hopeful that insurance products and foreign exchange products, which have taken off, would be of real benefit. However, I must be brutal with this Minister: it was a terrible error to rip out £400 million of benefit payments. As the hon. Member for Falmouth and Camborne (Julia Goldsworthy) said, the majority of people claiming those benefits were elderly. It brought them to the post office, but now there is no need for them to go, because the benefits are paid directly. That was a major error, and it has got the Government into a mess on the issue.

Following all that, I have become secretary of the all-party group on sub-post offices. I do not expect everyone to stand up and sing "Ode to Joy", but it is a most interesting role that I enjoy, under the splendid chairmanship of the hon. Member for Vauxhall (Kate Hoey). We intend to hold a series of regular meetings, to which all Members of all parties are invited. My neighbour, the hon. Member for Montgomeryshire (Lembit Öpik), is the treasurer, but I think that he may be otherwise occupied, as many Liberal Democrats may be this week.

I invite all hon. Members to attend meetings of the all-party group, and I hope that the Minister will come along. I am indebted to the National Federation of Sub-Postmasters for statistics showing what an important sector of activity rural post offices are. There are 8,000 post offices in rural areas, which are defined as areas with a population of fewer than 10,000 people. The rural network serves about 12 million customers a week, and 84 per cent. of the rural population live within one mile of a post office. The other interesting figure, which I found surprising when I received it, is that the 14,500 sub-postmasters each provide jobs to an average of 4.6 people, 83 per cent. of whom are part-time. That ties in with other comments that were made earlier, about the social aspect of the activity, which provides part-time employment in thinly populated rural areas.

To get themselves out of their muddle, the Government put up the £450 million, which was due to run at £150 million a year. I find it hard to see how sub-postmasters can gain access to the money. How is it available? How do sub-postmasters get at it? Most of those in my constituency find it difficult to do that. As I understand matters, it was originally scheduled to run from 2003 to 2006. That is what the hon. Member for East Ham told me at our meeting. I understand that it will now continue to 2008, but that it is subject to EU

[Mr. Paterson]

approval, because it might count as state aid. What is the exact position? The issue ties in with the comments made by the hon. Member for Dumfries and Galloway: is the matter in question a social activity or is it a state-funded activity, and how does it qualify, if it counts as a social activity, under EU state aid rules?

We have had trials of hub and spoke, mobile vans and so on, carried out by Post Office Ltd. I understand that they were due to be completed in December 2005. Is that correct? Will the Minister tell us when Post Office Ltd will report, and what the Government's reaction will be?

What does the Minister see as sub-post offices' role? How does he see the future? We cannot keep stumbling on. We have ripped out the £400 million of benefits, and that presents a huge threat unless we obtain other viable activity. I strongly support all the attempts to bring in banking and foreign exchange, but according to the National Federation of Sub-Postmasters there is a £140 million a year deficit—a gap between income and cost—in the activity. I should like to know the Minister's long-term strategic view.

Mr. Evans: While we are trying to work out exactly what the role of the rural post office is—and we know that it has a social role for those in receipt of its services—will my hon. Friend also pay tribute to the men and women who staff rural post offices? Some of them do not earn much money; they are on marginal incomes. They offer a social service to their community, and they should be rewarded, not spurned.

Mr. Paterson: I thoroughly endorse my hon. Friend's comments. When the previous Government were in power, many of those people took a big risk, made the post office the activity for the latter part of their working lives and sank their pension into it, trusting that there would be a steady income stream based on benefits, around which they could build a range of other activities, as I tried to explain. As my hon. Friend said, those men and women work extremely hard and they are exasperated.

I quote the postmaster for Prees, which the Minister will not like—I could quote some much ruder comments, which would not be parliamentary—who described the Government's attitude to sub-post offices. He said:

> "They are totally clueless. They are destroying the infrastructure of country life."

That sums up the frustrations of sub-postmasters. Perhaps the Minister will tell us his long-term view, so that we do not just stumble from crisis to crisis.

Mr. Frank Cook (in the Chair): I remind the House that the common protocol in these debates is to call the first of the three Front-Bench speakers at 3.30 pm.

3.16 pm

John Thurso (Caithness, Sutherland and Easter Ross) (LD): I am grateful to have had the opportunity to catch your eye, Mr. Cook. I came into the Chamber with the intention of supporting my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander). Having listened to the excellent way he presented the case and to the other excellent contributions, I am moved to make a short contribution myself.

It may not need to have been said, as it is obvious, but it is worth repeating how important rural post offices are to the whole of rural life and to sustaining the communities. They are important for two distinct and different reasons, both of which have come out in the debate. The first is the provision of services to people who need them, who are often the most vulnerable in society, whether through age or infirmity, and who would not otherwise have access to those services. Secondly, the point must be made in relation to the highlands about the provision of services to people on low incomes and without access to a car who live in areas where there is very little public transport. We assume these days that everyone will be able to use a car or other transport, but many people cannot do so, for a variety of reasons. Therefore the simple provision of a service is important.

A wider point made this afternoon is that a functioning post office is often the last service to remain in a village, after the shop, the pub and so on have gone. It is the post office that keeps going. It is a point of contact, somewhere that people who do not often see other people go to see the sub-postmaster or postmistress. Sometimes that is how they signal that they are still around, alive and well. It is not uncommon in villages for people to notice that somebody has not been into the post office for a day or two and to go and check that they are all right. The wider good of the community is important in this debate.

We would all like the rural network service to be kept and, if possible, enhanced, and I want to consider where the responsibilities for that lie. It would be easy to slam the Post Office and say that there is a vast conspiracy to get everything wrong, but we must be clear that in the climate that has been created for the Post Office, the commercial realities are inescapable. We cannot expect the Post Office to be a profitable organisation and at the same time to provide traditional services, as it has always done.

For that reason, I welcome the pilot scheme that is under way in Caithness. When I was consulted about it I pointed out the pitfalls. In my meetings with those who were responsible for setting it up, I said that the number of hours being offered was likely to be so small that the outcome would be that people would fall out of the habit of using the post office at that time. That seems to have been the case. However, we should not criticise the Post Office for seeking to be innovative in putting forward solutions, and it should not be the whipping boy in this exercise.

I am worried about what is happening in Caithness. The *John O' Groat Journal*, a fine paper that I can recommend to anyone, drew attention in its issue of 30 December to the severe problems that are being encountered through lack of service. They are not helping the Post Office's case.

I had an interesting conversation with the chairman of Postwatch about a month ago when he told me of innovations in America, which has gone for the opposite solution of a fixed, unmanned station in rural communities. By using a card people can post a letter

and extract things. I shall be meeting the chairman to find out more about that because it is another innovation that the Post Office may be interested in.

The Government have a clear responsibility in these matters, and opportunities have been missed. One was the opportunity with the migration of benefits. We warned the then Minister what was likely to happen to footfall. We received assurances that the marketing would be even-handed, but my correspondence with every sub-postmaster and postmistress told me that they were unable to compete with the heavy marketing and telephone campaign that took place. We have a huge range of Government and local government services that we want to deliver more closely to the population. We have a network of offices with some fine equipment which are capable of delivering some of those services. Can the Government not put the two together so that delivery to our citizens could be made through the Post Office in a profitable way?

Mr. Alan Reid (Argyll and Bute) (LD): My hon. Friend is quite right about the importance of post offices to rural communities and the need for Government support. Does he agree that unless the Government give a commitment soon to provide more funding through social network payments or more services, post offices will close? They are businesses, and if the people running those businesses do not have a guarantee of long-term security they will not continue to invest in them.

John Thurso: My hon. Friend is quite right. That is precisely what happened in the town of Golspie where the gentleman who ran the business decided to quit because he could not see a way ahead. My comment to the Government is that there are two requirements. The first is a long-term vision and the second is a bridging plan to get to that.

I commend some of the private sector. For example, Clydesdale Bank is now using post offices to distribute cash and front-line services for the bank. There are opportunities. Will the Government please understand how necessary post offices are to our communities and that if we do not act reasonably quickly those post offices will not be there to be saved?

3.23 pm

Mr. Nigel Evans (Ribble Valley) (Con): I did not intend to speak either, but I was also enthused enough to have my two-penn'orth. I shall make a short contribution; it is not worth going over the same ground as we are all much of the same mind on the importance of rural post offices. It is difficult to put a price on their service because of all the various components that make up the worth of post offices to people in rural communities. We all recognise that they will not be profitable and that they require support because without it they will close—it is as simple as that. I cannot envisage how many rural post offices could ever be profitable.

I want to speak about matters such as the ageing population. We all know that this country has an ageing population, which will get worse—that is not the right way to put it. The ageing population will increase as more people remain alive longer. *[Interruption.]* At least I corrected myself. Many elderly people come into my retail convenience store in Swansea. I can see that that is a bit of a social thing for them and I wonder what will happen to people in rural areas. At least the location of my shop is urban; in rural areas, the situation is much more difficult. Going to the post office may be the only time when some people get out of the house during the day, and mixing with other people in the post office and with the postmaster or postmistress is important.

My hon. Friend the Member for North Shropshire (Mr. Paterson) mentioned that the postmaster or postmistress knows if people have not been in. In my village, Pendleton, the postmistress once told me, "I have to nip out. Mrs. Jones hasn't come in for her pension and I want to see if she's okay." That is exactly what she did, and what a fantastic social service it is. I therefore ask the Minister to consider carefully what will happen in such areas to people and disabled people. How will they be looked after? Not everyone will be able to access everything on the internet. I know that the future is rosy as far as new technology is concerned, but it is good now and again to value what we have. I suspect that if we let it all go, some bright-spark politician in 50 years' time will try to reinvent and reintroduce everything that we have lost, but we know how much more difficult that will be.

There was mention of the experiment with a mobile unit, which is interesting. I am thinking of large urban areas in the United States. I have seen mobile units operating in New York and I suspect that they work fairly well there, but to have one turn up for half an hour once a week is pretty pointless; it means the loss of the social aspect of the post office and the convenience of its being there when people want to use it.

The Government can be imaginative in the sense of putting post offices into pubs, which already happens, and perhaps into some garages, village halls and other places. Perhaps they could even be put into people's living rooms in certain villages, but we should not let everything go and just have a mobile unit. I do not think that it would work. In addition, because the postmaster or postmistress knows the people, they help to cut down on fraud in the post office. The value of the fact that they know the people who are turning up should not be underestimated.

We want the Minister to answer all these questions and we are putting many challenges to him, but the call must also go out to the 12 million people in our communities who can make use of the post offices to do so more often. "Use it or lose it" is a message that everyone knows, but we cannot over-emphasise it. When people go into the post office and use it time and again, they are doing their little bit to ensure that the service that they are receiving will continue for future generations.

3.28 pm

Norman Lamb (North Norfolk) (LD): I congratulate my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) on securing this important debate. I shall now try to confine myself to describing him as my hon. Friend. I am not nearly as brave as the hon. Member for North Shropshire (Mr. Paterson), who tried to say the name of my hon. Friend's constituency and performed extremely well.

[Norman Lamb]

My hon. Friend has been very active and effective in campaigning for rural post offices, and I applaud him. As I said, this is an important debate, and valuable contributions have been made by hon. Members on both sides of the Chamber. Why is there so much concern about maintaining the network? It is a remarkable network. We have heard that 60 per cent. of villages across the country still have a post office. The relevant figure is massively higher than that for all the banks put together. The network is a precious resource. My great frustration is that much more could be done with it but is not being done; it could be exploited much more effectively. Several hon. Members have made that point, to which I shall return.

The hon. Member for North Shropshire and others have said that the network serves 12 million customers a week. That is a very large number of people throughout rural areas in this country. It is an essential service and that is how it needs to be seen. It is essential for elderly people, disabled people and people without access to a car. There is often a fear that the Government do not fully understand the problem of rural poverty. Government Members largely represent urban areas, and sometimes there is a failure to recognise hidden poverty in rural areas and the problem of isolation that goes with it.

If the public transport system is no good, as my hon. Friend the Member for Caithness, Sutherland and Easter Ross (John Thurso) mentioned, and there is no post office or shop in the village, one really is stuck. More and more frequently, carers who look after loved ones are completely isolated in small rural communities. My hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey also referred to the dramatic loss of business through the transfer to direct payments and the aggressive pressure on people to transfer.

It has not been mentioned that the core function of post offices, the dispatch of letters and parcels, is important for rural businesses as well. I have been fascinated by the potential growth area whereby more and more people are trading on the internet through eBay. When I visited two small sub-post offices in North Norfolk and asked whether they were seeing any growth of business from eBay, they pointed to two people in their 20s or 30s who were there to dispatch goods that they had traded on eBay. The fascinating thing is that those people were much younger than the average age of customers that we have become used to in post offices. We should not ignore that potential for growth.

The other point that has been made is that often, the post office is part of the only shop left in the village, and it helps to keep it going. Without the post office, the shop goes. As a note of dissent from the other Opposition party present, I have to say that the decline has been going on for a long time—the challenge dates from long before 1997. One big problem with Royal Mail is that it has had no investment for 20 or 30 years, and that has affected the post office network as well as the delivery of services.

What is the Government's strategy? I find it hard to define or identify it. In October 2004, Postcomm urged the Government in a report to be clear about their objectives for the network. Postcomm referred to the "pressing need" for the Government to decide what they want from the rural network. In a report way back in June 2000, the performance and innovation unit said that by 2006—now—there should be a framework in place to ensure "continued convenient access" to post offices. The year 2006 has arrived, but sub-postmasters and postmistresses are still waiting. An air of depression hangs over the network and those people running small businesses. No one has any confidence in the future, and we are still waiting for the Government to decide their strategy.

In March, in seven or eights weeks' time, the obligation on the Post Office to prevent avoidable closures of rural sub-post offices expires. That could open the floodgates for closures unless something is put in place. To make matters worse, the £150 million subsidy of the rural network runs out in 2008. Post Office insiders say that if the extension is not confirmed soon, they will have to embark on a wholesale closure programme. Small businesses need certainty, and many sub-post offices will be worthless in terms of their saleability without the renewal of the subsidy. Still, however, there is no announcement from the Government.

I want to highlight a couple of structural problems that pose a bigger threat to the network. Responsibility within the Government rests with the DTI, a Department that can hardly be said to have a core social remit. When it asks other Departments whether they are interested in supporting the network in some way, it gets a flea in its ear. Every Department's budget is already committed. There is no objective reason why Royal Mail, which is required to make a profit, should want to maintain the social network. It is a drain on the resources of Royal Mail, but it has an interest in keeping competitor mail delivery companies away from the network. The danger is that Royal Mail will preside over a declining network that it has no real interest in maintaining, and that it will deny business opportunities to small sub-post offices that are desperately in need of a break.

That all points to a fairly bleak future—no wonder morale is low—but things could be so different if the Government had vision, if they were determined to exploit this remarkable network to the full, and if post offices were able to develop new business opportunities in the competitive mail market. How could the network be exploited? My hon. Friend mentioned the crazy fact that the Government are opening 70 new passport offices—an obvious opportunity for post offices goes begging. There are also real opportunities for local authorities and Government agencies to work in partnership with post offices, which would give them reach into so many deprived and remote communities. The police are conducting some interesting pilots in Scotland and Norfolk. There are also the Learning and Skills Council and health services. All those bodies could use the local post office to provide information and to establish links with communities.

I mentioned internet trading and shopping over the internet. Post offices ought to be free to develop new business opportunities with other mail and delivery companies. These days, many goods are delivered to people's homes. The post office is the obvious deposit point if the person is out, but that real business opportunity is denied to them unless the goods are being delivered by Royal Mail.

Sub-post offices often complain about tight restrictions on their right to enter other business arrangements; for example, the sale of pre-payment cards for electricity. I have nothing against their finding new, innovative ways to deliver post office services—I positively support such experimentation—but can the Minister confirm when he will receive the report from Post Office Ltd? I admit that I am confused. In a letter to my hon. Friend dated 5 January, the Minister says that he is still waiting for it, but the chief executive of the Post Office states in a letter dated 4 January that he has already delivered it. Perhaps it has been lost in the post—I do not know—but I urge the Government to change their mindset from one of contraction to one of taking advantage of this far-reaching network to help in the delivery of services to remote and deprived communities.

I wish to conclude by posing some questions to the Minister. I would be grateful if he could answer them in this debate or in writing. Of most pressing concern: will the no avoidable closures obligation be extended beyond March, and, if not, what will be put in its place? Secondly, will he confirm whether the rural subsidy will extend beyond 2008, given the serious concerns of Post Office Ltd? Thirdly, what assessment has he made of the number of post offices that would exist if the subsidy were ended, given that 90 per cent. of rural post offices are already unprofitable, according to Postcomm? The east of England would be left with 88 post offices if 90 per cent. closed.

Fourthly, given the structural problems that I referred to, will the Minister consider introducing a statutory obligation on the Government to maintain the network? The framework could be set for fixed periods, giving some certainty to post offices. Fifthly, will any pool of money be available at any stage for investment in the network, so that sub-postmasters and postmistresses can take advantage of the opportunities that could be available to them to help them make their business profitable?

Sixthly, serious concerns have been expressed about rumours that the Post Office card account will be phased out in 2010. Can the Minister give an absolute undertaking that that is not the case? What steps will he take to enable sub-post offices to build new business opportunities by working with other mail and package delivery companies? Finally, will he conduct a comprehensive review of the true social and economic value of the network, which still has not been done?

To conclude, the post office network faces an uncertain future. Morale is low, and there is a sense of terminal decline. The Government give no impression of having any effective strategy to turn it around and reinvigorate the network. I hope—but doubt—that the Minister will be able to reassure us on that.

3.39 pm

Charles Hendry (Wealden) (Con): I join others in congratulating the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) on securing this debate and on the way in which he introduced it. Can I link that with a plea that there should be no further boundary changes in Scotland? Every time that that happens, the name of his constituency gets longer and longer. I remember when it was Inverness, then it became Inverness, Nairn and Lochaber and now it is this hugely lengthy constituency name. I cannot imagine what his letterhead is like, because there cannot be any room for writing any text on it after he has printed the constituency name on the top. However, I warmly congratulate him on the way in which he introduced the debate, which has been extremely useful and constructive.

It is disappointing that, with the honourable exception of the hon. Member for Dumfries and Galloway (Mr. Brown), there has not been any Government contribution to the debate. They were claiming before the election that they were a rural party, but when it comes to a key rural issue that affects all of us with rural constituencies, they could not find Members, from south of the border at least, to take part in the debate.

As has been made clear, post offices are the lifeblood for many small rural communities. They are not just a source of stamps, or from where people collect their pensions. All too often, it is the sub-post office branch that ensures the viability of other local services, particularly village shops. If the village post office closes, so too does the only other shop in the village. We have often seen that if a post office closes, it never reopens, and examples have been given during this debate about where that has been the case.

There is an example in my constituency: the shop in Hadlow Down closed, and when it was found that someone wanted to reopen that facility, they were refused permission by the highways authority, which said that it was not safe to park there. We had a village shop there for 100 years, and after it was closed, somebody said that they were prepared to put in the hours and effort to make it work again, but they were denied the opportunity to make it work.

We should recognise the tremendous dedication of the sub-postmasters and sub-postmistresses who run village post offices, who work many more hours than they are paid to do, and who provide a tremendous social service to make their communities work cohesively. In introducing the debate, the hon. Member for Inverness, Nairn, Badenoch and Strathspey talked about the range of other services that can be provided through post offices. I introduce a note of caution when he talks about the national lottery, because it can compound the problems. There is a recent example of Buxted village shop where, because a pedestrian crossing was introduced outside, that reduced the number of people stopping outside the shop and using it. Because of that, the turnover of the national lottery was reduced, so the shop had the lottery taken away. That has compounded its problems as a village shop, so we should not always see the lottery as a solution. It is a hard-headed business making hard-headed decisions about where it wishes to be.

The rural post office network is the largest retail branch network in Europe. About 84 per cent. of people living in rural areas, as has been said, live within a mile of a post office branch. Other ideas have been suggested, notably by my hon. Friend the Member for Ribble Valley (Mr. Evans), who suggested that we could put post offices in pubs. That would lead to 24-hour post offices. How convenient that would be: every time that someone needed another pint, they could draw out a bit more of their pension. However, we must look creatively

[Charles Hendry]

at how we go down that route. As my hon. Friend also said, the solution is also partly in our hands. If we and our constituents do not support the rural post office network, it will close. Although we recognise that the Government have a role to play in that, so do we as individual consumers.

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP) *rose—*

Charles Hendry: I will not give way to the hon. Gentleman, if he will forgive me, because I know that we are tight on time and the Minister wishes to address many points.

It is clear that the Government do not have a long-term strategy for the rural post office network. Without a strategy, sub-postmasters, sub-postmistresses and Post Office Ltd cannot plan for the future or ensure that rural services are maintained after 2006. The Government have made comments that ostensibly show a commitment to the rural post office network, and in an answer to a parliamentary question to the hon. Member for Stroud (Mr. Drew), the Under-Secretary of State for Trade and Industry, the hon. Member for Bradford, South (Mr. Sutcliffe) said:

"The Government recognise the importance of the rural post office network to local communities and will not take any decisions on the future of the network without a proper assessment of those needs. My officials are working closely with Defra and the devolved Administrations to identify future options for sustaining access to post office services for rural communities. This work is still at an early stage, but I am sure that they will seek the views of bodies representing parish and town councils at an appropriate point."—[*Official Report, House of Commons,* 21 December 2004; Vol. 428, c. 1616W.]

The Government have made a firm commitment to prevent avoidable rural closures until this year. Perhaps that is not so much a long-term commitment as one to get them past a general election, but to do it they made available a £2 million fund to support community post office initiatives.

As has also been said, the Government made available £450 million—£150 million a year for three years—to help to continue to provide access to services in rural areas when they could not otherwise be sustained commercially. They have announced another £300 million to help rural post offices until 2008, but they do not continue to provide that duty to avoid closures, which is what so many people have called for in this debate.

That may sound all well and good, but it masks the frightening decline in the number of village post offices. The total number of post offices has fallen by 17 per cent. in the past 10 years, but the figures are even more dramatic for sub-post offices. The number of sub-post offices has declined by 35 per cent. since 1997. That is a drop of 4,600 sub-post offices in eight years. The hon. Member for North Norfolk (Norman Lamb) said that this had been a longer-term trend, but we need to get it into perspective. The 4,600 small post offices that have closed in the lifetime of this Government are more than have closed in the previous 22 years. That is an extremely worrying decline.

The closures are partly a direct consequence of Government policy. The Government's decision to introduce pensions and benefits to be paid directly into bank accounts has removed 40 per cent. of post office income, causing many smaller rural post offices to close. As has also been said, the Government were not passive in all this, but actively encouraged people to switch to that system while saying that they were neutral.

As my hon. Friend the Member for North Shropshire (Mr. Paterson) said in a notable contribution, they were brutal about the policy; they recognised what the consequence would be. Indeed, when the Conservatives considered the matter back in the 1980s, when I was a special adviser at the Department of Trade and Industry, we rejected that change precisely because of the implications for small post offices. We decided that it was sufficiently important to support the Post Office network not to go down that route then.

Direct debit payment was not supported by the National Consumer Council, which said:

"The end to cash benefits just hasn't been thought through properly,"

and that the new arrangements

"take little account of people's real needs".

Direct debit payments were also criticised by the National Association of Citizens Advice Bureaux, the National Federation of Sub-Postmasters, the trades unions Amicus and the Communication Workers Union, the National Federation of Women's Institutes, which should frighten the Prime Minister, and Age Concern, which expressed concern at the considerable hurdles that seem to be put in the way of opening Post Office card accounts.

We believe that the Government have been hasty in pushing the policy forward, and we recognise, just as the Countryside Agency has done in a survey that it recently carried out through MORI, that these changes have had a negative impact, and are likely to lead to mass post office closures.

What is needed is for the Government to have a clear vision of the future of the rural post office networks—a genuine plan for stopping closures—to ensure the longer-term prosperity of post offices. As my hon. Friend the Member for North Shropshire has said, not one member of the ministerial team at the DTI represents a rural constituency. The team represents Hull, Croydon, Dudley, Cardiff, Bradford, Brent, and Sheffield, and it is unsurprising that the interests of rural consumers are being overlooked when no one in the entire ministerial team at the Department that is driving the policy represents a rural post office.

The Government should consider allowing post offices to offer more services. At present, post offices are not allowed to offer services that would compete with the Royal Mail, but independent parcel delivery firms such as DHL and UPS would welcome the opportunity to sell their services through post offices. Indeed, postmasters and postmistresses are in favour of that prohibition being lifted. It would be lifted for all post offices, but it would be of particular benefit to rural post offices.

As well as expanding the financial services that post offices can offer, the Government should also be more imaginative in expanding the role of post offices as a banking portal. They would then become places where people can access banking services from high street banks in the way that it is suggested that they can have

access to the postal services of companies other than the Royal Mail. That would be more relevant for postal services that may not have a high street bank than for post offices in towns and cities.

The Government have thrown some money at the issue, but they have shown little vision. While they dither, the post offices that are so central to the economic life of villages throughout the country quietly slip away. The key issue which the Minister must answer is the one posed by my hon. Friend the Member for North Shropshire: what is the Government's vision for rural post offices? We have had an excellent debate and I hope that we can now have some answers.

3.50 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Barry Gardiner): I begin by saying that our debate has lasted one hour and 20 minutes and I now have 10 minutes in which to attempt to respond, which is completely inadequate. I want to assure you, Mr. Cook, and all hon. Members present that I will write to all those who have spoken in today's debate, ensuring that all the questions that were raised and are recorded in *Hansard* receive a full and proper response.

The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) is not only the Member for the parliamentary constituency with the longest name, he is also the Member for one of the largest geographically and most beautiful constituencies—I say that as someone who has holidayed in Glen Affric—in which all but six of the 42 post offices are classified as rural. The reason for his interest in the future of the rural post office network is therefore self-evident.

The future of the post office network is an issue of relevance to every member of the House, whether our constituencies are rural, urban or a mixture of both. We all share concerns for the future provision of post office services to our constituents. Most of us recognise that there had been underinvestment in the business for decades until the Government reversed the decline with our sustained programme of investment since 1999. Some £500 million was injected to create a fund for new IT infrastructure and since 2003 the Government have committed £150 million a year up to 2008, subject to state aid clearance, to support the rural network. On top of that, the Government put £210 million towards the urban reinvention programme.

That represents an investment of £1.41 billion of taxpayers' money from the Government. Yet on the website of the Highland Liberal Democrats the hon. Member who initiated the debate is quoted as saying:

> "There has long been a suspicion that Mr. Blair's Government is not committed to the rural post office network".

The hon. Gentleman should perhaps take a leaf out of the book of his colleague the hon. Member for Oxford, West and Abingdon (Dr. Harris), who told me following a recent debate that the more research he carried out, the more he realised just what the Government had done.

Advances in technology, greater mobility and changes in shopping and financial habits have resulted in a growing proportion of people not using post offices in the way that they did in the past. Custom across the network has sharply declined creating the spectra of the spiral of decline. If the post office network is to survive and thrive it needs to change significantly. The Government want to see a post office network that can prosper, but on the basis of today's needs and those of the future, not those of 20 or 30 years ago. In doing so we also must face present reality.

Major sectors of the network are losing substantial amounts of money. The rural network is making losses of about £150 million a year and the directly managed Crown offices are losing in the region of £70 million a year. Clearly the status quo is not sustainable. Several important steps to restructure and revitalise the Post Office have been taken but the future of the network rightly remains an issue of national debate, and it is clear that there are still considerable challenges to be faced.

The decline in transaction volumes is not just about the changes in benefit arrangements that were completed last April. The decline started well before the move to direct payment. Even before the migration from order books started in April 2003, 43 per cent. of the Department for Work and Pension's customers had opted to receive all of their benefits by direct payment. By last October, 97 per cent. of customers were receiving direct payments with 76 per cent. opting for payment in a bank account and 21 per cent. for payment into a Post Office card account. That is an example of an efficient Government delivering benefit more cost effectively, reducing the burden on the taxpayer at the same time as being more convenient for the recipient and cutting out the potential for fraud. However, the hon. Member for North Shropshire (Mr. Paterson) portrays us as a mean Government plotting to reduce the profit margins of sub-postmasters.

Mr. Paterson: Will the Minister give way?

Barry Gardiner: I will give way to the hon. Gentleman if he will rise and commit his party to reversing policy so that that profit margin does flow back to sub-postmasters. If he were prepared to rise to do that, I would happily give way, but I see that he is not.

The trend of declining transaction volumes applies not only to benefit payments but to a—

Mr. Paterson: Will the Minister give way?

Barry Gardiner: No. I must answer some of the points that have been made.

Mr. Paterson: On a point of order, Mr. Cook. Is it right for a Minister to name an hon. Member twice, but not to allow him to respond in order to make the point that the Government have taken £400 million a year from the network?

Mr. Frank Cook (in the Chair): That is not a point of order for the Chair; it is a point of debate, and it is possible for it to be answered in other ways.

Barry Gardiner: Thank you, Mr. Cook, for that clarification. Of course the hon. Member for North Shropshire is refusing to respond to the proper issue. That is clear; it is that the Government have acted entirely responsibly in delivering the service more cost effectively. The Public Accounts Committee would have

[Barry Gardiner]

something to say if they did not. The hon. Gentleman's party will not pledge itself to row back that policy because it knows the truth of what I am saying.

The trend of declining transaction volumes applies not only to benefit payments but to a much wider range of services, including Girobank and national savings transactions, telephone bill payments and postal orders. We must also recognise that 96 per cent. of the nation's post offices are run by sub-postmasters. They are private business people who have invested in their businesses not only their own money but, as has been mentioned particularly by the hon. Member for Wealden (Charles Hendry), a great deal of care, which has helped the post office network to achieve its highly regarded status.

However, with declining profitability in the network as a whole, the viability of many individual offices has taken a severe knock. Decisive action, in the form of the urban reinvention programme, was taken to restructure a sector of the network in which there was extensive over-provision, with the aim of better matching supply to demand, and of creating the viability necessary for a network that would be sustainable into the future. That is why we backed the plans of Post Office Ltd for managed restructuring of the urban network, which involved almost 2,500 office closures but ensured that, nationally, 99.3 per cent. of people in urban areas still live within 1 mile of their nearest post office. Lest anybody should forget, each one of those 2,500 closures happened in a place where the sub-postmaster wanted to close and volunteered for closure. Nobody was forced out of business by POL or Government. They closed because they chose to do so.

We now need to address the issues facing the social network of sub-post offices in rural and urban deprived areas. That part of the network is no longer financially sustainable in its present form. That is a problem, but it is not the only problem. It is no longer clear that the needs of those communities, or of the most disadvantaged, are best served by the present traditional costly and inflexible fixed office network structure. Those who believe that financial sustainability does not matter, and that Government should simply pour more money in to sustain the network come what may, are failing those of their constituents who are not getting the service that they deserve because somebody else in a village down the road is keeping an inefficient physical structure.

The social network payment of £150 million a year from the Government was introduced in 2003–04 as a transitional measure against the background of migration to direct payments of benefit. It was intended to provide a financial breathing space in which POL would develop new products to replace lost income from traditional business, and would identify more cost-effective ways of delivering its services. It is becoming increasingly urgent that we find innovative and more cost-effective ways of delivering post office services to rural and many urban deprived communities. We cannot ignore the fact that many rural offices have an impossibly low customer base, with some 1,600 offices averaging fewer than 100 customers a week. The 800 smallest offices are averaging 23 customer visits a week and generate—

Mr. Frank Cook (in the Chair): Order.

Transport (Greater Reading)

4 pm

Mr. Rob Wilson (Reading, East) (Con): I thank you, Mr. Cook, for the opportunity to hold this debate. I want to raise a matter of local, regional and national significance. The Thames valley makes a huge contribution to the UK's economic performance and success. Through its businesses and people, it generates a larger slice of revenue for the Government than anywhere outside central London.

At the heart of that success over the past 20 years has been Reading, which has been transformed from a modest industrial town into a vital regional centre. Reading's economic transformation began in the 1980s, but it is becoming harder to sustain the success story in Reading and the Thames valley. One of the biggest threats to our continued economic success is transport infrastructure, which will fail without significant investment—possibly within the next decade.

The implications of failure for the region and the UK's economic performance will be huge. The region is particularly susceptible to the forces of globalisation. Just as multinational companies make their homes in and around Reading, taking advantage of the area's strengths, our collapsing transport infrastructure could rapidly force them to relocate, probably overseas.

It is little wonder that transport infrastructure is failing. It sounds incredible, but my local authority assures me that there has been no Government transport infrastructure investment in our region or in Reading for the past 20 years. What investment there has been seems to have come from the private sector. I do not know whether the Minister knows this, but committed Government investment in the south-east is currently 40 per cent. for the Thames Gateway, 35 per cent. for the south coast and 25 per cent. for other areas, but there is 0 per cent. for anywhere in the Thames valley.

It is not that we do not put forward great ideas and excellent schemes. For example, there is the M4 junction 11 scheme, which is ready to go. When assessed against the Government's own criteria, it gives very high value for money.

Mrs. Maria Miller (Basingstoke) (Con): I share my hon. Friend's concerns, particularly on his last point. In the Thames valley, the point has been reached where we shall not be able to cope with the additional pressure on our roads without more infrastructure investment. The M4 junction 11 scheme is a case in point, and it is vital not only for my hon. Friend's constituency, but for mine. At peak times, traffic can stretch all the way to the Hampshire county boundary, causing congestion on the A33 for constituents who use the route as a way to work or for business. The situation is set to get considerably worse, with proposals for 7,000 houses at Kennet meadow. Additional investment is vital.

Mr. Wilson: I thank my hon. Friend, who makes the point well.

As businesses in the Reading area—big and small—will tell the Minister, no more infrastructure capacity is available, and only new provision will ensure that Reading and the Thames valley maintain their role in the national economy.

We have seven major schemes for greater Reading listed in the regional priorities and businesses are asking me why none has had any commitment to funding or any time scale for implementation. Perhaps the Minister could explain why that is the case. I invite her to come to Reading and listen to what businesses are saying for herself. They are saying to me that we need transport infrastructure investment and that we need it now. One needs only to read the latest report from the Thames Valley Economic Partnership to see that.

In Reading, we have a dual problem, involving both roads and rail. As I have said, roads are at pretty much maximum capacity in Reading. The problem is made worse by the fact that we have only two crossings over the River Thames. Reading needs a third bridge, which will make a north-south bypass for the town.

Mr. Richard Benyon (Newbury) (Con): I remind Members of my entry in the Register of Members' Interests. This year is the 10th anniversary of the opening of the Newbury bypass, which has made an enormous difference to the sustained economic viability of the community at the centre of my constituency. That has dealt with the north-south problem. We now have an east-west problem, which my hon. Friend has highlighted in relation to the M4. I firmly support what he says about the need to consider the difficulties faced by traffic on the M4 if we are to maintain the prosperity of the region.

Mr. Wilson: I thank my hon. Friend for that helpful intervention. He makes the point very well. As in Newbury, the north-south bypass in Reading is extremely important to the sustained viability and economic success of the town. The problem that we face is that the boundaries of four local authorities are involved. We cannot start planning for another Thames bridge unless those four authorities come to an agreement because access to the bridge will involve infrastructure in all four of those local authority areas.

Until recently the Government have not expressed a view on the need for the additional north-south Thames capacity, so some local authorities have pursued specific local, rather than regional or national, agendas and have tried to dismiss any third Thames bridge scheme through their own structure plan process. Fortunately, following a study in 2003, the Secretary of State for Transport agreed that the issue of the north-south routes over the Thames in Reading needed to be resolved. He required the authorities concerned to come together in quantifying the problem and identifying and delivering a solution, which all political parties in the town have welcomed. That has led to some progress in terms of some cross-boundary meetings of officers and lead councillors on a reasonably regular basis.

However, the process has been painfully slow and it appears that, for every two steps forwards, there are three steps backwards—mainly because of the view of South Oxfordshire district council, which is being incredibly parochial about this matter. Meanwhile, Reading borough council is adopting strategies that prioritise local traffic in Reading, obviously to the detriment of through traffic. We have now reached the point at which we desperately need direct Government intervention to break the logjam between those local authorities.

Business is saying that it needs answers to these questions and it needs them urgently. It needs a time frame from Government for the preliminary work to be completed and for a scheme to progress. At the moment, it seems that we can settle the problems of a civil war in Ireland, but not the difference between two of our local authorities. It is preposterous.

My suspicions about Reading's roads having a negative impact on business were confirmed when I recently had a meeting with the managing director of Hewlett- Packard in the UK. His company has just announced that it is pulling out of Reading, taking more than 1,000 jobs with it. The Hewlett-Packard site lies to the south of Reading, which is just outside my constituency, by junction 11 of the M4. The managing director told me that one of the main reasons—admittedly not the only reason—for moving away from south Reading was the terrible traffic congestion at junction 11.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on securing the debate. Does he share my disappointment that much of today's traffic congestion is caused by poor estimates of future traffic growth by the Department for Transport and the Highways Agency? Does he share my concern that not enough money is being invested by the Highways Agency in vital road schemes throughout the country?

Mr. Wilson: I share my hon. Friend's disappointment. There seems to be a failure to get those numbers right in the planning process.

Huge queues have developed at junction 11. One of the main reasons that Hewlett-Packard finally decided to up sticks and move out was that its staff were sometimes sitting for hours in these queues, which is not sustainable for staff productivity in any company. Over the years, Hewlett-Packard says that millions of pounds were wasted by staff sitting in traffic. Not only that, staff were increasingly dissatisfied about their quality of life. No one likes to spend two hours plus sitting in their car trying to get to work in the morning.

The impact of the lack of investment in transport infrastructure is seen on the ground in Reading today. Junction 11 has long been identified as a problem—since 1999, anyway. It is a key gateway to Reading, and both Woking district council and Reading borough council have put in first-class bids to resolve the issue. Those bids passed all the Department for Transport's assessment criteria.

Great hopes were raised in 2004 when the Government accepted the junction 11 scheme and the Department allocated some funding. On that basis, Reading borough council spent £6 million on structural reviews, geotechnical surveys, contamination works, landscape architecture and so forth, which is equivalent to 12 per cent. of Reading's council tax: a huge investment for the local authority to undertake. The scheme was then delayed for a public inquiry on the basis of a complaint from one individual. We do not know the result of the inquiry, but funding for the scheme has been suspended in the meantime.

The business community in the Thames valley and Reading needs a message of reassurance from the Minister. We need a positive decision about the junction

[Mr. Wilson]

capacity improvement. The scheme is supported in the east by BAA and in the west by Vodaphone in the constituency of my hon. Friend the Member for Basingstoke (Mrs. Miller). We would like to know when there will be a decision. Are the Government prepared for the adverse affects to actual and perceived business confidence if that decision is negative or is positive but not implemented particularly quickly? Perhaps the Minister will deal with that in her response.

There is also a significant problem with Reading railway station. As the Minister is probably aware, Reading is the second busiest station outside London, providing direct train services to more than 360 towns and cities throughout Britain. More than 20 million passengers use the station each year. Pressure on the station has already passed saturation point. Put simply, capacity constraints on Reading station cause one of the major bottlenecks in the national rail network. There are not enough platforms or track capacity to accommodate the frequency of services, especially at peak times. Currently, the north-to-south freight services coming from Southampton mean that passenger services are often held up.

The Great Western main line connects London to Wales and the west country. The problems at Reading station are considered by those region's governing bodies to be a paramount issue for them. As the Minister will know, they have made representations to the Government on the matter. We have a once-in-30-years opportunity to do something about it because re-signalling is required at Reading station by 2013. With that, comes the opportunity to resolve the capacity issues in a cost- effective way.

The cost in addition to the re-signalling—the latter is already budgeted for—is about £68 million, and it would offer a 5:1 return on the Government's assessment terms, whereas normal rail schemes achieve less than 3:1. To assist the Minister, I would add that because the Great Western mainline is a trans-European network, it could attract European funding. I would like to know whether that is a possible source of funding.

Reading has the status of a transport hub in the south-east plan, in which housing and business development opportunities will be created. Improving the station capacity will be an important part of that change. A good proposal has already emerged, funded through the resourcefulness of local authorities. However, it is time for the Government to step in, with ongoing funding for the detailed design of the scheme and a commitment to its being implemented at the same time as the re-signalling in about 2013.

When questioned, the largest companies in the area say that they have located in Reading because of its proximity to the airport. Visitors to Reading are therefore astonished to find that we have no direct rail link to Heathrow. We have direct links to Gatwick and Stansted airports, and Heathrow has three links from the west. If Crossrail comes about, there will be a fourth link.

We could easily have a link to Heathrow if we were to build what rail people call a collar at the point on the Great Western railway known as Heathrow junction. That would cost only £56 million. The benefits to Reading and the region would be huge. It would add to the region's selling points, and it would reduce car travel as well as improving access to the airport. Reading would then become a hub for international travellers from the west of the UK.

There has been no proper commercial rail study of the links to Heathrow via the Great Western line. The Government should undertake a realistic and practical assessment of direct rail access to Heathrow from the west. It could be done as part of Crossrail. I have said it before, and I shall say it again, but if Crossrail is to be of value to Reading and the west in general, it must be extended to Reading, connected to Heathrow airport and able to provide a fast and semi-fast commuter service into London. If it cannot do that, Crossrail might as well end at Paddington.

I have spoken at some length, and I want to give the Minister enough time to respond, but if I had three wishes this afternoon they would be these. First, the Minister would pledge that the Government will intervene to press for a timetable between local authorities on a third Thames bridge. Secondly, the stalled M4 junction 11 would be given the green light immediately, or as soon as possible. Thirdly, the Government would intervene to get the Reading station upgrade properly scheduled and supported. I thank the Minister and other hon. Members for their patience. I hope that the Minister will come to Reading for further dialogue about these important issues.

4.18 pm

The Parliamentary Under-Secretary of State for Transport (Ms Karen Buck): I congratulate the hon. Member for Reading, East (Mr. Wilson) on securing this debate. It gives us the opportunity to discuss transport in Reading itself and between Reading and the greater Reading area. As the hon. Gentleman said during the Christmas Adjournment debate, Reading has the good fortune to sit at the hub of road and rail links and to be within a short distance of one of the world's major airports. He was right to say that that is a major factor in business location and quality of life.

Reading also has the good fortune to have excellent staff working in the transport office of the borough council. I congratulate them on helping to make it one of only five local transport authorities to achieve the top rating in the annual performance report and the provisional second local transport plan document. As a result of that, the council will receive an additional 25 per cent. of funding on top of the original indicative baseline allocation for 2006–07. That will help Reading to build on the progress made during the first five years of the local transport plan period, during which time it received more than £36 million.

Reading has received the highest level of Government funding per head through the local transport settlement of any local transport plan area since 2000, at an average of £38 per head compared to a national average of £13 per head. Over the next five years its local transport settlement will be 27 per cent. higher than the national average. It could, of course, continue to receive even more if it produced an excellent local transport plan and continued to demonstrate strong delivery.

The hon. Gentleman concentrated on three issues and I am grateful to him for giving me an idea of what they would be. I hope that I will be able to answer many of the matters that he has raised today, although I will probably not be able to deal with all of them.

We all recognise the importance of the case that has been made for the proposal to improve junction 11 on the M4. Indeed, I met Reading councillors and representatives last year to hear about that. They impressed on me the fact that, as the hon. Gentleman has reiterated, that is the most important transport infrastructure issue for greater Reading. I appreciate that the scheme has had a long and sometimes difficult history and I am also conscious that, following the decision in 2004 to refer the scheme for regional consideration, there are increasing calls from local partners for Government to provide some clarity about whether and when funding for the scheme will become available.

The Government have set out and consulted on proposals to establish regional transport funding allocations. We believe that that will give the regions a stronger base on which to plan and that it provides a better basis for informing resource decisions. Now that the principle has been established, any decision on the junction 11 proposal, as with any other scheme of the size, will be made when we have obtained advice from the region on its relative priority compared with other major schemes that are being put forward.

Once the region has advised us on the priorities I shall be able to consider the scheme in more detail, to provide as much certainty as I can, as quickly as possible. As part of the process we will also, of course, take into consideration the inspector's report on whether the compulsory purchase orders and side road orders that form an essential part of the scheme should be confirmed. Of course, if the south-east region recommends the scheme as a priority for funding, it will need to meet value for money criteria, to ensure that we are using public money effectively.

Mr. Wilson: Will the Minister give us some indication of how long the process might take? One problem that we have is the great uncertainty that is being caused. While it continues, companies such as Hewlett Packard will move out of the area. That company is not moving too far—to Bracknell—but the thinking in overseas businesses in the area might be that if things do not improve they should up sticks and go. A timetable would be enormously helpful.

Ms Buck: The certainty that I can give the hon. Gentleman is that we are expecting the advice on regional priorities to be received shortly—in early spring. It would be completely wrong—tempting, but wrong—to pre-judge the outcome of the regional prioritisation process, because it is part of a much broader and longer term strategy to encourage more local, regional ownership, because of the size of the schemes, of what will always be competing demands for a pot of resources that will never be unlimited. Therefore, it would undermine the process if I were to jump in with comments in advance. However, I assure the hon. Gentleman that time is very short for conclusion of the relevant process.

The hon. Gentleman also mentioned congestion. I am very pleased that Reading has made progress in tackling the issue and appears to be willing to make some difficult decisions. The fact that Reading managed to increase bus patronage by nearly 450,000 journeys last year is to be celebrated. Obviously, encouraging modal shift, from cars to public transport, is one integral measure that helps us to tackle congestion.

Reading has not just sought to reduce congestion through more buses. It has also considered, and is developing, a wider range of interventions, which has led to an 87 per cent. increase in the number of park-and-ride journeys into town. I congratulate the council on that, because, almost inevitably, whenever an option arises that might involve encouraging or incentivising behaviour or, in some cases, introducing disincentives for drivers to use their vehicles, there is always a degree of controversy. The development of park-and-ride schemes is not without controversy, but I am afraid that if we are serious about tackling congestion across the country, we will have to consider requiring some courage from local authorities. Reading has certainly demonstrated that courage.

The hon. Gentleman talked about progress on the proposal for a third Thames crossing. I am aware that the issue of additional capacity for crossing the Thames in the Reading area has been subject to much debate. The hon. Gentleman is right that the Government have asked the local authorities to work together to address the issue and a group has been set up to take the work forward. The group has carried out study work that suggested a need for additional capacity and made suggestions on where any possible structure could be placed. I understand that some councils have expressed concerns about the study results, but further work is to be carried out that aims to address those.

I fully expect that all local authorities involved will make a joint statement on progress in their final local transport plan second-round documents, which are due to be submitted by the end of March. However, it is entirely appropriate that local authorities continue to work in partnership to come to a collective view on the appropriate way forward. Once they have developed a suitable scheme and a robust business case, we can then consider any request for funding and that will be dealt with in the normal way in light of advice from the region on its priorities.

The hon. Gentleman's third area of concern was the development of Reading station. He is right to say that Reading is a busy hub that acts as a major strategic point on the national rail network. Passenger numbers are increasing across the country, including at Reading, and in response to that the new Greater Western franchise will see a further increase of 20 per cent. in additional seats to Paddington in the morning peak and a 30 per cent. increase in seats back from London in the evening peak. That is in addition to similar increases introduced in December 2004.

I am pleased that local partners are working together to bring forward plans for the redevelopment of the station, which include the development of two new through platforms. It is a reflection of the "can do" mentality in the local partnership that it has been able to reduce the proposed cost of the core scheme, which builds on the re-signalling works, as the hon. Gentleman mentioned, and have brought that cost down to

[Ms Buck]

£68 million. I appreciate that that meant that certain aspects of the wider proposals have been delayed but I think that it at least means that we will be able to take advantage of the opportunities that the proposed re-signalling works will provide.

When the re-signalling work takes place, we will want to take account of the views of the region and many of the surrounding regions on the relative importance of the proposed redevelopment scheme compared with other major schemes coming forward from the south-east. I assure the hon. Gentleman that the Department for Transport has attended the Reading station partnership board and has been kept fully briefed on the proposals as they develop. As the business case becomes available, the Department will be happy to assist further in working through the proposals, although I have to tell him that no public funding has yet been identified for the enhancements.

On the issue of access to Heathrow, the hon. Gentleman is right to say that at present the connection from the west is not direct. However, there is a recently introduced stopping service to the airport, which means that passengers from Reading can interchange at Hayes and Harlington without having to travel all the way into Paddington and back out again. The hon. Gentleman may also be aware of Airtrack, an alternative proposal to serve Heathrow from the west that would provide two trains per hour from Reading and Guildford to the new terminal 5 at Heathrow and to London Waterloo. The Department is working on the specification for the new south-western franchise. We are considering the inclusion of Airtrack services as a priced option within the new franchise so that those services could be provided if third party funding can subsequently provide for the infrastructure changes required. We are also continuing to discuss the scheme with BAA in the context of improved surface access to the airport.

In conclusion, I reassure the hon. Gentleman that the Department has a good understanding of the transport issues that affect the greater Reading area. There has been considerable investment through the local transport plan and we are working with local partners to see how the major developments that he has identified can be addressed in the most cost-effective and efficient way.

West Yorkshire Police

4.30 pm

Mr. Paul Truswell (Pudsey) (Lab): This is a sad day for the people of West Yorkshire and for West Yorkshire police force in particular, as we commemorate the ultimate sacrifice made by Police Constable Sharon Beshenivsky. It would be wrong not to record our respects to her and her colleagues—especially Teresa Milburn, who was wounded in the incident in which PC Beshenivsky died—and to extend our condolences to her family.

Although we often join constituents in robust discussions with senior police officers about shortcomings in the police and their performance, we should also acknowledge their successes and support their efforts to sustain those. There are serious concerns in West Yorkshire about whether movement in the right direction might be undermined by developments regarding resources and major reorganisation. Those concerns prompted me to request this Adjournment debate, which Mr. Speaker has been kind enough to grant me.

Crime levels in West Yorkshire have been falling. The division covering my constituency has made a significant contribution to that. In the past full year, April 2004 to March 2005, there were 8,383 fewer crimes in the Pudsey and Weetwood division, a fall of 19 per cent. for the year. Figures for burglary, robbery and theft of and from motor vehicles fell even further. The latest figures show a continuing downward trend. Police numbers are at record levels after falling for most of the 1990s, but we still need more resources to exert downward pressure on burglary, robbery and car theft, and to make an even greater impact on antisocial behaviour and violent crime.

The recent assessment of West Yorkshire police by Her Majesty's inspectorate of constabulary, published in October 2005, showed improvements across the board, with an "excellent" rating for investigating crime, and "good" ratings for reducing crime, promoting safety, and use of resources. However, the force's ratings in the areas of local policing and dealing with the public, although now improving, still fell far short of what is required. The handling of calls, for example, is a continual source of complaints from my constituents and, no doubt, those of other Members present.

In terms of funding, the greatest concern is that once again West Yorkshire police appears to have been penalised by the allocation of an almost flat-rate grant across the board. On paper, it has gained from changes to the funding formula, and if it had been applied this year, the formula would have provided raw allocation for West Yorkshire of £151.51 per head of the population. That is still below the allocations for comparable forces such as Greater Manchester police, Merseyside police and West Midlands police, but it is a movement in the right direction. Notionally, the formula would have provided £320 million—a figure sufficient, together with a modest precept, to fund the base budget.

Although some dampening was expected to avoid major budget cuts for other authorities, we did not anticipate the bucket of cold water thrown on West

Yorkshire's legitimate expectation of a much fairer proportion under the formula. In total, £14.3 million has been clawed back from the force to subsidise forces that would otherwise receive an increase of less than 3.2 per cent. That is the third largest clawback for any force, and it represents 10 per cent. of the total amount needed to support those forces below the 3.2 per cent. floor.

The three forces most affected, including West Yorkshire, all contain significant deprived communities, and they have particular protective service needs. Last year it appeared that a greater emphasis was being placed on the formula, but this year we appear to have reverted to a rigid system of floors and ceilings.

To compound that formula-funding failure, the change to the new pension financing arrangements has also hit West Yorkshire police adversely. Although it was intended to be cost-neutral at individual authority level, its impact means a loss of £2 million for the year 2006–07. It has impacted also on the budget that the authority can spend before capping criteria are breached.

Those factors have created a serious funding shortfall. To bridge it would require a double digit precept or measures that would seriously undermine the capacity of the force to move things forward as we should want it to. The force's latest estimate of the budget increase needed for next year is £17 million higher than the funding available with a precept increase of 5 per cent. In fairness, the estimate includes growth of £4.4 million in the areas of counter-terrorism, quality of service commitment and police community support officers. However, even without that desirable growth, the gap is substantial.

I appreciate that Ministers cannot make special provision for individual forces, but there are at least three specific and legitimate ways in which my hon. Friend and his colleagues could assist West Yorkshire police to make up some of the budget shortfall. The first would be to fund a counter-terrorism unit. The second would be payment in full of the force's outstanding claim in respect of the policing that it carried out as a result of the 7 July bombings in London, and the third would be the designation of Leeds-Bradford airport for security purposes.

The force's request through the terrorism and allied matters advisory group of the Association of Chief Police Officers for funding for a local counter-terrorism group similar to the one that has already been set up in the west midlands is still outstanding, and the force would be grateful for any influence that my hon. Friend can exercise in that direction. The current estimate of the cost of policing arising from the London bombings is £5.9 million, which would make a significant contribution to dealing with the funding gap, at least in the short term. Again, I trust that my hon. Friend and his colleagues will smile favourably on that bid.

It has long been argued that Leeds-Bradford airport should have designated status for security purposes. It has always been inexplicable to me why it does not. It certainly impacts on the day-to-day policing in the Pudsey and Weetwood division, which covers my constituency as well as the airport. As I understand it, designation would bring in some £300,000 of additional funding. It would allow the force to provide the right level of security, and it would also mean that it would not constantly suffer from abstractions from the local division.

Let me turn to the question of force mergers. There has been considerable concern in West Yorkshire about this process, starting as it did during the recess and with tight deadlines and little opportunity for engagement, especially by MPs. It sounds a bit like the Department of Health and primary care trusts, but I shall not go down that avenue. There were also concerns about a prescriptive agenda that makes merger obligatory rather than optional. I appreciate that the Government cannot ignore the advice of the Her Majesty's inspectorate of constabulary about protective services and the inability of smaller forces to meet the challenge, but I make no apologies for looking at the issue from a West Yorkshire perspective.

There continue to be major concerns: the cost and funding of the restructure, the nature of the new governance arrangements that will be required, implications for council tax, fear of a levelling down of services and, above all, fear of a massive reorganisation submerging the thrust to develop community policing. To, varying degrees, both amalgamation options have the same shortcomings, and it is incumbent on my hon. Friend and his colleagues to demonstrate why West Yorkshire must be merged when there are strong arguments, including the Home Office's own criteria, for retaining the present operational boundaries.

West Yorkshire is the fourth largest force in the country and easily meets the Home Office's minimum size for a strategic force. It has demonstrated its capacity to deal with the challenge of terrorism. The requirement to address the need for protective services must not impinge on, or undermine, neighbourhood policing—that is a given. The fear is that the enormity of the work required to achieve mergers, especially on the massive regional basis that is being considered, will inevitably do just that. Inevitably, work at neighbourhood level will be diverted, but the resources available for dealing with yobs, burglars, robbers and car thieves must be maintained and increased, not submerged into some gigantic bureaucratic change.

Mr. Philip Hollobone (Kettering) (Con): Will the hon. Gentleman give way?

Mr. Truswell: No. The hon. Gentleman is not observing the conventions of the House. Many other Members would have wished to contribute, but it would have been invidious to select individuals.

The distinction between West Yorkshire and other forces in the region is reflected by the fact—nominally, at least, as I have already said—that it receives more Government funding per head than other forces. There are also significant differences in performance. West Yorkshire's score on the protective services assessment recently carried out by the HMIC was relatively high. It was the highest scoring force in the region, with a combined score of 53, compared with totals of 42, 35 and 32 for South Yorkshire, Humberside and North Yorkshire respectively. There is, therefore, an understandable fear that there would be a levelling down of services as far as West Yorkshire is concerned, rather than a levelling up, especially in the early years.

[Mr. Truswell]

Using the Home Office's own criteria, the option is easily the best approach for West Yorkshire, and has achieved a protective services score of 502. The Minister will be aware of the much lower scores that were achieved using the other two options.

Some collaborative and lead force arrangements with neighbouring forces are already in place, and I understand that they operate pretty well. As the submission from West Yorkshire police says, such arrangements could be formalised and extended if necessary to provide extensive and robust policing to meet the requirements of the protective measures. That would satisfy that particular requirement without incurring the enormous set-up costs and disruption associated with amalgamation.

I appreciate that that option requires creative thinking rather than a neat bureaucratic solution. It is not a no-change option, and its financial and operational impact needs to be taken into account, but its impact would be much less than that of either of the two options that the Home Office currently seems to favour. Policing must be tailored to geography and population, especially if neighbourhood policing is to be a reality. West Yorkshire has little common ground with neighbouring forces in its social diversity, culture and ethnicity.

The Government recognise those differences in policing demands through the funding formula, if not through the grant system at the moment. Compared with other forces in Yorkshire and Humberside, West Yorkshire receives a relatively high level of Government support, which as I said is nominally about £151 per head, which reflects the comparatively high risk of crime. Residents in other counties receive comparatively less support. In North Yorkshire, for example, the figure is £83.73 per head.

Although Yorkshire people are proud of their county and its traditions, in practice its local services have never been provided or governed at county level. We had the ridings, and now we have the diverse structures that have developed in more recent decades. The four counties have distinct and different economic, industrial, social, demographic and ethnic profiles that would present significant barriers to a successful merger.

The regional merger option in particular looks and feels overblown. A service that has such an intimate impact on neighbourhoods and individual citizens has never been delivered by such a large organisation outside London. Without major changes to existing arrangements, the effect of amalgamation would be to equalise Government funding in the new police region, and to equalise the police precept paid by residents. That would immediately create unfair disparities in the precept. Currently, annual precept payments for a band D household in the region range from £176 in North Yorkshire to £107 in West Yorkshire.

Using a crude equalisation approach, both the amalgamation options would lead to an increase in the precept paid by West Yorkshire residents by 20 per cent. There are other organisational considerations. Policing boundaries in West Yorkshire are coterminous with crime and disorder reduction partnerships and other community safety partners. All district councils have representation on the police authority that is proportional and reflects the political make-up of the county. The number of councillor members of the authority allows them to engage fully as members of the authority, as well as carrying out the other duties for which their constituents elected them. That would not be possible under either amalgamation proposal.

West Yorkshire has recently reorganised its basic command units. That was not a painless exercise, but they will, we hope, develop better neighbourhood policing and improve engagement with the community and individuals who need to contact the police. However, trying to get that right amid the maelstrom of a major strategic reorganisation would traumatise any student of local government and services and fill them with trepidation. It certainly has that effect on this student of local government.

The regional amalgamation of personnel would be on an unprecedented scale in mainland policing outside the Metropolitan police. Integrating two different sets of systems and work forces would be difficult enough; integrating four would be a mammoth and elusive challenge. It would certainly, whether fairly or unfairly, be blamed for every shortcoming in service at every level for the foreseeable future. A regional force would feel very remote to the public. It would not have a firm political identity and would not share any current boundaries with partners. Most of the amalgamated force would be concentrated in the south-west of the region, which would be a bone of contention with residents and the force in the rest of the region. We want to avoid that sort of resentment.

In summary, those are the principal reasons why West Yorkshire police authority, West Yorkshire police force, councils in West Yorkshire, MPs such as myself who are present, and those who are not, feel that West Yorkshire, in the Home Office's own terms and beyond, meets the challenges of providing protective services while continuing to develop effective neighbourhood policing. It would be a great irony and perversity if in striving to address the demand and needs of protective services, we were to undermine policing at the grass-roots, neighbourhood level.

4.46 pm

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): I congratulate my hon. Friend on securing the debate, and begin, as he did, by mentioning the funeral of Police Constable Sharon Beshenivsky, which took place earlier today. I join my hon. Friend and all Members present from West Yorkshire in conveying my sincere sympathy and thoughts to her family. Her tragic death is a timely reminder to us all of the bravery of our police officers in dealing with all aspects of crime, sometimes, unfortunately, as in this case, with tragic consequences.

I welcome the fact that my hon. Friend has touched on some controversial issues this afternoon. I say that as a humble Mancunian facing the serried ranks of the force of West Yorkshire. It is important that we have this debate. Having what I hope will be an informed and constructive dialogue will be an important part of our reform programme. We need to engage with and try to understand and answer some of the legitimate questions being raised by hon. Members and the communities that they serve.

The effectiveness of British policing is based on the principle of consent. It is important, particularly through a period of change, that police forces are supported and understood in terms of both structure and purpose by the communities that they serve. Although the debate about restructuring has sometimes been caricatured as a move toward regionalisation or the creation of large forces for their own sake, it is precisely because we value local policing services that we are making reforms. A constant theme of my hon. Friend's speech was the need to keep the focus on local neighbourhood policing. I hope to persuade him in the next few minutes that that aspiration lies at the heart of the reform programme on which we have embarked.

For most people, indeed for everyone, policing is about their local community. Many of the concerns that my hon. Friend expressed today centre around neighbourhood policing and the connection with local communities. People want their police to help create a safe neighbourhood for them to live in. Increasingly, they also want to have a greater say in setting the priorities for the police who operate in their area. That is right and legitimate. Any proposals to restructure police forces will build on that approach, improving the services that are provided to individual neighbourhoods and addressing the particular problems that they face. We are committed to providing dedicated, visible, accessible and responsive neighbourhood policing in all parts of the country by 2008.

The focus for neighbourhood policing has always been the basic command unit and levels below that, and that will not change through the period of reform on which we have embarked. In fact, I contend that local people will experience an improvement in their local policing. The creation of strategic forces with sufficient capacity and resilience to deal with major investigations or public order incidents will help to safeguard local policing by reducing the need to abstract officers away from policing local neighbourhoods to deal with those serious incidents, so it is to protect neighbourhood policing and stop people from being drawn away from it that we are taking the measures that we are taking.

My hon. Friend used the word submerged. He does not want neighbourhood policing to be submerged in the process of change. I promise him that that will not happen, and that that focus on neighbourhood policing will remain.

The real purpose of our reforms is to create police forces that are committed to local policing, but have the necessary capacity and resilience to respond effectively to serious crime or public order incidents whenever they happen. We need forces that can be more proactive in countering organised criminal networks—by gathering the intelligence that is needed to understand and pre-empt their activities in communities—while working consistently to national standards.

This is not an academic exercise in redrawing boundaries on a map. We need a fundamental change in our approach to terrorism, serious and organised crime, civil contingencies and emergency planning, public order and other protective services. It must be more strategic, but must have neighbourhood policing very much at its heart.

My hon. Friend mentioned the report "Closing the Gap" produced by Her Majesty's inspectorate of constabulary. It is an extensive examination of how effectively the protective services are currently provided. The expert and independent advice given in the report was that, given that the current structure of policing is no longer fit for purpose, strategic forces offer the best business solution. HMIC concluded that if nothing were done, the situation would be likely to worsen rather than to improve in that, increasingly, resources would be drawn away from neighbourhoods in order to provide protective services. It found that larger forces—my hon. Friend mentioned the figures: those with at least 4,000 officers or 6,000 staff—are more likely to have the capacity and resilience needed to cope with the demands of cross-border crime without abstracting from local policing. Below that level, forces are not considered to have the critical mass to provide the protective services that all communities require.

To achieve the reforms, the process needs to be owned and led by the police service itself. I do not have a blueprint for reorganisation, nor does my right hon. Friend the Home Secretary. I accept that the time scales that have been set for the process are challenging. Police forces and authorities have been working extremely hard, and I am grateful, as is the Home Secretary, to all, including those in West Yorkshire, who have contributed to the process, for all the work that has gone on and the efforts that have been made to identify the options for restructuring. Some forces and authorities have been extremely proactive and creative in the ways in which they have sought to engage with the public and sound them out about the proposals. There has been a high level of consultation throughout the country.

We need to keep to the challenging time scale. This is an important discussion, but we do not want it to detract from the important business of day-to-day policing; we do not want it to sap morale, and we do not want the police to lose their core focus on protecting the public. Going forward, we will need to consider a range of issues. My hon. Friend mentioned a number of them. I cannot dwell on the detail of the answers this afternoon, but I acknowledge that important questions have been asked and that we are determined to get a proper response to them.

Mr. Truswell: Going back to what the Minister said a few minutes ago, the crux of the concern in West Yorkshire is that the force easily meets the minimum level that would satisfy the requirements of the HMIC. He mentioned 4,000 officers. I think that there are 5,700 in West Yorkshire, so that is not marginal; it easily meets the criteria. I should be grateful if my hon. Friend would explore why West Yorkshire is still being pushed down the road of amalgamation.

Paul Goggins: My hon. Friend makes a good point and reads my mind. He is right, and I can give the precise figure. The current strength of West Yorkshire is 5,671 officers and 3,452 staff, a total of 9,123, so the force fulfils the criterion set down by HMIC on its own. However, that is only one of a number of criteria, and my right hon. Friend the Home Secretary has made it clear that any force standing alone should not do so to the detriment of other forces within a particular region. There is a balance to be struck.

There are two other options, which I shall mention. The option of the stand-alone police authority and force for West Yorkshire has not been dismissed. That will be

[Paul Goggins]

evaluated as part of the whole process. Two options have come forward: one for a regional force and the other for two forces based on the current system with West Yorkshire police merging with North Yorkshire police and South Yorkshire police merging with Humberside police. Those options will be evaluated properly and we shall continue to engage in discussion of them. My hon. Friend is right. On its own, West Yorkshire police fulfils the criteria, but we must take account of the wider context.

I hope that my hon. Friend understands that it is not possible in the context of this debate to comment further on the details or merits of the proposals. We must continue to evaluate all the options carefully to ensure that we have a coherent system for West Yorkshire and the whole of England and Wales. We want to continue to work with local forces, police authorities, other bodies and Members of Parliament in that discussion.

My hon. Friend raised a number of issues about finance and I want to respond to them in the time that I have left. He spoke particularly about the estimated loss of some £14 million in each of the next two years compared with what the raw grant would have given to the West Yorkshire authority. It is true that had it been just the grant the figure would have been higher. However, we set a floor of 3.2 per cent. for next year and 3.7 per cent. for the following year. In setting that floor, there are winners and losers and the money must come from the pot. I freely acknowledge that a tough decision must be taken, but we are clear that we want all parts of the country to benefit from the considerable increase in funding for the police in recent years—a 27 per cent. increase in real terms since 1997 with a huge cash increase and more police on the front line. We have had to take a balanced view about that. West Yorkshire police has benefited enormously overall from that extra investment. We want all areas to benefit and we have had to make a balanced judgment. The decision was tough but we believe that it is the right decision.

I confirm to my hon. Friend the application for special grant for the cost of policing in the period immediately after 7 July and join him in commending the police on the careful, sensitive and robust way in which they dealt with many of the issues. That application is still being considered and as soon as a decision is made we will convey it to the police authority.

My hon. Friend also mentioned counter-terrorism units and asked whether there was a possibility of funding for such a unit in West Yorkshire. That will be considered as part of the roll-out of counter-terrorism units throughout the country but it plays into the debate about future force structure and we cannot have one debate without the other. However, I acknowledge the importance of my hon. Friend's point, which has registered strongly with me.

I cannot make a promise to my hon. Friend about the designation of Leeds-Bradford airport although I acknowledge that issues arise. I have an airport in my constituency and am familiar with the sort of issues that he raised. I promise to look carefully again at the matter and will write to him setting out our detailed thinking behind the issues.

I acknowledge that many difficult issues must be addressed in the restructuring process. Crime is still too high despite the fact that we have reduced it by 35 per cent. in recent years. We need police forces that can deal with bigger issues of counter-terrorism and organised crime as well as the bread-and-butter, day-in, day-out issues of neighbourhood policing. As we go forward we seek a force structure that enables us to do both so that my hon. Friend's constituents can rely on a police service that meets all their protective needs.

Question put and agreed to.

Adjourned accordingly at one minute to Five o'clock.

Westminster Hall

Thursday 12 January 2006

[MR. EDWARD O'HARA *in the Chair*]

Family Justice

[Relevant documents: Family Justice: The Operation of the Family Courts—Fourth Report from the Constitutional Affairs Committee, Session 2004–05 HC 116, and the Government's response thereto, Cm 6507.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Tony Cunningham.]*

2.30 pm

Mr. Alan Beith (Berwick-upon-Tweed) (LD): I am pleased to serve under your chairmanship, Mr. O'Hara, and to have the opportunity to debate the fourth report of Session 2004–05 of the Select Committee on Constitutional Affairs on family justice and the operation of the family courts.

The report was issued during the previous Parliament, which means that several of the Members who took part in preparing it are no longer in the House. Clive Soley, for example, is now Lord Soley, and is elsewhere, although he still takes an interest in these matters, as I am sure do the other Members who served on the Committee and others who are still in the House but are engaged in other Committees and in other work. The report was a very important part of our work, and we attached a great deal of importance to it. It certainly attracted a great deal of interest.

Our interest in the field began with our work on the Children and Family Court Advisory and Support Service for the third report of the 2002–03 Session. The situation at that time was such that we had to produce a very critical report that led to the replacement of the entire board of CAFCASS and a fresh start for what was then a very troubled organisation.

This report considers more widely the operation of the family courts. We took evidence from a wide range of organisations that represent families, mothers, fathers and children, as well as legal practitioners, academics and judges at all levels, from the magistrates court to the president of the family division of the High Court.

Since the report was published, we have had the Government's response, the draft Children (Contact) and Adoption Bill last summer, and the Joint Committee's report on that Bill. Conveniently, the Joint Committee was chaired by Clive Soley while he was still serving on the Constitutional Affairs Committee. That provided helpful continuity between the work of the two Committees. The Bill is now well on its way through the House of Lords, and we look forward to receiving it in the House of Commons.

The report examines the way in which the court system tries to deal with unresolved disputes involving the care of, and contact with, children where parents have divorced or separated. In the vast majority of families where breakdown occurs, the problems are resolved without the involvement of the courts. Courts become involved when there is a great deal of emotion, bitterness and mistrust, which court processes rarely dispel and often make worse. Raking over bitter disputes in an adversarial process does not make them easier to resolve, and the delays and enforcement problems inherent in the process can mean that an aggrieved parent is denied the very contact that they seek, and the child is denied their right to contact with both parents. Our first conclusion was therefore that the courts are not the best place in which to resolve complex family disputes and should be a last resort.

We heard a great deal in Committee and in public debate about non-resident parents who have persistently been denied contact with their children. Most, but not all, of those parents are fathers, many of whom have drawn the conclusion that the courts are biased against them, either because of the court's decisions or because contact has not been enforced. That view has led some to argue that the existing legal presumption, which puts the welfare of the child first, should be supplemented by a legal presumption that both parents should have contact with the children.

We found two serious obstacles to that view. First, many cases involve allegations of domestic violence or abuse, and those concerns cannot simply be overridden by imposing such a presumption without regard to the safety of the child. Secondly, and more generally, the judges expressed their concern about attempting to operate two legal presumptions at the same time. Dame Elizabeth Butler-Sloss says:

"we can only have one presumption that the welfare of the child is paramount. If you have two presumptions, which one takes precedence?"

We therefore recommended that another way should be found to assert the principle, which is enshrined in the United Nations convention on the rights of the child, that a child has the right to have contact with both parents. We recommended that that should be achieved by adding it to the welfare checklist in the Children Act 2004. What is the Government's latest thinking on this central point?

Mr. Philip Hollobone (Kettering) (Con): I endorse the right hon. Gentleman's point. In my constituency, I receive an increasing number of letters from fathers of young children who are in effect being denied access to their children. One of them has not seen his child at all for 18 months. I am sure that the sort of resolution that the right hon. Gentleman suggests would go a long way towards dealing with their understandable concerns.

Mr. Beith: The hon. Gentleman makes a fair point. That has been the experience of many of us in dealing with constituents, in addition to what we know of some of the more public cases. In that and in other respects we must deal with the matter without creating new problems or worsening existing problems in the process. As I develop my argument, it will become clear that there is a difficult balance to be achieved. We are dealing with human issues that affect our constituents.

We strongly supported shared parenting agreements and the extension of that approach into court settlements. We did not accept that there could be a pre-determined statutory template for the division of time that a child should spend with each parent, because that

[Mr. Beith]

would put the child's welfare and wishes into a secondary position. We said that the amount of contact that a child would want might vary during their childhood. We also recommended a change in the law to give grandparents the right to apply to the courts without having to apply for permission, in recognition of the potential value to the child of their support.

We considered delay in the courts, which is of particular concern in cases that involve children. A long period without contact as a result of delay can lead to a situation in which the court no longer believes that it is in the child's best interest to resume contact. Delay can change the status quo that the courts must deal with.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Does the right hon. Gentleman agree that one problem is that nowadays the courts treat as contact something that is very minimal? For example, sending a letter, postcard or Christmas card is called contact, whereas for most of the public it means a face-to-face meeting. Should not the courts, in any order that they make, try to set up an escalating programme of contact that leads to face-to-face contact?

Mr. Beith: The hon. Gentleman is right about the nature of contact, although I am not sure that the courts generally interpret it so narrowly. It would certainly be contrary to the public understanding of contact if such a minimal level was all that was meant. For most people, contact means quality time spent with their son or daughter. That is what it is all about. The situation that the hon. Gentleman describes may arise in cases where acute safety considerations lead, in effect, to a denial of contact and the maintenance of a minimal link by Christmas cards and so on. I have come across tragic cases where letters have not been delivered and Christmas cards have not reached people. That goes back to the early days of the problems at CAFCASS.

I am particularly worried, as are many of us, about the fact that if delay occurs it is not merely an inconvenience; the life of a child is directly and drastically affected. There is a risk of delay being used tactically by the other parent in the proceedings. The professionals all insist that tactical delay is not practised and that it is contrary to the principles on which they work. However, the perception is so widespread that we asked for more research. Until now, such research has been restricted by the closed nature of family court proceedings, but it is necessary.

As regards general court delays, we have asked for more effort to recruit specialist judges, continued improvement in case management, and a change in the way that CAFCASS operates. I should be interested to hear a progress report from the Minister on those points, especially in the light of a newspaper report that appeared just before Christmas using Law Society research to show that 70 per cent of relevant cases in London are held up by a lack of judicial staff. It said:

> "The Law Society said that delays were due to insufficient "judge hours" being allocated to family matters and inadequate staff recruitment and training in family courts."

The Department for Constitutional Affairs admitted—I do not know whether it is news to the Minister—that

> "there was a problem in London, which it blamed on a higher than forecast increase in cases. However, a spokeswoman said it is addressing the issue through initiatives such as the appointment of a case progression officer to the Principal Registry to improve case handling."

Clearly, we all want the problem of delay to be dealt with.

Central to our report was a recommendation about mediation, which we saw as a better way of resolving disputes in many cases. Anyone who is claiming legal aid can be required to consider mediation, but there is no such requirement on non-legally aided parties. We recommended that where it is safe to do so, all parties should be required to attend a preliminary meeting with a view to mediation. That is not the same as compulsory mediation, but it requires the possibility of mediation to be explored. The witnesses whom we saw said that such a process quite often leads to people accepting, at first reluctantly but after discussion more willingly, that mediation could help them. Our view was endorsed by the Joint Committee on the draft Children (Contact) and Adoption Bill, which commented:

> "We recommend that the Government include within the full Bill a provision giving the Court discretion to refer parties to a mediation service in order to explore whether this could be a viable option in their case."

The Minister can advise us as to whether the powers in the Bill are sufficient to make this happen and, if so, will be used to make it happen.

The Government have been piloting a form of mediation with the family resolutions pilot project, but that seems to have been singularly unsuccessful in terms of the number of people taking it up, probably because of the lack of compulsion. Last summer, *The Guardian* carried a report, using figures that must now be completely outdated; it would be nice to have them updated. It said that nine months after the pilot started, only 47 couples had entered it, against an estimate of 1,000, and only 23 had completed the programme. That was pretty disappointing, and the figures cannot have improved all that much since then.

Many people have argued that the Government should pilot what is loosely called the Florida model, which involves an element of compulsion. Judge John Lenderman of Florida says:

> "I'm totally convinced mediation should be mandatory. Every judge that I've talked to around the United States says mandatory mediation is the way to go."

Far fewer cases go to court in Florida. The US is not the only country that has compulsory mediation. Neither we nor the Joint Committee went so far as to recommend compulsory mediation, but we did recommend a compulsory meeting, at the court's discretion, to require people to consider the option of mediation and to be taken through the possibilities it could offer.

Mr. Heald: Would the right hon. Gentleman care to comment on the nature of the parenting plans that are used in Florida? When parents are first brought to the meeting they are shown the sorts of orders that the court would normally make if they do not reach an agreement. Expectations are much more realistic than one might find in British family courts.

Mr. Beith: People are told what the likely outcome will be if they do not come to an agreement. That is not the normal process in a court proceeding. The solicitor acting for one side may tell them what the outcome might be if they do not agree, but the judge will not normally engage in that kind of process. That illustrates the fact that mediation allows for an approach that differs greatly from usual court proceedings.

The Committee felt that it would have been much better if a Florida-type model had been piloted, perhaps at the same time as the family resolution project. The Government said in their response that they felt it was

"not . . . suitable in this jurisdiction."

We thought that it might be made suitable, and I hope that the Government might have change their view since then. We are glad to have the Minister of State here with us this afternoon, and she can tell us more later.

I very much welcome the fact that through the Children (Contact) and Adoption Bill the Government were addressing the lack of effective and usable enforcement measures, which is another problem that would be faced by the constituents of the hon. Member for Kettering (Mr. Hollobone). They get the court judgment that to some extent meets what they believe they ought to have, but it then it is repeatedly not enforced. Clearly the courts will not make a bad situation even worse by sending a mother to prison for failing to carry out contact orders. A family already in crisis will be in an even bigger crisis if that course is taken.

The Bill offers some new avenues, including what I presume is intended to be an equivalent of community service—the unpaid work provision—and compensation as a possibility where a financial loss to the other parent has been caused. For example, a holiday may have been cancelled because the contact arrangements have not been adhered to.

Few things discredit the court system more than the perception that its rulings can be flouted with impunity; we have to change that perception. However, the powers of the court will not be sufficient in themselves to deal with the problem. The courts need to remain actively engaged in cases where contact orders are being ignored, and CAFCASS officers need to be proactive in supporting court orders and quickly bringing the cases back to court where necessary. We pointed out that the Government's own welcome proposals in that direction represented a radical change and a major new responsibility for CAFCASS, which will need more caseworkers with relevant skills and quite a change in culture to carry through the proposals. How confident are Ministers that that will be achieved?

One of the most difficult issues that we considered was that of safety and domestic violence. Groups representing victims—

2.45 pm

Sitting suspended for a Division in the House.

3.1 pm

On resuming—

Mr. Beith: When the Division was called, I was about to turn to one of the most difficult issues that we considered—safety and domestic violence. Groups representing victims of abuse, such as Women's Aid and the National Society for the Prevention of Cruelty to Children, focused on the inappropriate granting of contact where there was a fear, or indeed experience, of domestic violence, including violence against children. Groups representing non-resident parents argued that false accusations were frequently made to frustrate contact and that that was not adequately recognised by the courts. Resident parents with fears for the children's safety pointed to well-known cases of death and injury involving children who were in the care of the non-resident parent, but other witnesses pointed to the occurrence of child abuse, often by stepfathers or new partners, while children were at the resident parent's home. We found that there is a serious lack of research and reliable statistical information on the issue.

The Department has introduced gateway forms to identify at the earliest possible stage whether domestic violence is an issue. We said that that needs to be carefully monitored to address safety issues and to guard against some parents being encouraged to use the forms to raise unfounded safety issues, leading to more delay in deciding cases. Enforcement action by the courts should not occur when there are unresolved safety concerns, but false accusations should not be allowed to become a mechanism to frustrate contact. The Department needs to follow up the introduction of the gateway forms by examining how often violence or abusive conduct subsequently occur. The evaluation of the forms is due to be completed by June this year. Will it include such an assessment? If not, perhaps because not enough time has elapsed to assess the consequences, will further work be done? We recommended the development of a wider range of options for supervised contact, and the Department for Education and Skills has allocated extra resources to that work. What decisions have been taken on expanding it over the next two years?

Lack of transparency has been a major factor in creating dissatisfaction with the family justice system among those involved in cases. We found the rules on communicating the details of particular cases to be too strict. The restrictions on communicating details of family cases to those not involved apply to Members of Parliament handling constituency cases. The Minister of State became embroiled in the problem when her sister, who practises in the field, wrongly communicated details of a case to her. Although I think that she did so with the best of intentions, she faced a severe penalty. The restrictions have served to fuel the perception of bias and unfairness.

Some of the evidence that we received suggested that the lack of openness has prevented proper scrutiny of the work done by family judges and court officials and made it impossible to prove or disprove perceived unfairness. The Government have addressed those limitations in so far as they affect MPs, peers and a wide range of those to whom parents might wish to refer their individual cases to seek advice or make a complaint, and new rules came into force last October. However, there remains the wider issue, which is publicly recognised by judges, that the secrecy with which family court cases are dealt with is, in Mr. Justice Munby's words, "crippling public debate" and doing "serious harm". The restrictions are

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designed to protect children and families, but they are so extensive that, to quote Mr. Justice Ryder, they militate against

"public confidence in the sensitive balancing of people's rights and needs that is an essential component of the social contract of family justice".

He and other judges have delivered some judgments in open court, subject to restrictions to protect the identity of those involved, to help to deal with the problem. We welcome that. Greater transparency is needed so that the public can have a more informed picture of what happens in family courts. We want family court proceedings generally to be open, subject to the discretion of the court and appropriate protection. We await the Government's final view and the consultation paper.

The report considered very important issues affecting the lives of many children and separated parents. Some of those issues have generated heated and emotive public debate. There is a lot at stake for those most closely involved. In disputed cases, the non-resident parent—in most cases, but not all, the father—is deeply hurt and frustrated by the inability to maintain a relationship with and contact with his children. That is very painful for him.

The parent with whom the child lives may find the contact arrangements disruptive and may, in some cases, have fears for the safety of the child, particularly if there has been previous domestic violence. Resolving those issues will be much more difficult because of the bitterness, resentment and mistrust that is part and parcel of the breakdown of the relationship between the parents. At the centre of it all is the child or young person, pulled in opposite directions and expected to live according to rules set by a court while trying to grow up, learn and enjoy life. To the child, a delay in the system often means separation from a parent, grandparents, cousins or even brothers and sisters. That is impossible for the child to understand and may mean that relationships are lost altogether. A year's delay is an age in the life of a child. As a young person develops their own life and activities, the requirement on the orders of a court to be in a particular place for a particular time, perhaps a long way from home, may seem increasingly unacceptable. Sometimes we need to step back from the paperwork and the processes and look at this from the standpoint of those whose daily lives it concerns.

As the vast majority of parents recognise, the courts, by their very nature, are not well suited to organising people's family lives and resolving their conflicting emotions. If informal agreement cannot be achieved, the next best step is probably mediation. When that cannot be made to work and the courts become involved, we owe it to the children to make the system work for them as best we can. That is what many judges, court staff and practitioners are trying to do, and we have suggested ways in which they can be helped to do it as well as possible.

3.8 pm

Annette Brooke (Mid-Dorset and North Poole) (LD): I congratulate my right hon. Friend the Member for Berwick-upon-Tweed (Mr. Beith) and the members of his Committee on producing an excellent report. It was well timed to some extent; there was a slight lack of synchronisation between some Government papers and the Select Committee's report, but I am glad that it has come together in a timely fashion.

I considered the title of the report, "Family Justice", and my experiences of constituency surgeries and thought, justice for whom? Are we talking about justice for parents or justice for the children? Somehow one loses sight of the fact that there was a family unit. We need to proceed in such a way that we retain the importance of a family, even though they might not all be located in the same residence. That is a very important objective.

Support for the family generally is very important and I would like to declare an interest, although I wish it was greater than it is: I am a trustee of Poole community family trust, which I do not think will have any funding in the near future. The principle behind community family trusts of working on relationship education prior to partnerships becoming permanent—by, for example, working through checklists and in particular through providing relationship education in schools, which happens in quite a lot of other ways—is excellent.

Those preventive measures are not part of the report, but are part of what I see as a lifetime raft of family support that can be accessed at appropriate times. When we consider the amount of support needed once a breakdown occurs, we realise that such early investment is crucial. It is clear that even if there is an irrevocable breakdown, if the parents have an amicable split the contact arrangements are that much easier to deal with. That is very important. I shall pick up on other aspects of support for families later.

Another aspect that does not relate directly to the report is the suggestion that this whole area is under-researched. Do we know the extent of contact denial or breakdown? I wonder whether the Government want further research in that regard. I know that there is the Office for National Statistics work, but people may feel that all the work should be much more extensive. It certainly needs to be done in a sophisticated way. The evidence that I have seen is that rather different answers are given by the resident parent and the non-resident parent. Perceptions are different, which makes careful research all the more important.

Sadly, some parents reach the point of irrevocable breakdown. The report and the Government response are all about how well the processes work in those circumstances and what we can all do—there is a great need for consensus in this respect—to improve them. As a background to the comments that I shall make, I want to make it clear that we would support the presumption that the welfare of the child is paramount. We would certainly want to take on board the United Nations convention on the rights of the child. In particular, the views of children should be sufficiently taken into account. I am also referring to the right of the child to be cared for by parents, the parents' right to exert parental responsibility in allowing their child to develop and evolve their capacity—parental responsibility is all-important in this—and the child's right to contact unless it is in their best interests not to have contact.

Now that we have had "Every Child Matters" and the Children Act 2004, we have at the back of our minds achieving the five all-important outcomes for children.

However, I have structured the order of my response slightly differently. I put safety issues at the top of my list of things to talk about, because I thought that they were all-important. I wanted then to consider mediation, contact, enforcement, resources and transparency, and I think that I have listed those issues according to my order of priority.

The Minister has made a very big contribution to tackling domestic violence, and we have discussed the issue at great length. As regards contact and the safety of children given the frequent history of violence in those cases that come to court, the often-cited statistic is that in 2003, 16,000 cases involving domestic violence came before family courts, but only in 601 were contact orders refused. It is a difficult question whether domestic violence is under-recorded—some groups feel strongly that it is—or over-recorded. I shall return to that question.

I am pleased to congratulate the Government on the fact that the availability of supervised contact centres is improving but, as the report points out, much more is needed in that regard; the current provision is inadequate. I am pleased that the Government responded favourably to the point made in the Committee's report about thinking about more innovative solutions: using children's centres and extended school and looking at facilities in different ways. I have no idea whether the resources that the Government are allocating will be adequate; I hope that they will.

We have long felt strongly that any contact activity should be subject to careful and separate risk assessment to minimise possible risk especially to children and also to individuals involved, particularly women. The Joint Committee responsible for scrutiny recommended that before making contact or enforcement orders the court should explicitly be required to consider the safety implications for both the child and the parent of such an order. I am pleased that in the other place there has been an agreement to introduce mandatory safety assessments where accusations have been made—the Minister will correct me if I am wrong, and I look for clarification in her response.

My right hon. Friend the Member for Berwick-upon-Tweed mentioned the gateway forms. Why are we getting more reports of domestic violence? Have the forms encouraged people to come forward and say something or are people using domestic violence as part of the unfortunate game? I have had a very sad constituency case. My constituent suggests that the case is entirely trumped up; he has never been involved in domestic violence, but he feels that the form has affected the outcome of his case. He is particularly aggrieved because he feels that he has never had a chance to put his side. The mandatory risk assessment will be helpful, because I imagine that both sides would at least have an opportunity to present their points. That would all be part of the assessment and would be healthy for such difficult cases.

Mr. Beith: May I point to a further difficulty that occurs in such cases, which the risk assessment would have to consider? When the breakdown has been attended by a degree of low-level violence, possibly involving both partners, which is of no threat to the children and the children have never seen it let alone been the victims of it, such an assessment is difficult to make. However, if we do not make it, we create a presumption that if the slightest element of violence has ever occurred between the two parties, one party can never see the children again. That cannot be a reasonable conclusion in all cases.

Annette Brooke: That is quite interesting. My right hon. Friend anticipated my next point, in his usual, instinctive way. The safety issue needs to be revisited over time, because no family is static, and people can go on programmes if there has been concern. It also needs to be revisited because there are additional strains as time goes on and domestic violence may occur when it has not done so in the past.

Safety considerations are also important before going down the mediation route. Mediation has to be the priority. The Government have made a good start. We can criticise the choice—which product the project has been used for and which it has not, but there is now much more emphasis on mediation and an understanding that it has to be better than ending up with warfare and conflict, where the child becomes a pawn. We need to use mediation as an opportunity to strengthen those relationships and make sure that the outcome is best for the child, and does not merely serve the interests of the parents. It might be good for the parent to see the child, but if it involves hundreds of miles of travel, that should be considered. Considering the child first is all-important.

The 10 per cent. of cases that reach the courts are those in which the people need sustained support and help with problem solving. That might seem like a small percentage, but it represents a large number of cases—annually, there are 40,000 applications to the courts over child contact and 70,000 breaches of child contact orders—and that must concern us greatly.

To emphasise the point about early intervention, the consultation document issued by CAFCASS, "Every Day Matters", contains some really good points. It says:

> "CAFCASS (and other agencies) frequently intervene too late, long after parents' attitudes have hardened against one another, or long after one parent has created a new household, excluding their former partner. Indeed, many attitudes have hardened long before the first court application, hence the need for even earlier intervention where possible. Arguments about the fine detail of contact arrangements occupy huge amounts of scarce professional time, often unproductively. Once a court application is made, there is a clear risk of an adversarial model of law being started up".

That illustrates why we have to put such emphasis on early intervention. However, we have also to make information easily accessible. The point was made earlier that that is not always the case—there might be booklets, but they might not be the best format for those who seek to access information. It would be interesting if the Minister would comment on the type of information that is available to parents—whether, for instance, there are videos as well as printed leaflets.

University of East Anglia and other research indicates that many of the parents represented by the 10 per cent. of cases are very young, poorly educated and on low incomes with extremely young children. Partly because of their lack of education, they often find it difficult to communicate not only with each other but with those who try to help them. There might be a deep

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lack of trust between the parents, a history of violence or poor parenting skills—parenting skills play a very important part in such situations before they become adversarial—giving rise to worries about the vulnerability of the children.

In the draft Children (Contact) and Adoption Bill, the Government attempted to find a different way to resolve the issues. We welcome that, and would like as many as possible to be resolved through mediation, although we agree with the Government that it cannot be made compulsory. One can put two people in a room with somebody, but if they are not prepared to participate, one cannot make it work. However, we support the case for a compulsory referral meeting about mediation. I would be interested to have an update on that. Any meeting would need to take account of the principle that the welfare of the child is paramount.

We have already mentioned the family resolutions pilot project. I know that there was general disappointment when it appeared that very few cases had been referred, because there had almost been a presumption that everybody would be referred to the project. That was not the case. That led me to ask a parliamentary question, in response to which I was told in March 2005 that 71 couples were referred to the pilot project—14, correctly, because of domestic violence. I eventually received a breakdown—it must have been difficult to obtain the figures—and found that 18 parents had already reached agreement and did not need to go, and in one case there was only a residence dispute. So the list went on. We are never going to get 100 per cent. referral, but even 71 cases is a long way from the sort of numbers that we would like to see.

We spoke earlier about the Florida project, comparing it with what the Government are doing. It is important to wait for the full report before reaching too many conclusions about the project. I am supportive of it, although I realise that people may have good reasons for not attending. The report is due to be published in March. Perhaps the Minister can tell us a little more about it before full publication.

It would be helpful if the court application triggered compulsory attendance at the preliminary meeting. At that introductory session—the couple might choose to meet the mediator separately—the options for mediation could be outlined, including offers of other parenting help. That information could be given to the parents face to face, which I suspect would be the most efficient way.

I believe that the first meeting should be free; if not, cost could be a barrier. I understand that couples for whom the mediation is funded must meet, but I do not know what happens if one partner is on legal aid and the other is not. That must be taken into consideration, as it could be another barrier. We need to give couples the greatest possible encouragement to attend that first meeting, and we must try to remove possible barriers.

It would help if that first meeting could be held before going to court. That may cause a little difficulty, but perhaps the court hearing could be postponed. It might cause delay, but an earlier referral meeting might be more productive. I know that judges would like to see CAFCASS engaging in more conciliation.

We have mentioned safety, which is all-important, and mediation, counselling, parenting classes and the other supportive elements, but what about the contact itself? It is difficult to know how big the problem is. It is obviously a high-profile issue. We know that people feel aggrieved, and we have probably all heard stories from friends saying how difficult it is and that, on the surface, they appear to involve genuine grievances. We cannot just brush that aside and say, "Well, it's okay. We are doing all these other things. It's going to be all right." We need to address the question of contact. We should bear in mind the fact that the United Nations convention on the rights of the child says that the child has the right to direct and regular contact with both parents unless it is contrary to the child's best interests.

It is generally acknowledged to be in the child's best interests to sustain a full relationship with both parents. Obviously, in some cases it will not be—for instance, if there a risk of harm. Indeed, we have heard that relationships involving conflict can be immensely damaging for the child caught in the middle. We certainly should not be too prescriptive. I would not like to go down the 50:50 route, saying that that would be a fair starting point, because every case is different. However, I feel that there should be a bit more than we have now. Parents should be able to assume that contact should take place in most cases.

Difficult discussions have taken place on the Floor of the House, and in the other place on consideration of the Children and Adoption Bill. Even Resolution—the new name for the Solicitors Family Law Association—which gave evidence to my right hon. Friend's Committee, appeared to have difficulty with the concept. Its written evidence suggested that there should be a first presumption and then a second presumption—the child first, but a second, lower-order presumption relating to the right to see both parents.

This is a difficult matter, and we need to grapple with it. The Committee made a recommendation to insert a statement into the welfare checklist of the Children Act 1989 that the courts should have regard to the importance of sustaining a relationship between the children and a non-resident parent. That is a valid point, and the Government's response leads me to understand that they will consider it. As the response was printed some time ago, I would like the Minister to tell us whether any progress has been made on that. It seemed from the evidence that people were coming together around that proposal, and that it could actually work.

We are repeatedly told that the assumption of reasonable contact is established in case law, but there is no certainty about that. We should try to find some wording that could be added to the Children and Adoption Bill so that there can be clarity and guidance for parents. However, I accept that discussions in the other place have been difficult. I know that there are lots of booklets; I think that Bridget Lindley is involved in producing booklets. However, I am unsure whether that alone can provide the answer.

My right hon. Friend spoke about bias. With the delays that have occurred in the past, it has been almost a self-generating bias. If the non-resident parent has not had contact for six months or longer, resolution is harder to achieve. The outcome is then almost a self-fulfilling prophecy.

We have been looking at the idea of there being a default model contract arrangement that can be applied in the absence of agreement until an order can first be made—while, of course, also putting in a lot of safeguards. That would give some clarity, so that parents could have a reasonable expectation. Every case will be different, and millions of cases will be considered. The idea is not for there to be a template, which my right hon. Friend's Committee rejected. It would not be as rigid as that; it would just provide something so that the delay can be cut down.

Abuse of children is an important subject, and the Government are committed to tackling it in many ways. It is my impression that in good situations with CAFCASS the views of children are brought in and dealt with very well; the Minister might have more evidence about that. However, I also have the feeling that that is operated patchily in different areas across the country; that is only hearsay—it is not evidence. The ideal is the shared parenting that the report refers to. I like the following quote from "Every Day Matters":

"a separation for adults should not be a separation for children".

That makes us think about things.

Enforcement is an important matter, and the best interests of the child must be considered. It is good that the Government moved to put in other enforcement measures to try to tackle this issue, which has led to much conflict.

On resources, the report contains a telling point. The table on page 20 shows the number of High Court judges in the different divisions, and the percentage increase between 1979 and 2004. There was a 12.5 per cent. increase in the family division, a 54 per cent. increase in the chancery division and a 57 per cent. increase in the Queen's bench division. I am not a lawyer, so will the Minister say whether those figures reflect the growth in casework? Given the resources, surely judge power is important.

We know that delays have been caused because of CAFCASS, which, in "Every Day Matters", is almost putting on a brave face. It says that it does not have enough resources, but that it has proposed new solutions. We must be concerned about resources for CAFCASS. I asked a parliamentary question concerning the average amount that is spent on training for people who work for CAFCASS. Obviously, a number of people are self-employed, but the response showed low figures such as £390. That would not buy many training courses. The figure increased to £600 in one year, but it was back down to about £300 in the last year for which I was given figures. Things have moved forward, with good proposals for the reform of CAFCASS, but I am worried whether it will be adequately resourced.

I agree with everything that was said in the Select Committee report about transparency. We need openness. It will help with the difficult cases that we deal with at our surgeries. When people consider matters unfair, they can challenge them in some way. Although we often focus on the fact that non-resident parents suffer so much, as so many cases show, to balance matters it is interesting to note that, on the other side of the coin, resident parents sometimes become aggrieved when non-resident parents do not turn up on time or do not take the opportunities that are presented to them. To return to my first point, it would be good if comprehensive research were undertaken so that we knew where the greatest problems lie.

3.37 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): I am pleased that we have had the opportunity to debate such an important issue. I join those who paid tributes to the right hon. Member for Berwick-upon-Tweed (Mr. Beith) and the other members of the Select Committee for their report "Family Justice: the operation of the family courts". I agreed with much of what the right hon. Gentleman and the hon. Member for Mid-Dorset and North Poole (Annette Brooke) said. Relationship education is important, as is access to early intervention. A lack of education and parenting skills is a problem in many cases. It is fair to say that the Minister has a lot of work in progress on the issues set out in the report.

There are now between 150,000 and 200,000 separations a year; 30 per cent. of children are from a family in which there has been a separation. Usually, 80 per cent. of children remain with the mother. There is a lot in what has been said about the need for more information about what happens—particularly to contact—when a family breaks down. I welcome the major worthwhile research projects undertaken by Baroness Ashton about what happens in contact cases. I agree that courts should be the last resort. If mediation, some other form of conciliation or consensus building is possible, that is obviously the best way forward.

My experience of family cases has shown that often those who end up contesting them are people who feel deeply wounded by the facts and reasons for the separation and cannot drag themselves away from the extent to which they consider that they have been wronged in the process. Other issues that must be considered are finance, housing and concerns about security. We should not forget that, although the welfare of the child is paramount in such cases, the parents are vulnerable when the cases come to court or are being sorted out.

It is worth paying tribute to the lawyers, CAFCASS workers and judges who work in the area. Although it is often said that it is an adversarial area, the mood of a family court is different from that in other courts. There is, these days, a mood among family lawyers of wanting to be consensual, to reach agreement and to find a way through a difficult experience for the parties involved. Often, it is not that the lawyers hold things back, but that the parties have no expectation of what the reasonable extent of an argument over contact should be. Often, one party will feel that there should be absolutely no contact, but the other party will feel that there should be a great deal more contact than a court would normally suggest, or that many of us would think was reasonable. Against that background, it is right to consider it a difficult area.

The Green Paper on parental separation, which came out in June 2004, made clear what the extent of the damage can be when parental separation is badly handled. I agree that if an amicable settlement can be reached and both parents are actively involved in the welfare and raising of the child or children, the

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outcomes for everybody are much better. However, the reality is that an amicable settlement is not always possible. Domestic violence is a concern. There is a problem, as the right hon. Member for Berwick-upon-Tweed said, of weeding out the cases in which there really is a safety issue from those cases that—although there are depths of despair in the relationship and parties may have come to blows—are different from cases of genuine abuse in which there is a worry and a fear about the safety of the children. It is difficult, without a finding of fact from the judge, to make such an assessment. That is a point that the hon. Member for Mid-Dorset and North Poole made.

One of the worries that I have—the right hon. Gentleman made the point—is that there are a lot of delays in the courts. He referred to the Law Society survey that showed that seven out of 10 cases in central London suffer from delays. Some of the examples that were given by the Law Society were rather striking. One case concerned Mrs. B, the mother of an autistic child, whose marriage broke up. She went away for the weekend and the husband built a wall in the family home, separating her from the main part of the house and confining her to a restricted area. She applied for an injunction to protect herself and to make him remove the wall. It took 10 months for the application to be listed. I am sure that the House will agree that that is not an acceptable length of time for such an urgent case. The Law Society has rightly launched a campaign to speed up the listing of family law cases.

There are a lot of reasons why such cases are delayed. One reason—I know that the Government are looking at it—is that many judges have to add family work to their other duties, so that insufficient hours are available for the judges to deal with family cases. Something must be done to tackle that problem. Suggestions have been made that a streamlining of the system and more focus on mediation would improve matters. However, nobody should be in any doubt that it is an urgent problem that must be tackled. Another problem that leads to delays is that contact has become a much wider ambit of actions than it used to be.

When the term access was first used, it was about face-to-face contact between a parent and a child. Courts are interpreting contact to mean everything from a letter once a year, or a birthday or Christmas card, to staying contact, where the child stays overnight with the parent. That is a wide set of disposals. If a contact order is made that involves only writing letters or a phone call, it is inevitable that the parent who wants contact will come back to court. Rather than the court taking one bite at it and giving that sort of contact for a period and then the case coming back to court and another order being made, we should have guidelines under which there can, in more cases, be an escalating schedule of contact that goes from that minimal contact to something more meaningful. I hope that Ministers will consider that in relation to the Bill that is being considered in the House.

As the hon. Member for Mid-Dorset and North Poole said, the right to reasonable contact—at the moment, it is a right to contact—is important. She suggested guidelines that fall short of being absolutely set in stone, which the Select Committee does not want, but that are pretty clear. That would be helpful. If the court felt that it was under a duty to make orders that went from something minimal to something more substantive, rather than taking several bites at it, the delays could be less and those who are dissatisfied with the system would feel more satisfied. More substantive orders at an earlier stage would be good for the system generally.

I move to the issue of professional advisers unnecessarily delaying proceedings. That is not really what happens. Obviously, from time to time people say that it happens, but generally, it is the lack of court time and the willingness of courts to make tiny orders on contact rather than more substantive orders that leads to the delays that we have.

The role of CAFCASS has been mentioned. There has been a dire period as far as its work is concerned, but it is crucial, and I hope that some of the difficulties can be resolved. At one time, CAFCASS was devoted to writing long reports at great length. That was such a lengthy process that it gummed up the whole proceedings of the courts. I hope that it will be possible to have shorter, oral reports made in court and a much more problem-solving approach, and that that will lead to CAFCASS being able to do the job more effectively.

Annette Brooke *rose—*

Mr. Heald: The hon. Lady is probably going to make the point that I was about to make: that we cannot make those changes without proper resources. That is a concern.

Annette Brooke: Does the hon. Gentleman think that CAFCASS is capable of being reformed? Are there signs that we can have some confidence that we should keep that institution?

Mr. Heald: We need to keep the matter under review, but I think that it is making progress. Some of the people who work for CAFCASS are absolute jewels—people who do an incredibly difficult job extremely well, but that has not been the overall perception of the organisation. It is right that we should expect high standards from it, and I certainly do not disagree with the Select Committee report on CAFCASS, which pointed to some appalling problems. As with everything, it is easy to ignore the fact that, in extremely difficult jobs, there will always be people who do not reach the top standard, but we should not forget the ones who do. There are some good people working in the family law arena.

Will the Minister comment on the way in which the courts will be streamlined to reduce delays? Obviously, some cases will have to be determined by the courts, regardless of all activities that are put forward to encourage mediation and the like. Will she confirm that there is no intention to remove the role of judges, district judges and magistrates from the system? Such an assurance would be helpful. There will always be a class of case where they are needed.

The Government also need to concentrate their efforts on issues such as the crisis in legal aid. My hon. Friend the Member for Huntingdon (Mr. Djanogly) asked questions about that last summer and received the reply on 27 June at column 1332W of *Hansard* that a third of the firms dealing with family law had given up

doing legal aid work in the previous five years. That is clearly worrying in terms of access to justice. I would be grateful to hear what the Minister intends to do about it. I know that Lord Carter is examining the issue but, even so, the fall is dramatic.

I am also worried about court fees. This week, the Government have confirmed a massive increase in fees. Parents trying to secure a contact order will have to pay a court fee, which has increased from £30 to £175. On 10 January, the president of the Law Society, Kevin Meehan said:

"This places a heavy burden on low income families who simply want the best for their children. The financial benefits of the courts being self funded have not been demonstrated and so this looks like another stealth tax".

The Law Society is also concerned about two other effects. The first is the effect on the legal aid budget, where there will be less money available for services. The other is the effect on local authorities when they have to apply for a care order. The cost of applying for such an order has increased from £50 to £150—a rise of 200 per cent. It is difficult to work out how that can be in the interests of family justice. I would be grateful to hear the Minister's comments on that.

On the question of mediation, we are not convinced that the family resolutions pilot project is the best way of tacking the issue. We support the idea that there should be early intervention. The well known family barrister, Caroline Willbourne, who is now a district judge, suggested looking to the early interventions project in Florida two or three years ago, which has been mentioned. The essence of it is that couples were shown at an early stage the sorts of orders that a court would make if they did not reach an agreement on contact. They were known as parenting plans and were effective in giving guidance to people about what the reasonable ambit of argument might be. A couple who were not very educated in these matters and who were robustly arguing with one another at least knew what the reasonable area of argument was. It was a successful scheme in Florida. It concentrated minds and gave parents an early idea of the realistic ambit of debate.

Interestingly, the chairman of the Family Law Bar Association, Philip Moor QC, is cited in paragraph 100 of the report. He stated:

"We strongly support the Early Interventions Pilot Project (which has become the Family Resolutions Project). There is a slight problem with that and that is in our view the parenting plans were a good idea and we liked the idea that you have a sort of template for these cases and that the parents that went into the system knew that unless there was something pretty exceptional in the case the template was the sort of order that the court would be thinking of making. We thought that set things out pretty clearly for them at the beginning and that is a project that we would like to see carried through . . . We would like to see the parenting plans in there and we would like it to be pretty well known that that is what the judges are going to do if the mediation breaks down and there are no good reasons for a change from the parenting plans."

Of course, Philip Moor QC is extremely experienced in this area of law. The Minister knows quite a lot about it and is certainly capable of finding out a good deal about it very easily. I do not know if I ought to declare that Caroline Willbourne was in my chambers, but she knows about this area, and so does Mr. Moor. The Minister has good access to people who know about this subject.

If somebody does not understand the system, it is helpful to give them a clue at the beginning of the process about what the sensible area of argument is. I will not go on too much more about it, but it would be worth getting that sorted out.

The parenting plans that the Government have brought forward are worthy, but wishy-washy. The plans say that there is no template for contact, and although they say some good things, they are not really focusing enough to be any use to the practitioner who is talking to a parent when the need is there to explain things in a simple or straightforward way. The point is that it is not being dealt with as the Florida project was.

My right hon. Friend the Member for Maidenhead (Mrs. May), who was dealing with this issue until November, received information in November saying that of the 62 couples who participated in the project from September 2004 to September 2005, only half completed all parts, despite the fact that hundreds of thousands of pounds were devoted to it. If that fact is taken together with the information put forward by the hon. Member for Mid-Dorset and North Poole about how few took part, it is a worrying picture for the pilots. Most people who are involved in family law think that there is something there that could be built on, but it is probably a bit more like Florida and a bit less like the family resolutions pilot.

I shall turn now to the question of presumptions. Obviously, the presumption that the welfare of the child is paramount is important and should be the main focus of a child's case. Having said that, however, something needs to be done to get the idea of co-parenting, including contact being reasonable and being expected, and the right of the child, more firmly up the list of things that a judge considers in such cases.

I am not sure that the welfare checklist is enough on its own, so I welcome what the hon. Member for Mid-Dorset and North Poole said about the statutory right to reasonable contact being somewhere in the Bill. Something like that would be a good way forward, particularly if it were backed up by the sort of guidelines about which we have been talking.

I think that we could move more in the direction of compulsory mediation and, as far as the court system is concerned, we need to open up the closed doors a bit more. I agree with the Minister that the culture of secrecy has not done much to instil confidence. If we are going to be able to scrutinise this area, something needs to be done. Indeed, something is being done.

The Select Committee concluded that although there is disagreement as to whether all the criticism of the system of family justice is justified, it is widely agreed that reform is needed. We agree with that and look forward to hearing from the Government the full extent of how they intend to proceed. However, we recognise that a lot of what is going on at the moment is work in progress.

3.58 pm

The Minister of State, Department for Constitutional Affairs (Ms Harriet Harman): May I start by thanking the right hon. Member for Berwick-upon-Tweed (Mr. Beith), the Chair of the Select Committee on Constitutional Affairs, for his work and for the work

[Ms Harriet Harman]

that the Committee has done on family justice? Without the work of the Committee, it would be difficult for us to find our way forward.

I say this not as a platitude, but because the Committee's work in this area is essential and without it progress would be incredibly difficult to achieve, not just because this is an area where a lot of professional issues need to be picked through. In a way, that is the fodder for all Select Committees and all Departments. However, this is, possibly uniquely, an area of intense emotional personal conflict, which all of us as Members of Parliament, and our constituents, are engaged with.

When such things happen to families, they are passionately and intensely emotionally concerned, and at a high level of conflict. That feeds into an acrimonious public debate, with accusation and counter-accusation about how the system is working. That being the situation, what is needed, and what we are fortunate in having in the Select Committee, is a place where such issues are brought together on a cross-party basis and where light can be shed without heat, but with commitment and expertise.

Although it is for us as the Government to take responsibility for CAFCASS, the courts and what the courts do operationally, and although we are responsible for bringing legislation to the House, in that highly conflicted atmosphere, the way that the Constitutional Affairs Committee deals with family justice issues gives us an opportunity to make progress that we would not otherwise be able to make. I want to thank the right hon. Member for Berwick-upon-Tweed for the work of the Committee as I turn to the report that we are discussing.

I shall focus my comments on the four issues that the right hon. Gentleman raised, which are highlighted in the report: openness, enforcement, judicial continuity and delay.

Mr. Beith: I am grateful for the Minister's kind comments. It is worth adding to the list of reasons why the Select Committee process is helpful: thanks to the undertaking we worked out with the previous Lord Chief Justice, the judges are very happy to come to the ordered atmosphere of the Committee and give us the real benefit of their experience so that Parliament can hear what judges, from the High Court to the magistrates court, experienced in dealing with such matters, have to say. We find that hugely beneficial.

Ms Harman: I agree. It is to the Committee's credit that the judges feel confidence in it. By their actions and preparedness to attend, the judges show that the Committee is seen as a space in which people can put forward their views and be listened and responded to in a committed and sophisticated way.

I do not want to pre-empt the debate on Second Reading and in Committee on the Children and Adoption Bill, which will come to the House of Commons shortly. I am not sure that I can add value by rehearsing what will be discussed then. Many important issues will be debated in the context of the clauses of that Bill, and some points to which I do not respond precisely will be the subject of legislation.

However, I shall start by breaking that rule and talking about the paramountcy of the welfare of the child. The Government and I agree with, understand and accept the point made to the Committee by Dame Elizabeth Butler-Sloss, the former president of the family division. We are always tempted to make many things paramount. The Government love to make plenty of things a top priority, and if we counted up our priorities, we would see that they were crowded at the top. However, when judges look at a case, paramountcy needs to mean what it says. A number of things cannot be paramount; if something is paramount, that means it is the top concern. There cannot be two top concerns, only one, and that is the welfare of the child.

We agree with Dame Elizabeth's view on that. The debate around other issues such as the undesirability of contact when violence is involved creates an atmosphere in which light is generally shed before the decision about what is in the best interests of the child is made, as does the debate about the importance of children having contact with both parents, the resident and non-resident. All those things are paramount issues for debate, but when it comes to the process in court, we take the view that we should not disturb Dame Elizabeth's formulation, which is that there is one chief consideration—the welfare of the child—although the other issues are important.

I would like to talk about openness, enforcement and judicial continuity and delay. I start with openness, an issue on which the Select Committee has made a real contribution. I think that openness will make a difference. Family courts are moving inexorably from being completely cloaked in secrecy to being in the open, and the Constitutional Affairs Committee plays a pivotal role in that transition. Let me say why that should be the direction of travel, and why we should move promptly in that direction.

Of course the anonymity of the child will be important, but we know from criminal cases, such as those in which the victim has been subjected to a sexual offence, that it is possible to have open court proceedings with anonymity for the victim. It is possible to have open-court family proceedings with the child remaining anonymous. Actually, that is possible now under the court rules, because the judges always have discretion to waive the automatic presumption of the exclusion of the public and reporting restrictions.

Mr. Heald: The right hon. and learned Lady will agree that it has always been possible to report a family case on appeal because of that power of discretion; all the reports of family cases in law reviews anonymise so that the legal principle can be made public. There is no real reason why that should not happen with other, lower courts.

Ms Harman: Precisely. The hon. Gentleman points to the anomalies, as did the Select Committee. The rules about secrecy and the restriction on reporting and attending family courts are incredibly complex. For a start, that means that they are often breached by accident. Also, it shows that there cannot be huge points of principle involved. Otherwise—the hon. Gentleman rightly alluded to this—why is it possible to report cases, subject to anonymity, in the Court of Appeal and the High Court, but not in the lower courts?

Part of the problem is that the rules change when one goes up to appeal and sideways between different proceedings, so they are complex. It is not just that, as the hon. Gentleman said, the rules are complicated and inconsistent; there are two further reasons why the trajectory away from secrecy to openness is right. First, as is highlighted in the Committee's report, there is a sense in which the secrecy restricts individuals who are parties to the case. It might deter people from seeking the help that they need, if they are not able to talk to people about their case.

The judgment of Mr. Justice Munby in Re B reminded everybody that, before we changed the rules in response to that case, constituents were not allowed to come to see Members of Parliament about such cases. No woman was allowed to come in and say, "Social services have applied to take my children away," because she would have been breaching the law, although it happened all the time as a matter of course, because people wanted help and support. They wanted to share their concerns and air their sense of injustice, but the law prohibited that, which was obviously ridiculous and wrong.

We were all fully aware of the experience of a woman coming in and saying, "My husband's violent, yet the court have ordered contact." I am also aware of men coming in saying, "I never laid a finger on her. The child loves me, but I've been denied contact." However, all that was unlawful under the rules, which were honoured more in the breach than in the observance. The Munby judgment has precipitated a change in that regard.

However, it is not only the issue of who individual parties can speak to that makes openness imperative; there is also the matter of public confidence. The courts and their work have been overlaid with accusation and counter-accusation. For example, there is the accusation that the courts too readily grant contact to violent fathers. However, there is no sense in which anybody can think of anything other than a few anecdotes, because everything is, by definition, secret and private.

The courts then face the opposite accusation—that fathers are denied contact. However, there is no sense in which anybody can rebut that criticism; they cannot know whether, or to what degree, it is right or wrong, or whether everything is perfectly fine. All the judgments are being made with the utmost sensitivity and common sense and on the basis of the evidence, but because they are made behind closed doors, it is impossible to counter the accusations that the courts are not doing justice in the way that we, by law, ask them to. Openness therefore goes hand in hand with public confidence in the justice system. Justice must not only be done, but be seen to be done. It must not be seen to be naming the child or the family, but it must be seen to be done.

With that in mind, we have already changed the rules with regard to Members of Parliament. My noble Friend Baroness Ashton, who takes the lead on these matters in our Department, has announced a public consultation on the issue, prompted by the Select Committee. She intends to publish that consultation in late February or early March, and it is already being worked on. Thereafter, there will be the possibility of rule changes or further legislation. The judiciary are well involved in the discussions, and I am sure that progress can be made.

Of course, it is open to the judiciary to introduce that bit of openness now, under their inherent jurisdiction to decide what goes on in their courts and using their powers to make orders under the various statutes. I therefore think that we shall see openness in the future. The Select Committee has been pivotal in this process and will no doubt remain so.

I find it difficult to disentangle and deal separately with the questions of enforcement and delay. On enforcement, public confidence and justice reside not in a court order being made, but in that order being carried out. Therefore, public confidence will not attach to a justice system if it makes the right order, but that order is not carried out. We are in no doubt about the importance of enforcement. The Bill will deal with some enforcement issues and with the remedies that will be available to the courts. Those remedies will stop short of imprisonment, but they will add to the courts' ability to ensure that orders are enforced.

One of the key issues raised earlier was the frustration of orders as a result of delays. Such delays mean that it becomes more difficult as time goes by to make the order that one might have made had the case come to court earlier. Prompt hearings and enforcement therefore go absolutely hand in hand. The current president of the family division is greatly concerned that there should be an urgent hearing to review a case within 10 working days when contact has not taken place as ordered. The next question is how often that happens. What matters is not what is in the guidance or the orders, but what happens. We will get back to the Committee in due course about the effect of that guidance and how much it can be kept to, which is critical.

Mr. Heald: One of the points that Lord Howe made in the other place—it is all there in *Hansard*—is that his research shows that the outcome of about a quarter of contested cases does not involve face-to-face contact. A contact order may be made for a letter or Christmas card, or there may be no contact order at all, but a quarter of all cases seems to be a very large number. On the question of delay, does the Minister agree that one problem is that courts are making orders that are too insubstantial to start with, and that there should be a schedule of contact that escalates to substantive contact, so that there is no temptation constantly to return to court to ask for a little more?

Ms Harman: As I said, what is important is the ability to return to court if that is necessary for enforcement. The hon. Gentleman's point will be discussed further when the Bill comes to this House, as it involves the substance as opposed to the process, but I will give the Committee further information when we can see to what extent cases—the vast majority, I hope—operate within 10 working days.

Two causes of delay have been mentioned. One is the London problem and the other is the question of insufficient judge days being available and not enough judges being appointed to the High Court. There is a particular problem in certain parts of inner London that besets many public services there. The question is whether we can take advantage of extra capacity, or at least of capacity that is available further away, the extent to which it is difficult to solve the recruitment and retention problems in inner London, and whether we are

[Ms Harman]

making best use of the capacity that is within travelling distance, perhaps just on the outskirts of London. There is also the question of using specialist family magistrates who have the capacity to deal with such cases. As I said, we are conducting pilots in London in which cases are moved to courts that have capacity.

Mr. Beith: We were quite surprised to find only one magistrates court judge—or stipendiary magistrate, as we would call them—engaged full-time on family work in the country. One or two more such appointments might help to deal with the situation in inner London.

Ms Harman: I might write to the right hon. Gentleman and copy my response on whether that position has changed to other Members who are in the Chamber.

Another matter referred to by the Committee is the problem of judicial continuity, and therefore of delay and enforcement. The process will take longer if the judge has to read all the papers from scratch, and enforcement will be more effective if the judge has a deeper understanding of the case because he has been involved with it from the outset.

There has been a view that a grip needs to be taken by good case management at the earliest possible stage, and that there should be judicial continuity. The president's private law programme also issued guidance on that in January 2005. The question is whether the rate of judges per case is unacceptably high, and whether the measures that have been taken for good case management are working to bring down the number of judges in any one case.

I have agreed with the president of the family division, in direct response to the point made by the Constitutional Affairs Committee about judicial continuity, that we should do a quick dip sample to tell us the rate of judges per case in five court centres. We shall provide the Committee with that information and measure it again in due course to give us a sense of the numbers. Otherwise, as the Committee heard, there is concern about judicial continuity, but no sense of whether it is very bad only in some cases, or is a problem in all, or of whether it is getting better or worse. That has been a helpful prompt to some progress on that matter.

As to the matter of a sufficient number of judges, we have just completed a review of the work of the High Court and are consulting on proposals to make better use of High Court judges. It is clear that a good proportion of the cases that go to the High Court could be heard by circuit and district judges. We must deal with capacity and allocation, and the question of whether work that circuit judges are doing could go to magistrates if there is sufficient capacity.

The right hon. Member for Berwick-upon-Tweed and the hon. Member for Mid-Dorset and North Poole (Annette Brooke) raised the issue of domestic violence. Obviously, every case must be judged on its merits; in questions of contact, the interest of the child is paramount and the facts of the case must dictate the outcome. However, we now understand that it is very unlikely, in cases that involve domestic violence by the father against the mother, that the child is not affected. It is most likely that the child witnesses the violence. All too often, the child is physically caught in the crossfire. Even if the child does not witness the violence, they are in a room nearby and hear it.

It used to be said that if a woman was being beaten by her husband, she should stay with him for the sake of the children. We have thought better of that and decided that, more often than not, children will be damaged by being brought up in a household where there is domestic violence, not least because fear is ever present in such households. Being brought up by a mother who lives in fear for her physical safety must have an effect.

A good friend of mine, talking about the domestic violence suffered by her mother at the hands of her father, said that when her father came home from work, she and her mother would listen to the sound of his key in the lock, because that would tell them whether the mother was going to get a beating. Even on the days when she did not, and the key went smoothly into the lock, with no sense of anger or whatever was conveyed by its sound, there was still fear. Much of the work that has been done has been to recognise not only the higher than previously acknowledged prevalence of domestic violence, but its effect on children.

I speak of a father being violent to a mother because for the most part that is what happens. It is not a 50:50 split between mothers being violent to fathers and fathers to mothers, as one can tell from the homicide statistics. Obviously, everything else is subject to reporting vagaries, but one thing that is not subject to those vagaries is the homicide statistics, as one can count the bodies and look at the gender. Domestic violence and the overwhelming majority of domestic homicides and injuries that are serious enough to put the victim in hospital are still mostly perpetrated by men against women.

We were asked about the monitoring and evaluation of the gateway forms. At present, we need sufficient cases to get a sense of how things are working, what are the outcomes and what orders are made.

On mediation, we all say that we wish that we could force people to agree with each other and we all know as we say it that it is a contradiction in terms. The hierarchy of desirability is, first, that parents agree, which is in their best interests and, of course, those of the child, and that they never go near the family justice system; secondly, that the parents seek mediation if they cannot agree; thirdly, that there is a court process; fourthly—the least desirable—that there is a court process followed by enforcement proceedings. We are all on the same page in that respect and there is a healthy ferment of discussion about the best way to proceed.

Mr. Heald: Although it is impossible to force people to agree, it is important for there to be some pressure for them to talk at an early stage. If they do not talk to each other, they tend to talk to other people, often those who do not have much clue about how these matters should be resolved. They make allegations to their lawyer that the lawyer then makes to the lawyer on the other side; it goes round in a great circle. The allegations that they make and the things that they say are not necessarily

what they would wish to say face to face to the other party. To avoid the hardening of attitudes, it is useful to get in early and make them talk.

Ms Harman: I can only agree that mediation or conciliation is needed at the earliest possible moment. The effect of being involved in a court process can often harden attitudes the further things go on, and we want to counter that. It was the theme of the Green Paper that we published in July 2004, which focused on resolving matters before people are at daggers drawn in court, and as the hon. Gentleman said, on ensuring that an even smaller minority go to court, because issues are satisfactorily resolved in other ways.

There is no instant solution and no single way of doing things. We must look at international experiences, as the hon. Gentleman advised. That is a good suggestion; we must consider practice and pilots. We all agree what the outcome should be, but we must keep looking at what actually works.

The capacity of CAFCASS was raised and the Chairman of the Select Committee spoke about the changes in CAFCASS and the work of his Committee in highlighting the problems that exist. I join the hon. Member for North-East Hertfordshire (Mr. Heald) in acknowledging, as the Committee does, that it is a really important area of work. There are some extraordinarily dedicated people working in this difficult field and they have to take a great deal of responsibility. However, we cannot just say, "This is important work and people are doing a heroic job," and not ask ourselves whether the system is as good as we know it must be for the sake of children and families.

The question of resources has been raised. I am glad to hear that the hon. Member for North-East Hertfordshire is in full-on spending mode. Clearly the new broom of the Tory Leadership—*[Interruption.]* I thought that the hon. Gentleman was arguing for reduced court fees and increased spending on conciliation and CAFCASS. Clearly I got that wrong.

Mr. Heald: It is important to recognise the situation that people going to the family courts are in. The Lord Chancellor made some concession to that in his statement earlier this week. My points were about the way in which the court fees are dealt with. It is right to give particular attention to the family courts when it comes to trying to keep the fees at a reasonable level. I would be amazed if the Minister were about to tell us that she is not going to give sufficient funds to CAFCASS.

Ms Harman: It clearly was a mistake for me to go off the rails and make a spiteful party political point. I regret it. The hon. Gentleman is right, of course. CAFCASS was allocated a budget of £107 million, a £12 million—12.6 per cent.—increase over its 2003–04 budget, particularly so that the backlog of unallocated cases, which the Constitutional Affairs Committee drew attention to, could be cleared. It was decided to sustain that increase in 2005–06 because we know that resources are an issue.

Everybody has acknowledged that there is a great deal of work in progress, so let me finish where I started, by assuring hon. Members of the Government's concern about the issue, our commitment to dealing with it and our continued focus on it. However, we accept that our ability to take work forward in this area is not only informed but enormously helped by the approach of the Constitutional Affairs Committee and the climate that it has created, as well as its detailed, specific suggestions. Therefore, I should like to thank all those—many of them, as has been pointed out, no longer Members of the House—who were involved in preparing the report. I look forward to more good work from the Committee in future.

4.33 pm

Mr. Beith: With the leave of the House, I should like to take a moment to thank the Members who have participated today. They might have been few in number, but they are high in quality and in their commitment to the subject. My hon. Friend the Member for Mid-Dorset and North Poole (Annette Brooke) ranged over many of the issues that I had raised plus one or two others, and the hon. Member for North-East Hertfordshire (Mr. Heald), speaking on behalf of his party, reflected his personal knowledge and experience in a constructive way.

Not only has this debate been constructive, but the process in which we are engaged is constructive too. We are egging the Government on to pay extra attention to issues that we all think are important and need attention. We are reviewing what the Government have done so far, and saying what we hope they will do in the near future, alongside the judiciary and agencies such as CAFCASS, and we are trying, as the Minister kindly said, to channel the emotions and anxieties that attend such matters into an effort to get the system to work for children. That is what this is all about.

The Minister has said that a number of issues will best be resolved when she and her hon. Friends come to address us about the Children and Adoption Bill on Second Reading and in Committee. Some of them may be the issues on which we feel that we have not got much further today; perhaps we will do so then.

Let me pick up on a few of those issues. I am still not clear about the Government's thinking on what to do, having recognised that one cannot have two legal presumptions. The paramountcy of the welfare of the children cannot be disturbed by an alternative presumption. That is my view, that of my Committee and that of the Minister. But how do we best reflect the United Nations charter right that the child should have the opportunity of contact with both parents? It is in the interests of the child in most cases for that to happen. By what process can we best do that? We used the Children Act welfare checklist, but other suggestions have been made. We need to clarify how best we can achieve that. I still need to know where Government thinking is going on how far we can get people to the table to consider mediation, using an element of compulsion to get them to that point. That will come up in the context of the Bill.

There are one or two other issues where we want to hear more about progress, but we have had some definite announcements today. For example, the transparency consultation paper will come out at the end of February or the beginning of March. We have had a helpful indication that there will be a sampling of what happens in five court centres on the continuity of judges. That, too, is very helpful. We have had an

[Mr. Beith]

indication that the Minister will get back to the Committee on whether the system is getting cases back into court within the 10 days that we want to achieve. Those are all positive steps forward. They illustrate a constructive process, which will go on.

There are a few aspects of this matter that have passed beyond the remit of my Committee: the primary responsibility for CAFCASS now rests with the Minister for Children and Families, who has been moved since we started all this into the Department for Education and Skills and therefore to some extent into the purview of that Select Committee. We have continued to be interested because CAFCASS is a servant of the courts for which the Department for Constitutional Affairs is responsible. We will certainly continue to take an interest in these matters, as will the hon. Members who have spoken today. I am grateful to everyone for their participation in this process.

Question put and agreed to.

Adjourned accordingly at twenty-three minutes to Five o'clock.

Westminster Hall

Tuesday 17 January 2006

[SIR NICHOLAS WINTERTON *in the Chair*]

Equity Release Schemes

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Roy.]*

9.30 am

Mr. George Mudie (Leeds, East) (Lab): It is a particular pleasure to speak for the first time under your illustrious chairmanship, Sir Nicholas, and an honour that I did not think would befall me in Parliament.

I am delighted to have the opportunity to discuss equity release schemes and their regulation. I would like to thank the numerous people and organisations who contacted me to offer assistance and information, and I congratulate the Consumers Association on its recent *Which?* report. It seems to have ruffled some feathers in the financial industry, particularly among some providers, but it offered an objective study and a warning to anyone who is tempted by the often inappropriate marketing of such products.

The products are aimed mainly—I shall touch on that later—at the retired or soon to be retired, and fall into two main types. With lifetime or roll-up mortgages a loan is secured against the home and interest is charged, but not collected until the borrower dies or goes into care and the property is sold. With home reversion schemes the provider takes a share or all of the property in return for a lump sum, the owner continues to live in the house and, when it is sold, the provider takes its share of the property at the full market price.

David Taylor (North-West Leicestershire) (Lab/Co-op): I echo my hon. Friend's praise for the *Which?* report, and also praise that by Age Concern. He referred to reversion and roll-up mortgages, and the number of reversion mortgages has declined significantly but roll-up mortgages continue to increase in number. Is he concerned that if a 70-year-old widow sold 30 per cent. of her equity, she would have a debt that would wipe out the value of the home at the end of just 20 years? Many women today live to the age of 90 or more.

Mr. Mudie: I share my hon. Friend's concern about the financial effects, and I will deal with them later. I am also greatly concerned about the surge of home reversion sales this year, which means that the market balance is changing.

This subject was last discussed in 2003, when neither of the two main types of equity release were covered by regulation. Since then the Government have moved to deal with lifetime mortgages, which have been regulated since 2004. Although home reversion schemes are still not regulated, the primary legislation went through the House in December 2005, just before the recess, and we await the decision of the Financial Services Authority as to when it will trigger the cover.

The objectives of the financial measures should be non-controversial. As is recognised in the debate on pensions, people are living longer and often find that their income is insufficient to meet their needs. It is not difficult to understand that the need for capital may arise, perhaps to fund home improvements, house repairs or even— although this is doubtful—a new car. People who have paid off their mortgage have considerable equity in their homes, and the schemes are designed to release that equity. Estimates of the available equity in the homes of the age group being targeted are in the range of £700 billion to £1,100 billion. That is the market that is being targeted. Only £4.6 billion has been taken up in schemes to date, so the extent of the opportunity becomes clear, in a market that could be as high as £1,100 billion.

The actuarial profession has issued two reports on the subject and suggests that take-up will increase from 6 per cent. to 15 per cent. within the relevant group, but others suggest an increase to four times the present level. That covers a tremendous number of elderly people.

Clearly, the opportunity to release some of the money tied up in a home to provide greater financial freedom for the elderly makes sense. However, as always when large amounts of money are involved, there are dangers for consumers. The 2003 debate took place against the background of an unregulated market, or perhaps a confused market with so many regulators that the matter sometimes fell between regulators, and no one picked up the difficulties. There was also a background of very bad schemes and inappropriate sales. The main demand was for the Government to empower the FSA to take over the regulation. That has largely been met, so why have a debate now?

There is no doubt that things have got better. Regulation is clear and schemes have been developed, but there is, understandably, great concern and nervousness about the products and whether they are being appropriately sold. The Minister could take the line that the products are regulated by the FSA, so what more is there to do? Knowing him as I do, I am sure that he will not say that, but other Ministers could take that line.

Let us look at the concern and nervousness. The major reason for it is that the target group is elderly and includes some of the most vulnerable people. If a younger person makes a bad or inappropriate financial decision, they can recover, but for the elderly on low incomes there is no way back. There is also concern that people who have worked all their lives to buy their house can see that asset drain away as the charging system operates.

In the current discussion, it must be understood that equity release is complex, long-term and a scheme of last resort. Customers should not enter into such schemes without fully understanding the extensive financial effects and, as the Consumers Association stated, should be aware of the possible effects on other benefits being claimed or to be claimed, and on tax, as well as the problems that could arise for people who downsize and move house, or remarry, or even if a member of the family moves back into the family home.

To touch on the more tangible financial effects of the two schemes, with a lifetime or roll-up mortgage the lump sum is paid immediately with no repayments. It should be realised and understood that the interest charge may be as high as 7 per cent. and compounded monthly or annually. Someone who

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borrows £20,000 would find that after 10 years the repayment would be around £40,000, and after 20 years would rise to around £80,000. The FSA—the regulator itself—gives the example of Hilda, who takes out a roll-up mortgage of £45,000 with a fixed interest rate of 7 per cent. When she dies 10 years later, the lender receives back the original loan plus the rolled-up interest, which totals £88,522. Her family receive the balance from the sale of the home, but 10 years after a £20,000 loan she is charged £88,500.

The financial effect of a home reversion can be equally disturbing. Someone who sells 50 per cent. of their property receives less than market value for that half in the first instance, and all future increases in value are shared with the provider. The FSA gives the example of George—it is certainly not me, because he is 68—who enters a home reversion scheme. He sells half his home for a lump sum of £20,000, which is 40 per cent. of the market value of the half share. When George dies 15 years later, his home is worth £150,000 and the provider—the company—takes £75,000 for that £20,000 loan. Such details of how compound interest eats into the value of a property may mean good business for the lender, but are chilling to the objective onlooker, especially if people who are not entirely clear about the costs and consequences involved.

All those schemes would be acceptable to the regulator, provided that the company had fully explained and advised the old person. Considering that most of the firms involved are household names, one would think that that could be guaranteed, yet the FSA found some worrying practices when it sent people to pose as customers. Mystery shoppers spoke to independent financial advisers and direct sales company providers. The FSA asked whether the question,

"Were you asked if you had considered alternative methods of raising funds?"

had been asked. It is important, as this is a last-resort product. Customers should be asked whether other things such as downsizing, the local authority, banks and so on had been tried. Seventy-seven per cent. said that the independent advisers had not asked that key question for determining the product's suitability for an elderly person. They had not been asked whether they had considered alternative methods. The figure is worse for the direct sales companies: 83 per cent. did not ask.

When the FSA asked,

"Were the disadvantages of equity release explained?"

38 per cent. said that the independent financial advisers had not explained them, and 67 per cent. said that companies with household names had not explained them.

There were many other questions. The conventional wisdom, according to the mystery shopping survey, is that 70 per cent. of the individuals posing as customers were not asked about their financial situation, yet 77 per cent. were told by independent financial advisers, and 83 per cent. were told by direct sales companies, that they were eligible for equity release. If those people do not ask for information that, clearly, the majority of elderly customers are not asked for, they cannot look the customer in the eye and say that they are or are not suitable for equity release. The work that the FSA would demand simply had not been done.

David Taylor: My hon. Friend paints a vivid and bleak picture of what is happening with mortgages and reversions. Does he agree that a smallish minority of firms encourage the elderly to borrow more than they need? That drives up the charges that they pay and, of course, lines the pockets of a small group of advisers. Is that not reprehensible? Should the FSA step in there when it eventually produces a regulatory scheme?

Mr. Mudie: As usual, my hon. Friend anticipates an important point that I planned to make. I shall take the opportunity of his intervention to confirm that, for example, Norwich Union requires those who apply for one of the equity release schemes to borrow a minimum amount. Indeed, that is the situation with most, if not all, the providers. Someone may need only £2,000 or £3,000, but they have to take £15,000, £20,000—or, in an example that I have, even £25,000—over a long term. The time ticks away and the amount doubles in 10 years; it is quite frightening.

Clearly, the figures produced by the mystery shoppers suggest that the customer's specific needs are not being investigated. As such products should be taken up only as a last resort, the fact that in too many cases advisers make no real effort to satisfy themselves that the customer has exhausted every consideration, and that equity release is the only way forward, means that the potential for mis-selling is arising, if it has not already arisen.

The other sad thing about those details is how badly direct sales compare even with the less than satisfactory advice being given by independent financial advisers. The mystery shopping exercise has resulted in solicitors who deal with equity release being advised in a training course to refer any client who has been involved in a direct sale by the producer to an independent financial adviser immediately.

All this information raises a series of questions for the Minister. As mystery shopping demonstrated that complex high-risk products—the FSA's description, not mine—are being sold unsatisfactorily under regulated circumstances, what conversations has the Treasury had with the FSA about putting an end to such practices? Will the Minister discuss with the FSA what follow-up is taking place with the advisers and firms that perform so badly? Will random checks be made with customers to determine whether such practices took place in actual sales?

The Minister should consider how any delay in the FSA's becoming proactive on the checks may allow firms to avoid action. With mis-selling of endowments, not only were paper records available, but in most cases customers could advance arguments and describe the selling experience. With equity release, the elderly person may not have told his or her family what they signed up for, and it is only when the person has died and the estate is wound up that the existence of the contract becomes apparent. The customer would not be there to describe what happened, and the firm would be in a stronger position to deny mis-selling. Random checks seem the least that the FSA can do. Can the Minister can comment on that?

I congratulate the Government and the Minister on introducing primary legislation on home reversion so promptly in December, but the latest word is that the FSA will not begin regulation until 2007—and that is on home reversion, which is an even fiercer instrument than the roll-up mortgage. I have been told that the timetable is in the hands of the Treasury. Can the Minister tell us whether that is so, and in view of the upsurge in sales of home reversion schemes, can he promise that he will take all steps possible to expedite the start of regulation?

It is almost universally accepted that greater than ever care must be taken with the selling of such products, in view of the vulnerability of the target group. Schemes in the late 1980s and 1990s were ill designed, and are a source of customer unease even today. There is a lack of confidence that providers appreciate the need to ensure that this financial product, which is probably the most sensitive one on the market, is sold only to the most appropriate people. The sort of hard-nosed behaviour illustrated by the mystery shopping exercise, the response to the *Which?* report and the way in which the industry defends stories such as the one in *The Mail on Sunday* last week—in which an astonishing interest rate of 367 per cent. was charged, and defended, by a household-name firm—leads the public to worry whether their trust that the elderly are in safe hands is correct.

I suggest that the Minister has immediate discussions with the FSA to agree steps towards telling the industry that investor confidence has been damaged too much in the past few years and that the mis-selling of such products is banned. It should be said that the remedy will be not only compensation but the stiffest financial penalties, and even the barring of firms whose selling of this product is found wanting. That is the least that we can do, bearing in mind the sensitivity of the product and the vulnerability of so many of the customers.

I shall quickly draw the Minister's attention to some other aspects of the sale of such products. I have concentrated my remarks on how important it is that they must not be mis-sold by giving bad advice to the elderly. The way in which the schemes are marketed is also very relevant—not only to the elderly. Norwich Union has been running an advert seeking to sell its product to people at the tender age of 55. My hon. Friend the Member for North-West Leicestershire (David Taylor) obviously comes into this category, so he should perk up—*[Interruption.]* Or is he 45?

In *The Times* on Saturday, Norwich Union ran an advert headed "Over 55? Thinking of equity release?" An attractive lady is pictured next to the heading, "New York? New car? Something for the family?" On visiting the website, it transpires that someone of 55 can get a loan for all those purposes, but the minimum loan appears to be an index-linked lifetime mortgage of £25,000. *The Mail on Sunday* the week before showed a gentleman of 55 in the same advert. According to actuarial tables, a lady of 55 can look forward to being around until she is 85, with a bit of luck, so this trip to New York, the new car or something for the family could end up costing her between £100,000 and £200,000, if we take the amount of compound interest and double up over 30 years. That is a staggering sum.

Is the Minister content that a provider such as Norwich Union is selling such schemes to someone with five or 10 working years remaining? Would it make financial sense for this lady to commit herself to a possible 30-year loan—for an amount that she clearly does not need to pay for the items mentioned—instead of taking out a perfectly straightforward bank loan? If Norwich Union were doing its job and if someone of 55 asked for an equity release, they would be directed to another product straight away. It is clearly not appropriate for someone to sign up for this product when they have the possibility of earning additional income through work.

David Taylor: I saw that advert, and I can also confirm that I am in that age category. Should it not be headed, "Philippines and Hawaii at 55: poverty and homelessness at 85"? That is the roll-up impact of such loans, is it not?

Mr. Mudie: My hon. Friend talks perfect sense. What he describes is a real worry.

In case I am accused of being unfair to Norwich Union, I shall mention another household name: that of Prudential. The Pru is seen—probably deservedly—as a more enlightened provider, which is new to the market. It has an attractive draw-down scheme. Such schemes work on the basis that one can avoid the doubling of interest over 10 years by taking out the money in bits, so people are not charged for the parts of the loan that they do not need at the time. In other schemes they have to take out the whole loan because there is a minimum amount: they may need £5,000, but they have to take £25,000.

On its website, the Pru has an attractive draw-down scheme, which, instead of saddling customers with a big loan with compound interest, allows them to take the money in bits. The only drawback appears to be that the minimum amount that they can borrow is £20,000, so they would have to take a large amount overall. They can take more—the Pru will set a maximum sum and they can draw money up to that amount—but in the first instance they have to take £20,000, and over 10 years, the customer will have to pay back £40,000.

The last point that I want to raise with the Minister relates to the uncertainty in the market about whether the industry can discipline itself to act sensitively on appropriate sales. One of the main reasons for seeking a loan is for house repairs or improvements. Will the Minister begin discussions with the Office of the Deputy Prime Minister and local authorities to see whether the initiatives launched by councils to formulate loan schemes, often as a replacement for grant schemes that have been withdrawn, are worthy of encouragement and wider publicity?

If the Minister contacts *Which?*, he will be provided with a list of interesting initiatives around the country on the basis of which it would be easy to produce a scheme that could be put into the public domain, which would lead private providers to behave more sensibly.

In his pre-Budget report, the Chancellor introduced measures to encourage pensioners to install central heating and energy conservation in their homes. If a scheme could be introduced that meant pensioners did not have to take a chance on such costly, uncertain,

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long-term commitments as equity release to have urgent repairs or improvements carried out, it might mean that only those who genuinely understood the schemes and their consequential costs would use equity release.

However inadequate my remarks, I hope that I have put across the danger of those products—or, as the FSA describes it, the "high risk" of them. It is a great concern that firms market them as easy, almost painless ways of buying luxuries. Above all, the evidence of products being sold without the customer—who is sometimes frail or vulnerable—being fully advised should be deeply worrying to everyone connected with the product. There is a role for such schemes, but I fear that at this moment in the development of schemes, a number of ordinary decent people are being harmed. That should be made public, and should be addressed.

9.58 am

Dr. Vincent Cable (Twickenham) (LD): I congratulate the hon. Member for Leeds, East (Mr. Mudie) on raising this subject, not least because it affects substantial numbers of our constituents. I have had some appalling cases, as he has, and it is absolutely right that they be brought to light. Where the Government can help, they should. I have the slight advantage of having participated in the original debate in 2003 when the Minister's predecessor, who is now the Secretary of State for Education and Skills, led for the Government.

The context, as the hon. Member for Leeds, East has reminded us, is that there was no regulation of this market at all at that stage, in respect of either lifetime mortgages or home reversion. What there was, and is, is a self-regulating scheme called the SHIP—safe home income plans—scheme, which is important because it protects customers at the moment, until the new regulation comes into effect, which may well not be until 2007. Although it gives some credit to the better firms in the industry that have subscribed to the agreement and offers some protection from negative equity, it is seriously flawed in all sorts of ways. It offers very partial coverage and provides compensation that is far less than would be available through the financial ombudsman system. There is no monitoring, and no sanctions for companies in the industry that break the rules.

The structure of self-regulation was flimsy and it was clearly right to move on from it, which the Government have done. Lifetime mortgages are now regulated by the FSA, and when the Regulation of Financial Services (Land Transactions) Act 2005 comes into effect, it will cover home reversion too.

My second introductory point echoes the point made by the hon. Member for Leeds, East in his introductory remarks. In principle, there is nothing wrong with equity release; indeed, the concept is attractive in many ways. Many people in our society are asset-rich and income-poor. If market mechanisms can be developed to turn assets into income, we should welcome that. Indeed, Lord Turner, in his report, drew attention to the potential of equity release as a partial solution to the long-term problems of pensions. As the hon. Gentleman emphasised, the vast potential has not even begun to be tapped. Total domestic property assets are worth some £2.2 trillion, and probably half of that, as he said, is realisable under equity release. However, less than 0.25 per cent. of the market has manifested itself in equity release products, so the market is very under-developed, but it has a lot of potential if things are done properly, which involves regulation.

I shall raise a series of issues with the Minister. The first and most important question, which the hon. Member for Leeds, East touched on, is what happens now. The Government's responsibility will be to introduce secondary legislation, and the FSA's responsibility will be to consult on the detail of regulation. That process poses a series of questions, some of which I shall list.

The first question has already been mentioned: what happens in the intervening period? It may be as long as two years before the regulations come into effect, and during that time people will be unprotected. I imagine that at the very least, the Government can give us some assurance about the speed with which the secondary legislation will be introduced, and urge the FSA to get on quickly with its consultative process. Another way of dealing with the matter, which would give confidence to people in the industry and borrowers, would be for the Government to give an assurance that the protection provided by the new regulation could be backdated, possibly to the date on which the existing lifetime mortgage regulation came into effect, or at the very least, to the point at which the new legislation on home reversion was introduced in the House. If that was available, some of the anxieties about the long hiatus would be dissipated.

The second set of questions relates to the scope of the regulations when they are introduced, a matter on which the Minister will be reflecting. The National Consumer Council has produced an extremely good report, posing some of the technical questions that will have to be addressed at the next stage. It asks, for example, whether there should be limitations on protection under the legislation in respect of age. Should this option be simply for older people, or for everyone? I think that the NCC concluded that it should be for everyone; an age division would be arbitrary. What would happen if one person in a household was 65 and their partner 55? Absurd situations would be created.

The NCC also raises the question whether there should be a de minimis provision. I am talking about people being able to raise small amounts of equity to go on holiday, rather than going for this option as a big savings decision. That should not necessarily be discouraged by complex and costly regulation. The NCC makes the point that an arbitrary limit would be easily abused by unscrupulous providers and probably is not practical, but it would be interesting to have the Minister's preliminary thoughts on that question.

A third issue relating to the forthcoming secondary legislation is value for money. Do the Government intend some protection to be built into the system to ensure not merely that people are not ripped off, but that they get genuine value for money in the transactions? There are various questions about that, one of which is whether there should be a stipulation that an equity release transaction should be accompanied by independent valuation—valuation by an independent valuer rather than by someone from the provider. That seems quite a sensible provision.

Various other arguments have been advanced, such as that there should be a minimum threshold for the cash released from a scheme. Should that be specified in the regulations? The conclusion of those who have considered the matter is that that simply is not possible, because there are many different dimensions to the cost of a home reversion scheme, and all that can realistically be demanded of providers is full transparency.

A fourth set of questions relates to compensation, and how much there will be. Will it be £100,000, which I think is the Financial Ombudsman Service limit, or, probably more plausibly, should it be equivalent to the compensation available to people under the existing regulations for mortgages—or should it be another amount?

Those are the questions that I wanted to pose on the follow-up to the new legislation, the secondary legislation and the FSA rules. I shall conclude with a series of broader questions about where all this leaves us. First, there are unresolved questions about the lifetime mortgage regulation. Although the regulation is now in place, it is beginning to emerge that there is a lack of clarity about certain points. As I understand it, the lifetime mortgage regulation protects consumers from negative equity, but in practice the definition of negative equity has proved rather difficult to pin down. Some customers find themselves in a serious net debt position, although theoretically they are protected.

Another big issue is retrospection for people who have suffered from shared appreciation mortgage mis-selling. I have dealt with two such cases in my constituency—appalling cases of people who were blatantly mis-sold products by Barclays or the Bank of Scotland. I think that there were two particular sub-products in their range, in respect of which quite sophisticated people, who had studied the small print carefully, had a very firm impression of their maximum exposure to risk of loss of capital value under the appreciating mortgage. The banks interpreted that in a totally different way, and their interpretation was utterly lacking in transparency.

Those people have never been able to obtain redress. They are not covered by the new mortgage regulation, because what occurred was before the relevant time, and the banks' own self-regulation scheme does not cover them. The banks involved have refused to accept that they have any liability, and some people have lost enormous sums of money because of a not terribly reputable set of arrangements. I wonder whether the Government feel that they have any responsibility for trying to secure some justice for the people concerned.

The second broad issue was raised, rightly, by the Minister's colleagues when we had the debate on home reversion protection. The good point was made that when one set of products is regulated and another is not, the more unscrupulous providers in the industry tend simply to migrate from one to the other. One of the main reasons why home reversion protection was introduced was to stop that happening. Now that that loophole has been plugged, the industry will migrate elsewhere.

In some bits of the property market there is a serious lack of protection for consumers, the most obvious of which—I encounter a lot of these cases, perhaps because I represent a relatively prosperous part of south-west London—are the so-called property investment clubs, whereby many people are seduced into parting with large amounts of money as a result of totally specious arguments about the endless appreciation of the property market. All kinds of scams will emerge, and people will lose large amounts of money. It is a completely unregulated market, and the FSA is reluctant to take responsibility for it. Are the Government considering the possibility of being proactive on that matter?

The third general point was touched on by the hon. Member for Leeds, East—the relationship with the benefits system. It matters enormously to an individual whether the income that they derive from the liquidation of capital is counted, or how the capital is treated, from the point of view of savings disregards under the pension credit system, and the benefits system more generally.

The arguments are extremely complex, and I do not want to make a political point about them. I wonder whether it might be helpful for the Minister, in conjunction with the Department for Work and Pensions, to publish a note describing the relationship between the benefit system and equity release, and whether there is any need for reform. I am not proposing anything; I am just suggesting to the Government that there is an issue that somebody needs to address comprehensively.

My final point, which the hon. Member for Leeds, East made effectively, is about advice. Large numbers of financial advisers, who vary enormously in quality and integrity, are simply not in a position to give quality advice on this matter Because they have never been trained, they do not understand the complexities of the benefits system, and ultimately, they have an interest in selling products. They do not have an interest in telling people to find a simpler solution such as trading down. As a result, people often receive bad advice. The hon. Gentleman's implication was that the way to deal with that problem is through the framework of regulation. That may be appropriate, and the advisory process may need regulation, but I have a slightly different take on the matter.

I thought that the Treasury would broadly agree with the view, which I have expressed for many years, that some kind of independent pro bono system of advice is needed, so that people can go along to a body, be it a citizens advice bureau or some other organisation with no axe to grind, and obtain a financial health check. They should be able to go to an adviser who has no interest in the transaction for some simple, common-sense advice, and ask: "Do I trade down my house, or do I buy a home reversion product? Do I use cash to pay off my debts? What is a sensible way to approach my family finances?"

I debated the matter with the Minister's predecessor. Three years ago the Government were thinking about putting certainly some energy and possibly some money into a national roll-out of independent financial advice centres, which would provide such advice in order to avoid the difficulties that the hon. Member for Leeds, East so eloquently described. I hope that the Minister will be able to provide answers to the, regrettably, rather large number of questions that I have put to him.

10.12 am

Mr. Mark Hoban (Fareham) (Con): I join the hon. Member for Twickenham (Dr. Cable) in congratulating the hon. Member for Leeds, East (Mr. Mudie) on

[Mr. Mark Hoban]

securing this important debate, and on the way in which he introduced it. He rightly pointed out that the schemes exist to address a need. Many pensioners who find themselves asset rich but income poor look for some form of financial security by trying to use the equity in their house.

The hon. Member for Leeds, East was right to point out the complexity of the schemes, the problems that people have understanding them and the need to ensure that consumers understand their consequences. One duty of the Financial Services Authority is the promotion of financial literacy and education. It is important that consumers understand the product, and are not reliant on the sales process undertaken by an independent financial adviser or a direct sales force. The hon. Gentleman identified some of the issues involved in that process, which were brought out by the FSA's mystery shopper programme. Customers must be able to understand the consequences of what they are attempting, and organisations such as Age Concern, which focus on supporting people in retirement in particular, must take part in that education.

The importance of the mystery shopper campaign was not just to identify problems in the sales process and tie up those loose ends; I was pleased to hear the FSA say in August that enforcement action would be taken against continuing problems. Crucially, that means that issues arising from the sale of such products will be identified now, rather than when the person dies, or 10 to 15 years down the track, when a significant problem with the products is found. Enforcement will accelerate the regulatory process and ensure—I hope—that the proposed regulations for home reversion plans reflect some of the issues that were identified earlier.

One point on which I would question the hon. Member for Leeds, East is the minimum draw-down and the minimum amount borrowed. Setting a minimum, even at a high level, forces—or perhaps "should force" is the right way of putting it—independent financial advisers, direct sales forces and the consumer to think, "Is this the right route? Do I really need to borrow £25,000 when all I want to do is go on a £5,000 holiday?" The other factor to bear in mind is that the cost of selling such products can be significant, and the greater the regulation of those products, the higher the costs incurred by the provider, which need to be recovered. Regulation increases either up-front charges or interest rates, so a balance needs to be struck.

The hon. Member for Twickenham was right to say that including a de minimus level in regulation would encourage smaller loans. Rather than one £25,000 loan, there would be a series of £5,000 loans, if the de minimus happened to be £6,000 or £7,000, for example. We must be careful about the use of de minimus limits in terms of regulation and the amounts borrowed, because borrowing larger amounts can work in the consumer's favour.

The hon. Member for Twickenham touched on the issue of shared appreciation mortgages. I, too, have come across examples in my constituency of people taking out such mortgages. In the marketing literature supplied, I was struck by the crystal clear calculation of the amount that—in this case—Barclays would take. The obligation or liability that the customer would take on was apparent; however, the complexity of the decision making that one would have to go through to take out a shared appreciation mortgage in the first place was not clear. That is the issue with such products, and it applies to all equity release schemes. With a shared appreciation mortgage, one is taking a bet on one's longevity, on interest rates and on the appreciation of the value of one's house.

In the cases concerned, it turned out that the lender achieved a good deal at the end of the day—but if circumstances had been slightly different, the lender could have suffered and the borrower could have been better off. The decisions are complex. People need to understand them, and they need to be taken through the sales process.

As the hon. Members for Twickenham and for Leeds, East have identified, there is a legitimate demand for equity release schemes. A report yesterday said that the value of pensioners' housing assets had reached £1 trillion. Many pensioners who consider themselves asset rich but cash poor—in particular, those who have been retired for some time and have seen their pension eroded through inflation or higher costs such as council tax, or those who have relied on the returns from lump-sum investments or savings and seen those returns diminish—want to use their equity to meet some of the costs of retirement. They want to use it to help themselves and, perhaps, their families too. Given that demand, it is right for the financial services sector to respond to it with products that can meet the needs of consumers.

There is rightly some concern about some products, and we must analyse the sales process. One of my concerns, which was touched on earlier, is about the delay in the regulation of the home reversion market, given that the Regulation of Financial Services (Land Transactions) Bill went through the House last year.

The hon. Member for Leeds, East noted that the sale of home reversions is on the increase. I suspect that that is in part because of the heavier regulation of lifetime mortgages, with people squeezed into the home reversion market because of the lighter regulatory touch on it. In a report from *The Times* last August, one comment speaks volumes:

"A further brake on sales growth is expected as the second part of the equity release market"—

home reversions—

becomes regulated."

The report implies, first, the need for firms selling such products to tighten up their sales process, and secondly, the suspicion that business that would otherwise have gone through the regulated lifetime mortgage schemes has been channelled through home reversion schemes. Prompt action is important. I look to the Financial Secretary to give us an update on that process and say what discussions are taking place with the FSA.

Regulation is important. Two thirds of advisers in the mystery shopper exercise were not gathering sufficient information about their clients. The hon. Member for Leeds, East gave examples of that. How can products be sold properly if the information process has not been gone through? I hope that the FSA will learn from the

lessons of the mystery shopper exercise when looking at home reversion plans to see how it can further tighten regulation of lifetime mortgages to deal with the concerns, and that it will repeat the exercise at regular intervals to see how member firms are tackling the problem. As I said earlier, mystery shopper exercises will help to reduce incidents of mis-selling later in life.

Regulation leads to increased costs being imposed on providers. Those costs are recovered from their clients. The up-front fees that some advisers charge on equity release schemes can be greater than 2.5 per cent. of the loan value. Obviously, that will recover in part some of the cost of regulation, so we must make sure that the regulation is right, but does not inhibit the condition of the market and lead to a bad deal for consumers. Complementary to regulation is the importance of competition in the market. We need more providers.

The hon. Member for Leeds, East referred to Prudential. Some in the industry said last year that its involvement in that market would add new stimulus to sales by reducing cost. When Prudential published details of its scheme, Saga reduced its loan costs to 6.39 per cent. That was still quite high, but competition was acting to spur the reduction of the costs.

Given the importance of the interest rate in calculating the final liability for lifetime mortgages, the further interest costs are driven down by competition in the market, the better deal it will be for the consumer. Last year, Dean Mirfin from Key Retirement Solutions said:

> "Interest rates on equity release plans have been falling since the start of the year and are likely to fall further as competition becomes more intense."

There will be a benefit to customers. More competition will lead also to more sophisticated products being introduced.

The hon. Member for Leeds, East referred to the Prudential policy with the draw-down. That is an important benefit for customers because it reduces costs. If people draw down sensibly when they require it, there will be a lower interest bill. That process has been spurred on by competition and by the involvement of more sophisticated providers in the marketplace. It works to the advantage of customers.

Competition by itself is not the only answer. We need better regulation, but we must bear in mind that the products are of interest to constituents. They look to use the equity in their houses, perhaps to help their families, and to provide some income in retirement, given the threat that many people now see to their pensions. We need a regulatory competition regime that helps to meet the aspirations of our constituents, but in a way that encourages the market and protects customers.

10.23 am

The Financial Secretary to the Treasury (John Healey): I congratulate my hon. Friend the Member for Leeds, East (Mr. Mudie) on securing the debate. He is a distinguished long-serving member of the Treasury Committee, which in my experience over recent years has acted as an effective inquisitor of the Government. It is also an effective champion of consumers, especially in the financial services sector. My hon. Friend has played a part in giving some high-profile companies a hard time in front of the Committee. He has certainly done so with some of the providers referred to in this morning's debate.

I say to my hon. Friend that I will make sure that the chairman and chief executive of the Financial Services Authority receive a full transcript of the debate. I know that they will take carefully into account his specific comments about certain products and companies. I am certain that the FSA will take into account the broader comments that have been made in the debate as it puts in place the full regulatory cover that we intend to result from the legislation passed last year.

Like my hon. Friend, I pay tribute to the work of the Consumers Association, and, in particular, the work of the publication *Which?*. With other publications, it plays an important job in providing in-depth, well-researched and reliable information to consumers in such matters. He was right to say that the last time that equity release schemes were fully debated, it was before the Government made moves to regulate in this area. I welcome the fact that in opening the debate, he said that there was no doubt that things had got better since then. I welcome the debate; now is a good time to take stock because, as some contributors have said, many anticipate an increasing market in equity release, based on the regulation, and the fact that it should give greater confidence to consumers and lead to better products, and to the better provision of those products.

However, while stressing the potential of this market, it is worth keeping its scale in perspective. The SHIP—safe home income plans—group produced figures that suggested that the value of new lending in the equity release market in 2004 was just above £1.2 billion. That means that the size of the equity release market in that year compared with the volume of overall mortgage lending was less than 1 per cent. While the number of firms specialising in equity release is only 57, lenders and brokers in the more general mortgage market total almost 14,000.As the debate has made clear, it remains a fact that the products are complex. They can be valuable to consumers, but accurate information, good advice and care is required when taking them out.

My hon. Friend the Member for Leeds, East asked specific questions. He referred first to mystery shopping and talked about discussions that Ministers plan to have with the Financial Services Authority about some of the worries that he thinks arose from the mystery shopping exercise. As a result of the exercise and the FSA's review, many main trade bodies have issued new guidance to their members. The FSA remains in active discussion with the industry and consumer groups about how to secure higher standards of advice for consumers. My hon. Friend will know, better than I do, that the FSA holds firms to account and has been clear that it will take a hard line with those that do not sort out the problems about which it is concerned. As he will be aware from his work on the Treasury Committee, the FSA is operationally independent of the Government. However, it is required by law to ensure that regulation is effective and proportionate.

The hon. Member for Twickenham (Dr. Cable) raised his concerns about the timetable and the process for getting the regulation in place, especially for home reversion schemes. The first step towards bringing the arrangements into full FSA regulation was the primary

[John Healey]

legislation that enables home reversion plans to fall within the scope of potential FSA regulation, and that received Royal Assent last year. The second step is the secondary legislation required to amend the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 to bring home reversion plans into FSA regulation. The Government—led, of course, by the Treasury—are preparing for consultation on that stage. The third stage is for the FSA to draw up and consult on the rules that it proposes regarding sales of home reversion plans, and the fourth is for firms then to apply for permission from the FSA to sell home reversion plans.

The Government have a commitment to allow 12 weeks for public consultation based on secondary legislative proposals. Further down the track, the FSA normally needs to allow a minimum of six months between the publishing of its rules and the regulations coming into force. I concede to my hon. Friend the Member for Leeds, East that some may consider that process to be somewhat lengthy, but I assure him and other Members that this process is currently proceeding very smoothly, and my hon. Friend the Economic Secretary to the Treasury and I do not anticipate any unnecessary delays.

I welcomed the presence, and brief contribution, of my hon. Friend the Member for North-West Leicestershire (David Taylor). He is a former accountant and I welcome his interest in, and concern for, the consumer. I regret that he has been unable to stay for the conclusion of the debate, but I will ensure that he receives a copy of the *Official Report* so that he can catch up with the points that he has missed—perhaps that is a threat rather than a promise.

The hon. Member for Twickenham correctly stated that there is nothing wrong in principle with equity release schemes, although he has concerns that in certain circumstances they may not be fully appropriate for the consumers who purchase them. He asked a number of specific questions about backdating, scope, value for money in transactions and independent valuations. I expect that he will appreciate that those specific matters will be settled during the period when secondary legislation is being made, and in particular, when the FSA draws up proposals for the detailed rules.

The hon. Gentleman made a point of stressing his participation in debates during the passage of the Regulation of Financial Services (Land Transactions) Act 2005, and some of the issues that he raised—such as the de minimis question—were discussed during the consideration of that legislation. I think that on that issue it was agreed on all sides—the hon. Gentleman can correct me if I am wrong—that a de minimis rule risked distorting behaviour; it would probably allow unscrupulous firms to avoid the regulation intended by the legislation by dividing a loan up into more than one loan in order to keep below any de minimis threshold.

Dr. Cable: I fully understand that there are a lot of complex issues that the Minister and the FSA need to think through, but could I just get his reaction to a specific question that I put to him? Given that this is a complex—and possibly time-consuming—process, what are the advantages and disadvantages of backdating the coverage that consumers would derive under the financial ombudsman scheme?

John Healey: I think that that specific issue would be better examined in the context of the introduction of the regulations and rules, rather than in this general debate. However, the hon. Gentleman raised several more general points, to which I can respond.

The first point was about shared appreciation mortgages. I understand the concern arising from the particular cases that the hon. Gentleman cited. All MPs come across such constituents, and they—and certainly Ministers—have every sympathy for consumers who find themselves in financial difficulties having taken out a shared appreciation mortgage. Consumers can access the Financial Ombudsman Service if they feel that they have been badly advised about the mortgage or that it was mis-sold to them. However, the financial ombudsman has not to date found any evidence of mis-selling, and in those circumstances it is difficult to see that there are any grounds for compensation, let alone for the Government to step in and accept some sort of responsibility for compensation.

The hon. Gentleman then turned his attention to property investment clubs. Regulation to deal with collective investment schemes is already in place. In the light of concerns about the activities of property investment clubs, the FSA has reviewed what it calls its perimeter guidance. In general terms and in principle, the Government do not believe that it is appropriate for the FSA to regulate property purchase; that is a very different matter from the financial services regulation that it was specifically set up to deal with. However, the FSA's clarification of the perimeter has made it clear that some schemes that have previously regarded themselves as unregulated might need to be regulated by the FSA.

The hon. Gentleman also raised the question of the provision of free money advice. He may not be aware that only last week the FSA launched, jointly with the BBC, an online advice tool designed to help consumers by offering good advice on financial services. The FSA's more general financial capability work is now looking into what might need to be done further. In addition, the Chancellor—the hon. Gentleman will remember this, because he was shadowing the Chancellor at the time—announced in the 2004 pre-Budget report a £120 million financial inclusion fund, part of which goes towards supporting the development and provision of free face-to-face money advice through providers such as citizens advice bureaux, which the hon. Gentleman mentioned.

That leads me directly on to the contribution of the hon. Member for Fareham (Mr. Hoban). He began by stressing the importance of good financial literacy and understanding by consumers. I hope that he welcomes the moves that we have made and the investment we have put into financial literacy and money advice for consumers. He also stressed the fact that there is a legitimate demand for equity release schemes, and in a reflective contribution he helped to set the broader context for some of the specific issues that have cropped up. He urged us to bear in mind the interests that our constituents have in these financial products and their potential, and emphasised that they help to provide income for some people in retirement. He also rightly

said that there is a need for regulation, but that we must also regulate in order to meet the aspirations of our constituents and potential consumers.

Regulation has been the crux of the debate. Regulation is not intended to discourage the sale of such products. Instead, our approach is to enable people to make informed choices, to offer necessary consumer protection, and to ensure that there is a competitive level playing field in the equity release market.

I was prepared to set out a degree of detail and background for equity release products and the development of regulation in this field, but the participants in the debate are probably far better informed than many other Members. Therefore, suffice it to say that there are two basic types of scheme: mortgage-based schemes or lifetime mortgages, and reversion plans. The difference between them is clear: in mortgage-based schemes the householder retains ownership of the property, whereas in reversion plans the reversion provider becomes the owner of whatever proportion of the property is sold.

Mortgage-based equity release schemes have been regulated by the FSA since 2004. However, home reversion plans are not currently regulated by the FSA, as they are, effectively, transactions in land and are therefore not covered by the Financial Services and Markets Act 2000. However, the Government fully accepted the case that such schemes needed to be regulated to help people to make informed choices, to offer proper and valuable consumer protection, and to make sure that there is a competitive and fair market in these products.

As I have said, home reversion plans are not currently regulated by the FSA, but that is not to say that purchasers of such plans are completely without protection. The home reversion market is subject to voluntary regulation through the SHIP group. Members of SHIP agree to comply with the code of practice and to undertake a fair, simple and complete presentation of any plan that they offer. Crucially, they also offer a guarantee that consumers will never owe a lender more than the value of their home; in other words, they give a "no negative equity" guarantee. Clearly, those protections are a long way short of the protection offered by statutory regulation and by the FSA's more general regime.

Mr. Mudie: When I looked at the SHIP website, I counted 19 firms that are members of SHIP, which is a voluntary organisation, whereas there are 57 providers. Does the Minister not agree that the home reversion scheme operates in a market in which a minority of providers are in SHIP, and so give some cover? The majority are free to operate as they think appropriate.

John Healey: My hon. Friend makes a reasonable point, but just to be clear, the figure of 57 that I gave earlier is the number of firms operating in the equity release market. The majority offer lifetime mortgages rather than home reversions—in other words, they offer the products that are already regulated—so he should take as an encouraging sign the total number of members of SHIP, as that represents a large part of the biggest providers of the home reversion-type product.

Because the current voluntary system does not provide the sort of protection that consumers need, we launched a consultation in November 2003, and in 2004 the Government announced that we would in future empower the FSA to regulate those financial products. We introduced the required primary legislation, the Regulation of Financial Services (Land Transactions) Act 2005, last year. I am pleased to say that it received support from both sides of the House. It was debated pretty fully, and my close friend and colleague the Economic Secretary led the debate as the Bill made its passage through Parliament. It gained Royal Assent just before Christmas.

As I have said, as soon as possible, we in the Treasury will introduce the necessary secondary legislation to define precisely which products and activities will be regulated by the FSA. Once the secondary legislation has been consulted on, the FSA will consult on the detailed rules that will apply to those products.

Given the powers granted by the 2005 Act, the sort of rules that one would expect the FSA to apply to home reversions would include rules to ensure that providers advise of risks as well as benefits when advertising reversion schemes, and rules on advice to consumers to ensure that advisers have considered implications for tax and benefits—a point made by my hon. Friend the Member for Leeds, East and the hon. Member for Twickenham—and have matched the consumer's overall needs and circumstances to the product features. Also, one would expect a requirement for firms to issue key product information to consumers in a clear and understandable format. Furthermore, FSA regulation will offer consumers access to the Financial Ombudsman Service in the event that they wish to make a complaint, and that will provide them with cover under the financial services compensation scheme.

Encouragingly, although perhaps not surprisingly, the industry has been a keen proponent of regulation for reversion plans, as it wants to remove any consumer confusion and, of course, boost consumer confidence in the market as a whole. Indeed, when my hon. Friend the Member for Leeds, East secured this debate, my hon. Friend the Economic Secretary was contacted by the Association of British Insurers, which made clear to him directly its support for enhanced consumer protection of home reversion schemes. It makes three recommendations: first, advice provided by firms to consumers should be simple and complete; secondly, advice should include schemes' implications for tax and means-tested benefits; and, thirdly, consumers should have their properties independently valued, a point raised in this debate.

In summing up, it is fair to say that equity release schemes can help people—particularly the asset rich but cash poor—to enjoy a higher standard of life, but they are complex products and are not suitable for everyone. It is important to understand what they will mean in practice, and consumers should always seek independent financial advice. I direct consumers and hon. Members, if they do not have copies to hand in their constituency office, to a leaflet on equity release published by the FSA called "Thinking of Raising Money from your Home?"

FSA regulation ensures that consumers have the right information and advice to hand when choosing a mortgage, and it provides redress mechanisms in the event of complaints. Proportionate and effective regulation should protect elderly people, who are some of the most vulnerable people in our society, allowing

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them to make informed choices about the financial arrangements that are best for them. Of course, increased consumer confidence is an essential foundation for a competitive, diverse and fair mortgage market in the UK—a general economic aim that I am sure all hon. Members who participated in this debate would support.

Sir Nicholas Winterton (in the Chair): I congratulate the Chamber on an interesting and well argued debate, and we thank the Minister for his full response. I now suspend the sitting until 11 o'clock.

10.46 am

Sitting suspended.

School Closures and Surplus Places

11 am

Sir Nicholas Winterton (in the Chair): We have just had a tranquil period and I am sure that that will be typical of the next debate.

Dr. John Pugh (Southport) (LD): It is a pleasure to see you in your place, Sir Nicholas. The new environment for these debates strikes me as somewhat funereal in comparison with Westminster Hall.

The debate is a timely one, because the Government are proceeding on an agenda that has little resonance or connection with circumstances that prevail throughout most of the country. As I understand the Government's forward-looking educational agenda at the moment, they think that choice of schools is a serious issue for a large number of parents, that there is not enough choice and that there is a need for ever-new variety of providers and an ever-increasing number of them. They seem to feel that choice between schools—competition of a direct kind—is the main mechanism through which quality in education will be driven up and pupils will get a better deal.

The Government also seem to feel that schools and parents are crying out for greater independence for schools. That is reflected in the proposals that schools should have charge of their own admissions arrangements and, in some cases, control over the land, which alienates public assets in the process. In addition, the Government are fairly relaxed, unlike many people to whom I speak, about the increase in traffic and travelling around that will follow on from the proposals.

In looking at the matter and trying my best sympathetically to understand where the Government are coming from, I have decided that they are fixated by what I can only call a London perspective. I understand that in London there are pressures on admissions and that there is a mix of schools; some are quite poor and some are heavily oversubscribed. There is sometimes competition for the best ones and there is also a mixed pattern of local education authorities, some of which perform well whereas others are distinctly unpopular or are rather ideologically driven.

London has the luxury of much better transport infrastructure than is available in most parts of the country. If parents need to move their children around or children need to move around to get to schools, the transport infrastructure will support that, despite its flaws. Other places do not have the advantage of the London bus and tube system or the like.

Most people would accept that London is different from the rural environment, where the problems that schools face and the problems that parents have in choosing them are quite different. We must also accept that the situation is distinctly different in parts of the north. In fact, my research for this debate has shown that the problems are distinctly different almost everywhere outside the London fringe. There are severe problems as close to London as Essex.

The big problem is falling rolls. There are simply more places than there are children to fill them. Projections show that the problem will not diminish but will increase, in the short term at least.

Bob Spink (Castle Point) (Con): The hon. Gentleman raises an important issue. He mentioned Essex and falling rolls, so this is an apposite moment to state that in the Thames Gateway area, in which my constituency lies, the Office of the Deputy Prime Minister is planning to build another 124,000 houses. Some communities in that area that have schools with falling rolls will get thousands of new houses, bringing along hundreds more children. Does he agree that it is premature to be considering closing schools in such communities?

Dr. Pugh: The hon. Gentleman makes a sound point. It just goes to show that sometimes education policies and other sorts of policies do not dovetail in the way that we hope.

Traditionally, when we faced such problems, local authorities endeavoured to balance out the situation by controlling admission limits, by sometimes forcing amalgamations and mergers through, and by using what was then their considerable power to put gentle pressure on management who simply were not performing. That was the traditional recipe in the 1970s, 1980s and before. Falling rolls are not a new problem; numbers fell by about a third in the 1970s and 1980s, but picked up a little later. Although it is not a new problem, it is now a severe one.

I believe that falling rolls are the major problem facing educational planners. A survey in *The Times Educational Supplement* showed that 54 per cent. of local authorities think that they will merge or close schools in the coming year. The birth rate in 2001 hit a historic low for modern times. The Audit Commission says that two thirds of council areas will have more than 10 per cent. surplus places, and so it goes on. The Government clearly recognise that because they are cutting back on training places, except in areas where shortages have already been identified, such as in science and maths.

If we consider specifics, some drastic statistics can be found. One in 15 schools in Cumbria is scheduled to go. A 47 per cent. surplus in places—almost half—is predicted in Nottingham by 2009. Two thirds of Gateshead primaries have too many surplus places and, in Derbyshire, there will be a considerable fall in the roll of between 10 and 15 per cent. in the next four years. According to answers provided to me by the Department for Education and Skills, about 250 schools close per year, and that has been the picture for the past five years. The picture is a dramatic one and the problem is severe.

I will address the specific issue of my own LEA, comment on what I know happens there and on how we have tried to approach the matter. I will also point out why the current Government policies are of no real assistance and have no resonance. They seem to be formulated on another planet, although it is merely down here, in the DFES.

Most people would accept that Sefton LEA is a good one, and has been for many years. It is popular with its schools, has statistically had good results and has funded its schools for many years above the average level. The schools may be caught out by the new national formula. An indication of the tenor of the educational environment in Sefton is that no school opted out of LEA control when it was possible to do so. There were two votes; one was lost miserably and the first vote was lost—I campaigned to ensure that it was lost—by persuading parents that an opt-out by one school would disadvantage others. That shows something about the parents. They were offered the opt-out, but they declined on that basis; they did not see themselves as the adversaries of the other schools. Hon. Members will recall that in those days funding for opt-out schools was top-sliced from the LEA in a rather generous and inequitable fashion.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): Does the hon. Gentleman accept that parental views are paramount in education policy, given that he valued the views that they expressed in the two votes to which he refers?

Dr. Pugh: Parents' views are very important. I am not sure what stress the hon. Gentleman wishes to place on the word "paramount". One must accept that in addition to parents' views there are the views of the community at large, in respect of the utilisation of its resources. The community—the council tax payers—ultimately funds facilities as well and its views are also an issue.

Mine has not been a backward-looking authority. We introduced local management of schools—or independent finance for schools—long before we were obliged to do so. The LEA was democratically accountable, and I am not flattering myself because I served on it. I want to pay tribute to the quality of the other members. I was impressed with their knowledge and involvement and with the standard of the debates that took place. The level of understanding of educational issues on the council was far higher at that time than I believe it to be now. In addition, most parents got their first choice.

If I were a Government ideologue, I would say, "Well, the snag with that sort of system—a local authority managed system—is that it is too secure an environment for schools that are underperforming. Although they get the numbers, they may not also get the results". However, we were mindful of that even in those days and pressed for comparators between schools so that their performance could be judged. We insisted—again, we were ahead of the Government—that those be value added.

We therefore have a history of school rationalisation, and it has not been half as contentious or difficult as the current process. In those days, to be fair, we could cushion some of the effects of school rationalisation by increasing nursery provision, abandoning old buildings that were past their useful life, proposing reorganisation that seemed popular and using local authority capital funding to ameliorate the effects of the process. There was, however, still a lingering issue of surplus places, and the Audit Commission repeatedly reminded us that allowing the situation to persist would not be the most effective use of public resources.

However, those were the old days, and I preferred them in some respects, although not in an absolute way, because they had certain advantages over the current education environment. I say that because the Government have said several times that the surplus places rule has been dropped. Indeed, they have had to

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say that several times because hon. Members did not take up their comments straight away or did not take them at their word. However, the Government are quite genuine, and the existence of surplus places is not a consideration when deciding whether to encourage other schools in the same community to expand.

The net effect is that we risk massive expansion in one place, while schools in a similar place not too far away topple over. The local authority's role is no longer to manage the process, but to deal with the fallout—clearing up when one school goes down because another has come up. In the Chamber, I told the current Home Secretary, who was Secretary of State for Education and Skills at the time, that the local authority's residual role was to be the undertaker for unsuccessful schools and that it did not have much of a strategic role beyond that. That is certainly how things look at times.

In Sefton, we have been through a process of painful primary school reorganisation. It was preceded in other places by unplanned expansion that was not terribly well thought through. The net effect for parents and children in the schools that were targeted for closure was pain, upheaval and a sense that time and resources had been wasted. Indeed, appreciable amounts of investment had been put into some of the schools that became vulnerable.

The free market in education was cross-grained with some of the more imaginative transport plans that were being drawn up to reduce traffic to and from schools. As has been mentioned, it also cut across community strategies. Indeed, one of the vulnerable schools played a pivotal part in reinvigorating a community that had been through some hard times.

To be honest, the process was not well handled, although that was not entirely the Government's fault. It was also partly the fault of the local authority, which released a plan from on high—suspiciously, it was immediately after the local elections—and with a lack of agreed criteria. It has now learned a little and agreed a matrix of assessment for primary schools and it is considering how it can better conduct any future reduction in surplus places.

The process was also dogged by difficulties and anomalies with the formula. There were difficulties with the funding of smaller as opposed to larger schools and there was a sense that some schools were being set against others. It will interest hon. Members to know that, whereas we previously had a knowing LEA that would have seen the problem coming and been part and parcel of the solution, councillors—apart from the cabinet member—were fairly baffled about their role in the process and about what they could and could not say. Many were governors of schools that would be adversely or positively affected by the closures of other schools and had to get a special dispensation from the standards board to get round the declarations of interest that they would have to put in if they were still to cast a vote. At one stage, there was a serious danger that practically nobody on the council who had not previously declared an interest would be able to vote at a full council meeting.

The second point that should be made at this stage is that the local authority promptly proceeded without a clear idea of where the Government were going on initiatives such as extended schools or children's centres, and that problem probably dogs many a closure proposal in many a place.

Even under the current circumstances, things could be done better if there was the prospect of new building or of better use being made of facilities that were relinquished for direct school use. However things are done, the mantra of calling for new providers, more independence and greater competition is relatively meaningless. Private providers of education in my constituency are currently failing, although I do not mean that they are not performing very well. The Birkdale school for hearing-impaired children, which is a private school, was performing exceptionally well, but it could not sustain the course for financial reasons. Another private school recently closed down for precisely the same reason. There is no flood of private providers trying to get into the market. That is a hard case, but let me give hon. Members a harder case still.

Currently, the problem in my constituency is most manifest at Ainsdale—Hope high school, which is earmarked for closure. It has seen a sharp fall in rolls, and a horrendous financial crisis is looming as a consequence. In business terms—I hate using them—we would say that it has lost market share and is starting to suffer. It is the only co-ed, non-Catholic school in the southern part of my constituency, and of the two schools up the road—they are not very near—one is an all-boys school and the other is an all-girls school. If Ainsdale closes, there will be a sharp reduction in choice, which will have been brought on by competition between schools. Ainsdale provides a distinctive special needs environment, for which it is highly commended, but that, too, may go, resulting in a fair reduction in choice. Ainsdale has had its problems academically and in terms of numbers, but that has not always been the case. In my observation of schools in my neck of the woods, the reputation of schools hinges very much on factors as transitory as who happens to be the headmaster.

However, it gets worse. Ainsdale was taken over and became a Church school only last year. It has received capital investment and the parents have gone out and bought new blazers for their children. I have spoken to the Church about its capacity to help, and it has told me that if capital is needed, the Church can find it—or, rather, it is legally allowed to find it. After all, the same diocese is opening an academy in Newsham Park in Liverpool. What the school needs, however, is revenue to tide it over, but charity law forbids the Church from providing that revenue. Furthermore, the Government have arranged the funding external to the local authority in many respects.

We now have the danger of implosion, which is offset only by the authority leaning on other schools not to take in pupils who want to find themselves a more secure education environment. That is legally contestable and is probably the wrong strategy, but it shows the difficulties that arise when a school faces such a severe problem. Leaving the education market is not like leaving the retail market—there is an awful lot of human damage involved in the process.

The solutions involve increased travel and reduced choice. Ainsdale is a victim of a market philosophy in education, and the effect of its closure will be traumatic. The local authority and the Church, which are the

school's sponsors, cannot help. If the Government are confronted with the problem at some point, they will undoubtedly wash their hands of it and say that it is all down to local decision makers.

I do not want the Government to tell me what I know—that it is all down to local decision-makers. If the notes are already written, I suggest that they be hurriedly revised. I do not want them to give me the criteria for school closures. I have read them and I know that they say things about community involvement, travelling distance, alternative schools and so on. That does not help Ainsdale Hope high school to deal with a massive financial headache.

The Government would be right to say that they have repeatedly told local authorities that they must take community needs into account. They have also repeatedly given them a slightly different message—that they need to make efficient use of public resources. However, I do not want them to say that for two reasons. First, I know it already; it is perfectly true. Secondly, however, I do not want them to say it because it is evasive. The Government set the rules for this game. They fix the finance, define the objectives and micro-manage the process. In the past the LEAs would have managed the process in a benign way. They would have set admission limits and replaced failing management. They would have used LEA capital funding and they would have intervened early—at least, the best would have done. I accept that not all of them would have done; there are some poor LEAs. They would have inspected often. That is what I should like to have seen.

I should like the parents of pupils at Ainsdale Hope high and lots of other schools across the country to be spared some of the agony, and not to be drawn into the political debate. I had an interesting political debate about primary school closures with my Conservative opponent during the general election campaign. I think that the then Member for Westmorland and Lonsdale, Mr. Tim Collins, came down and said that schools would never be closed under a Conservative Government. Sadly, he is not here to deliver on that promise. However, I checked out what was happening in Cumbria, and I found that he had precisely the same problem as I had. He was trying to deal with a difficult human problem and a difficult problem of resources.

To get to the main point, the White Paper lays down a new strategic role for the LEAs—I have spotted that. However, it is not for the LEAs; I do not want to talk about LEAs any more. Let us talk about the "Cabinet member for education", whoever that is, because LEAs are a thing of the past, and it is silly to dignify them with the old description. There is a strategic role, and there is talk about early intervention and so on. Perhaps anybody who has difficulty believing me will believe the Audit Commission, which observes that analysis of the detail of the role is limited. In its most recent report it says that

"the White Paper fails in a number of respects to utilise councils (as accessible and locally accountable, elected authorities) to address the issues of challenge and concern more directly . . . A recent public interest report further highlighted the absence of effective access and challenge at local level to provide the necessary check and balance to enhanced school autonomy."

It finds that

"if anything, councils are too modestly resourced in order to carry out their functions."

What we have instead is a view of the educational world from the more salubrious dining tables of Islington and Notting Hill. In the real educational world, outside Islington and Notting Hill, we are not clamouring for more choice. Again, these are not my words but those of the Audit Commission:

"In many parts of the country, choice is neither realistic nor an issue of primary importance to parents."

We are not calling for more independence. In fact, we are attracted by the White Paper's concept of federation; co-operation; a learning and sharing community. We are not really calling for more travel—we do not want our schools to be further away. There may be special reasons for travelling further at times, as there are reasons why one might make a trip to the Trafford centre, but in the vast majority of cases, people prefer good, local facilities. We are not calling for more providers, we are not calling for the end of the LEA provider role, and we are not calling for cut-throat competition.

However—this comes not just from me but from the main body of the educational community—we are calling for the intelligent management of public resources and less waste; for the recognition that schools are not supermarkets and that the effects of closing them are not like the effects of closing a supermarket. We are calling for the problem of poor local provision to be solved by improving local provision, making schools beacons in their communities, not deserted by their communities. We very much welcome the capital investment proposals in "Building Schools for the Future", which would ameliorate the situation, improve the process and sugar the pill. However, if they are linked to suggestions such as that the price of receiving the investment is to have an academy, they are not such an obvious solution. In addition, we are calling for proper, local, accountable control. If that is not available, perhaps because a council is composed of just one party, there are remedies that can be considered. We can introduce a better electoral system if that is the price of getting a better, more accountable educational system.

If LEAs did not exist, it would probably be necessary to invent them. I fear that one day we shall have to do that. We all want children to achieve their best. If we disagree, it is on how to enable them to do it. It is manifest in the language of the White Paper that the Government are poised between two incompatible strategies. They can either go down the competition-led, free-market line of the think-tank ideologues, or they can listen to the voices of educational experience. I am pleased to see that an increased role has been found for the former chief inspector of schools, David Bell. He will provide that voice.

The White Paper faces both ways, and that is not sustainable. It certainly offers no solutions to the problems in many parts of the country outside London.

Several hon. Members *rose—*

Sir Nicholas Winterton (in the Chair): Order. Before I call the next speaker, may I tell hon. Members that I intend to start the winding-up speeches at midday. Particularly, I would say to those winding up for the Liberal Democrats and for Her Majesty's official

[Sir Nicholas Winterton]

Opposition that I think that it is good to allow the Minister a little longer than the time allocated to the other Front-Bench speakers so that she can make a proper response to this important debate.

11.29 am

Mr. David Anderson (Blaydon) (Lab): Thank you, Sir Nicholas. It is a pleasure to appear in front of you again.

I want to speak about my part of the world, Blaydon, which is part of the Gateshead local authority area to which the hon. Member for Southport (Dr. Pugh) referred. We have no debate in Blaydon about governance, letting private companies run our schools or the failure of the LEA because we have good shared governance. We have accepted a local academy that has produced some good results. We have a well-respected, well-run LEA that has helped us to deliver good services to the children of Blaydon with good standards and improved results against any checklist. The real educational debate is about two issues, particularly in Blaydon—the need for additional money to upgrade the buildings at some of our schools and the future of our primary schools in a time of falling numbers, which is the subject of today's debate.

In Gateshead as a whole there has been a review of primary provision, and the figures speak for themselves. People have taken lifestyle choices, and responsibilities come with those choices. Between 1995 and 2005, 1,991 fewer children went to school across Gateshead. Without any changes, the figure of at least 847 fewer has been projected for the next five years. At a time when the aim of the LEA is to have no more than 10 per cent. surplus capacity, 35 schools have between 10 per cent. and 25 per cent. surplus places. Without a change, that will increase by 23 more schools by 2010. At the moment, 17 schools have more than 25 per cent. surplus places and, without a change, there will be 26 such schools by 2010.

The local authority has taken a positive view of the problem within the parameters laid down by central Government and sees it as an opportunity rather than a problem. It is trying to improve the quality of children's education and wants to improve the learning environment and accessibility. It wants to develop and extend community use of schools and to make best use of the limited resources, but it also has no choice but to reduce the capacity by 2,000 places.

Stakeholders across the community have been involved. During the summer there was a general consultation and awareness-raising exercise with people in the schools and parents. In November and December there were consultations on detailed options, area by area, and every home in the area was given leaflets about what was going on. This month formal proposals will be brought forward and statutory consultations will take place.

In the review, a number of options have been suggested. First, the size of schools could be reduced and alternative uses could be found for the buildings. Secondly, the schools could be reorganised and amalgamated with other schools. In most instances, two schools would become one. Thirdly, schools could be developed or replaced altogether and existing schools could be improved.

The review also considered alternative uses such as expanding children's centres, extending activities within the school, developing more special educational needs provision and allowing more use by the community and by health services—a key area of expansion. Other people were asked whether there were other ways in which their school could be better used in out-of-school hours. Finally, people are being asked to give other options and say what they think. Nothing has been set in stone, except that the capacity has to be reduced by 2,000 places.

As the hon. Member for Southport said, there are issues raised in the wider education debate that come out in the White Paper. I know that the White Paper is specifically about secondary education, but the people concerned with primary education are asking where their role is. How do we square the foreword in the White Paper, which is written by the Prime Minister and states:

"Parent choice can be a powerful driver of improved standards",

and the Secretary of State's statement that we will deliver

"a system driven by parents doing their best for their children"

with the fact that the parents affected by the proposals in Blaydon tell me that their choice would be "Leave our schools alone"? They want the schools developed on site, not closed. I realise that that option is probably obvious to parents, and that it may be costly, but if the Government are serious and want to respond in a positive way to parental choice, they should address the key issues.

We could reduce class sizes at primary level. That would be the radical choice for education in this country and would give young people in their formative years the opportunity to develop in the way provided by private education, which would be a step change in people's lives. It would make them much better equipped to go into the secondary system and help to fulfil the diktat of Government in a way that is both radical and bold. To quote someone not many miles away, we are best when we are bold. My Government proved that in the first term and when they reduced class sizes to under 30, despite howls of protest from some people. Reducing class sizes would also provide parental choice, removing the confusion between the rhetoric and the reality of education policy.

The local authority in Gateshead will do its best to square the circle within the parameters in which it has to work. Those parameters will, inevitably, leave some parents less than happy. If we as a Government are serious about parental choice, about improving children's education and about being radical, we should seize the opportunity.

Dr. Pugh: I asked the previous Minister of State, the right hon. Member for South Shields (Mr. Miliband), a direct question and he replied that he would not consider lowering class sizes. Does the hon. Gentleman think that a firm presentation of the evidence is required to show that smaller class sizes get results, particularly in deprived areas?

Mr. Anderson: It is quite clear that they do get results. It is obvious. One of the things argued for in the White Paper is more personalised individual learning. If a classroom is full of too many people, children will not get that. I accept that we should consider the matter and take on board what the hon. Gentleman said about the previous Minister. Rather than a problem, there is an opportunity that we should grasp with both hands. We should commit ourselves to small class sizes with more personalised learning and provide a real base for the next generation to move on from.

11.37 am

Mr. Ian Austin (Dudley, North) (Lab): I am grateful for the opportunity to speak in this important debate and to bring to the attention of the House the situation in my constituency, where the Conservative-controlled council plans to close two schools, Highfields and Sycamore Green. I want to focus in particular on the unsatisfactory consultation undertaken by the council and the thin case that it has presented for closing the schools.

I wrote to the council in October objecting to the proposed closure of the two schools. I enclosed letters and petitions that had been sent to me by parents and children, which demonstrated the strength of feeling. I received no response to those letters, to the proposals and suggestions that were made in them or to the questions that I raised. More important, parents told me that they received no response to their letters, questions or petitions. The local authority also failed to ensure that people were properly notified of the statutory notices that it has since issued proposing the closure of the schools and has not set out properly how parents can respond.

Parents should have been told in writing exactly how they could respond to the notices. At the very least, the council should have written to all who wrote to it during the initial consultation period and set out the details of the statutory notices, inviting a response. I am sorry to say that I and many parents believe that the consultation process has been deeply unsatisfactory. Other proposals suggested by the schools, the governors and parents should have been properly considered and they have not. The council should halt the process, think again and look carefully at the alternative suggestions.

I object to the proposals because I do not agree with the council's premise for changing the pattern of primary school provision in Dudley. It has failed to answer entirely legitimate criticism and questions about the projected birth rates. I have looked at the figures from the Office for National Statistics and the data suggest that birth rates could be increasing, not falling. It is true that birth rates in 2001 were very low, but they have subsequently risen from 1.63 in 2001 to 1.77 in 2004. Research by the House of Commons Library shows that the council's underlying assumptions do not take into account the fact that trends may rise further in the future. They do not consider the impact that policies such as child tax credit, increased support for child care, better maternity and paternity pay, and the child trust fund could have on family size in future, nor do they take account of issues that could result in an increased population in Dudley. For example, one of the objectives of the black country study is to increase the black country's population by 100,000 and it is not clear whether that has been taken into account. The council cannot show that it has taken account of the impact that the increased housing development planned for sites close to both schools could have.

It is not clear that rolls are falling so dramatically at the two schools that closure is the only option. The council's policy, as I understand it, is to have no school with more than 15 per cent. surplus places. Pupil numbers at Highfields are not far below that at the moment, and meeting that requirement could easily be done by other measures, which I will set out briefly later. Dudley council's policy is also to have 7.5 per cent. spare capacity in each locality and it is not clear in its proposals where that spare capacity could be found under the present proposals.

Even if the council's case that surplus places have arisen and that the birth rate is falling is correct, I do not accept that closing schools is the only way of addressing the matter, and I do not accept the council's assertion that small schools with fewer pupils would find it difficult to sustain high-quality education. It would be better to provide extra facilities, and both schools would be ideal for Sure Start centres. Both are in deprived areas that would qualify for such provision, both have the necessary space and such provision would generate increased revenue to help to meet the cost of running the buildings. Governors at both schools have drawn up proposals for extended school provision and have plans for new nurseries. Highfields has already applied to Ofsted, with a target date of January 2006, and governors at Sycamore Green are in discussion with the local authority about early-years provision.

There are many other ways in which local authorities have reduced surplus places without closing schools—for example, by combining schools with other community facilities, providing wrap-around child care, educational support facilities, libraries, extended schools and so on. Both schools—Sycamore Green in particular—serve areas of high deprivation where children need more support and stability, not less. Results at both schools are improving. Sycamore Green is achieving 82 per cent. in literacy, 63 per cent. in maths and 82 per cent. in science. Standards are also increasing rapidly at Highfields. Facilities at both schools are of high quality and have improved with extra investment recently. Those facilities, combined with the ethos of the schools and the support that they receive from parents and the wider community are serving the children well. I am worried that their education will be destabilised by the changes.

At the very least, the council should respond to the questions, criticisms and suggestions properly. It should think again and bring forward proposals to prevent the closure of the two schools. What power do the Government have to examine Dudley's proposals and the process that it has adopted?

11.43 am

Mr. Edward Davey (Kingston and Surbiton) (LD): I congratulate my hon. Friend the Member for Southport (Dr. Pugh) on securing this debate. It is incredibly timely for two reasons. First, the debate on the education White Paper frames much of our discussion today. Secondly, we have recently seen the Audit Commission's submission to the Education and

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Skills Committee, which deals with many of the issues, particularly surplus places. Many of the points from his constituency and his wide experience were particularly apposite, and I want to build on his comments.

In the White Paper the problem of falling rolls in the secondary school system is mentioned once, but the number of secondary school-aged children in England will decline in the next 10 years by 500,000. Every English region will see a significant decline. In London, where everyone believes that there will be lack of capacity, the number will decline by 40,000, or the equivalent of around 40 secondary schools. I am not suggesting that that decline is spread evenly throughout the capital, but it is large, even in London.

When I have asked questions about that, the Minister has tried to hide the extent of the problem in the way in which the Government set their base years and final years and the way in which they make the different definitions. However, it is difficult to hide the large fall, so they try to make other little points in parliamentary answers. For example, they say that they hope to increase the number of people staying on post-16. I hope that they do, but still the numbers would nowhere near make up for the certain fall. The children have already been born and we know how many places will not be taken up.

The hon. Member for Dudley, North (Mr. Austin) talked about an upturn in birth rates in the last year, but that will take some time to feed through to secondary school education, even if it is maintained. I do not suggest that the White Paper should be based on one year's increase in birth rate last year.

There is a huge problem in the demographics. The Government admit that on the one hand—one hon. Member said that they were cutting the number of teacher-training places—but, on the other, they refuse to admit it in their provision for the future. I would have thought that a White Paper on English schools would have had that at its centre. This is such a major problem for local authorities, schools and education finance that I would have thought that the White Paper would have had at least a section on it, not half a sentence. That is a major dereliction of duty. I have made the point on the Floor of the House and to the press about how significant the problem is, but some people just do not get it.

How can we manage the problem? There are two basic choices—a market-based system and a system with strategic management through the local authority. The White Paper, as we all know, moves towards the market direction, with parental choice deciding which schools stay open and which close. The Minister may say that chapter 9 of the White Paper proposes that local authorities should have extra powers to close failing schools immediately. She would be right, but note the word "failing". In the White Paper, that means failing academic performance, not financial viability or whether there are too many surplus places. The White Paper is clear and it is not a solution to the problem.

The White Paper's focus is very much on a market-led reduction in the number of surplus places. Will that be efficient? Will it involve parents? Will it ensure that it happens quickly? My answer is, of course, no. It is the most expensive way, the most delayed way and the least consultative way of dealing with this major problem . Indeed, the Audit Commission's response to the Select Committee report on the White Paper is absolutely devastating. On page 5 it argues in a slightly underplayed way, which is typical of bodies such as the commission, that

"communities and"—

local government—

"would benefit from the government acknowledging explicit advisory levels of acceptable surplus places within a council or a sub-regional area. There will be of course be regional local differences but the Audit Commission's view is that the previous benchmarks"—

they have been downgraded by the Department—

"of 10 per cent of places in aggregate and 25 per cent in individual schools should be reinforced."

That may be a way forward. I am not saying that it is the only solution, but we could debate it and discuss the level of spare capacity that is sufficient to provide parental choice. I am not against that. Spare capacity is necessary, but the question is how much. That should be the debate and the figures used may help that. Spare capacity costs council tax payers money and, as my hon. Friend the Member for Southport said, council tax payers, the wider community and parents want to know that public resources are being efficiently managed. They want some guidelines on how many extra places they are being asked to pay for. Will the Minister tell us whether her Department has some guidelines in mind and whether it will publish them? If not, what is the Minister's estimate of the cost of a surplus place today? How much does an empty place in a secondary school or a primary school cost the taxpayer? Obviously, there are various assumptions about that. If she cannot give an answer to the question today, I hope that she will confirm that she will write to me with one, as the question is germane to this debate and to the debate that we will have during the next few weeks.

We have done a few sums. In 1996, the Audit Commission took an authoritative stab at an estimate in a document called "Trading Places". If that figure is augmented by the extra amount that the Government have allocated per pupil, by the increase in surplus places and by inflation, it starts to approach £600 per surplus place. That is a huge amount, given that surplus places are increasing.

Let me give an authoritative notion—a feel—for the number of surplus places. Again, I quote from the Audit Commission's submission to the Select Committee. It states:

"In 2004 there were nearly half a million surplus places in the primary sector."

That is half a million at perhaps £600 each. The report states that that

"represented over 11 per cent. of the total capacity."

Perhaps that is value for money in terms of parental choice, but let us at least have a debate about it.

The Audit Commission also looks forward to what will happen. Worryingly, despite the increase in the birth rate in Dudley, North, the report states:

"Unless action is taken, two thirds of council areas will have over 10 per cent. surplus places by 2008".

That will be a massive problem in the primary sector.

In recent years, there has been an increase in the number of pupils entering the secondary sector, but we are about to have 10 years of year-on-year decline in every region. In 2004, there were 22,000 surplus places in the secondary sector—6 per cent. of capacity. According to the Audit Commission,

"by 2011 more than a third of council areas will have greater than 10 per cent. surplus places."

That is in just seven years' time. With a 10-year planning horizon, it will be significantly more.

The extra capacity will have a huge cost. Are the Government saying that they will fund local authorities and schools to meet that cost? I do not think so. Therefore, they ought at least to have a strategy. They ought to tell us today what they will do. I would like the Minister to tell us whether the Department for Education and Skills commissioned any research or reports on the issue from anybody, be it the Audit Commission or anyone else, this year, last year or the year before. If it has not, it has been negligent. If the Minister cannot answer the question today, I hope that she will write to me and to other Members with the information.

There is a real issue about value for money and about the future of our schools. At present, we hear nothing from the Minister that suggests that the Government are at all on top of the issue.

Dr. Pugh: I suspect that many hon. Members who have spoken will disagree, when it comes to practical cases, on the most benign way of keeping surplus place figures down, but, surely, we are confronted with a Government strategy that is, in fact, likely to increase the problem—not only not address it, but make it much worse.

Mr. Davey: My hon. Friend anticipates exactly what I was about to say. We can see a little of the future. The Government may say that their plans are not like those for the grant-maintained schools of the past, and they are right—they are not identical. However, there are some lessons to be learned, as the grant-maintained school system was based on more independent decision-making by governing bodies and head teachers.

London had more than its fair share of grant-maintained schools, and what happened? In London, more than in any other region, there was a decline in planning for future places and a reduction in the spare capacity that was needed for youngsters. London has had more problems because of the Tory experiment with grant-maintained schools. Bizarrely, the Government have looked at London and said, "Let us find a solution for the whole country based on London's problems. In fact, let us give the rest of the country the Tories' solution for London and all the problems of London." That is bonkers.

My hon. Friend is right to say that we can debate the best way to manage the problem and how much surplus capacity we are prepared to pay for—the right amount of money to put into maintaining some capacity for parental choice—but we surely cannot think that the proposals in the White Paper are the way to deal with the issue. They are chaotic and non-strategic and would not involve parents in the way that the hon. Member for Dudley, North wishes.

Those who talk about parental choice as if it is the only thing that matters have some questions to answer. We may all want parents to be involved, but should that be the first-order issue when we are considering the management of schools? When parents do not choose choice because they want a good local school, should policy makers force choice down their throat or spend taxpayers' money in other ways—on smaller class sizes, on improving the supply of teachers and on improving the curriculum choice for young people? There are many reforms other than the ones on offer that would improve standards in our schools. There are many other ways of dealing with the surplus-place problem that is hitting English schools, and I hope that the Government, even at this late hour, will change their strategy.

11.56 am

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): I should like to start by congratulating the hon. Member for Southport (Dr. Pugh) on securing this important debate. There is no more important issue in today's world than education, and all of us in the House who take an interest in education matters set out with the objective of improving the quality of education in our schools and raising standards.

I am sure that the Minister will agree that it is always tragic when a local school is forced to close. It is deeply unsettling when rumours abound that a school is about to be closed. Falling school rolls over the years present real challenges to many local education authorities, as exemplified in the speech of the hon. Member for Dudley, North (Mr. Austin). As the hon. Member for Blaydon (Mr. Anderson) said, 17 schools in Gateshead have 25 per cent. or more surplus places, and that is due to rise to some 26 schools by 2010. The parliamentary answer that the hon. Member for Southport received recently shows that, on average, 25 secondary schools have closed every year for the past five years.

The hon. Member for Kingston and Surbiton (Mr. Davey) spoke eloquently about the problems caused by falling rolls, but I listened and waited in vain for his proposed solutions. He is surely not putting forward the proposition that no schools can ever close in this country.

Mr. Davey: The hon. Gentleman is right. I should have been more explicit about my party's solution. I believe that democratically accountable local authorities with a leadership role in their communities working with parents, schools and the Department is the way to manage the problem. That has been done in places such as Knowsley, where there are many education challenges. That authority is moving from 11 to eight secondary schools and taking the whole community with it. That is good local authority leadership, and that is what we should be promoting.

Mr. Gibb: I am grateful for the hon. Gentleman's explanation, but such an approach is not mutually exclusive of parental choice.

I listened carefully to the passionate defence of Ainsdale Hope high school by the hon. Member for Southport, who, clearly, is far better placed than most of us to know the truth about how good the school is. I do not question his judgment or his passion, but he said

[Mr. Gibb]

that parental opinion could often be influenced by transitory factors such as who is the headmaster. Issues such as the leadership of a school are not transitory matters. They are fundamental to the success and reputation of a school, and it is wrong to dismiss such factors as airily as he did.

Dr. Pugh: I hope that I did not give that impression. The point is that there is a rotation of head teachers and we have observed in our own constituencies that the reputation of a school can hinge on its head teacher, even if they are there for a decade. We are talking about institutions in which millions of pounds are invested over many years—several decades—and if a school is needed in the community it should not go under simply because there is a switch of resources from one school to another, which may not be sustained.

Mr. Gibb: The hon. Gentleman is right, but that shows the paramount importance of governors in selecting heads. The issue becomes increasingly difficult when there is a massive shortage of potential heads, and the number of applicants to schools is very narrow in some instances. In general, parents get things right.

Parents to whom I have spoken about local schools have very well informed views. They may or may not take much notice of league tables or Ofsted reports. Some regard such information as irrelevant, but some regard it as very important and will read the website and pay close attention to the facts and figures. However, few parents, even those who scrutinise the website in detail, rely solely on such information. They base their views on years of local knowledge about the school. I am not talking about Ainsdale Hope high school, but more generally.

Issues such as the behaviour of pupils when they walk to and from the school, how smart they look, the number of incidents of poor behaviour reported in the local newspaper and the number of Oxbridge places that pupils gain are often an influence on the reputation of a school. Word of mouth, the general view of parents of pupils at a school and how happy they are with the quality of teaching, the level of discipline, the prevalence of bullying and the amount of homework that the children take home are all factors. I trust parents' views, and if they dislike a school, I take the view that they are likely to be right. That is why the Conservative party supports the notion of parental choice in selecting a school.

Mr. Davey: I am sure that the hon. Gentleman will accept that all the different factors that he listed can apply now and there should be no bar to parents reacting to them. However, the notion that everything should be decided by parents misleads people. The idea that parents can choose absolutely everything in their local education system is not true and cannot be. Is there not a danger that some of that rhetoric is not telling parents the full truth?

Mr. Gibb: The hon. Gentleman makes very valid points, which I shall deal with in a moment.

Choice is important. In this modern, consumer age of transparency where information on all things is widely and easily available, the idea that choice can be reduced or eliminated is not of the real world. The hon. Gentleman attacks the concept of choice—*[Interruption.]* He is either saying that he will increase or reduce choice. Leaving aside the practical realities and considering the legal basis of allowing parents to have choice within what is available, if he is implying by his criticism that choice should be reduced, that is a huge mistake and wrong in principle.

Mr. Davey: I am glad that the hon. Gentleman has given me a chance to clarify. I am absolutely not saying that. Indeed, one of my concerns about the proposals in the White Paper to give schools control of admissions, which his party supports, is that it will reduce parental choice. In many ways, by opting for the approach that the Government are taking, those in his party have become the enemies of the parental choice that exists at the moment through a fair admissions system decided by local admission forums.

Mr. Gibb: I am often amused by the concept that increasing choice somehow reduces it, but we shall leave that aside for the moment.

In many cases, as the hon. Gentleman said, such choice is limited, given the shortage of places at good schools, and there are other practical realities that limit choice. However, that is not a reason to limit choice. It is a reason to do more to expand the number of places at good schools. The hon. Member for Southport is right to say that the situation is very different in rural areas, or in suburban parts of Britain outside London, where the reality is that choice is limited. Again, that is not a reason for limiting choice by law where it is possible.

The fact that there are surplus places in an area is not a bad thing in itself. If every surplus place were to be driven out of the system, parental choice would be limited further still. We need a sizeable percentage of surplus places to oil the system to enable the choice mechanism to work, which is why, during the lead-up to the last election, we proposed allowing 10 per cent. of places to be surplus. As the hon. Member for Southport said, the Audit Commission has said that falling school rolls are likely to mean that 10 per cent. of places will be surplus. That carries a cost, as the hon. Member for Kingston and Surbiton said.

The Schools Minister in a recent answer to a parliamentary question said:

> "Local authorities are responsible for planning school places in their areas. They have a duty to ensure that there are sufficient places to meet the needs of the local community and must also ensure that high quality education is provided in a cost-effective way."—[*Official Report*, 19 December 2005; Vol. 440, c. 2425W.]

She said later:

> "Where schools expand or new schools are created to meet parental demand we expect local authorities to act decisively to remove surplus places in schools which are not popular with parents and to ensure educational resources are used in the most efficient way possible."—[*Official Report*, 19 December 2005; Vol. 440, c. 2432W.]

The Minister is right. Surplus places should be removed in unpopular schools, and as I have said, we should trust parents' assessment of the quality of local education provision. However, I would not want the Minister's views as expressed in that answer to be interpreted as

meaning a complete eradication of all surplus places. There was a report in last week's *Southport Visiter*. Is that a weekly newspaper?

Dr. Pugh: Bi-weekly.

Mr. Gibb: It is a bi-weekly newspaper. Its report said:

"Following the shutting of five schools and the merger of a further four in South Sefton last year, the council claims Southport now has the highest number of surplus places in the borough—with 975 empty desks."

I am not sure what percentage that figure is of the total number of places, but if the drive behind Sefton's school closure plan is to drive out all surplus places, it is not an efficient way to marshal resources.

For a long time, our party has claimed the existence of a surplus places rule, according to which a local authority would refuse to allow a popular school to expand on the grounds that there are surplus places in the area. I know from correspondence that the director of education in West Sussex council says precisely this, but the Government have consistently denied the existence of such a rule. In the five-year strategy published in 2004 they say:

"There is no 'surplus places rule' that prevents schools from expanding. All successful and popular schools may propose to expand, and we strongly support them in doing so where they believe they can sustain their quality."

Lord Filkin said, in another place:

"I should also touch briefly on the issue of the surplus places rule. There is no surplus places rule".—[*Official Report, House of Lords*, 18 January 2005; Vol. 668, c. 693.]

Such denials were blown out of the water in October last year when the Prime Minister said, in a speech on the White Paper given the day before it was published:

"In our schools, as I shall go on to describe, the system will finally be opened up to real parent power. All schools will be able to have Academy style freedoms. All schools will be able to take on external partners. No one will be able to veto parents starting new schools or new providers coming in, simply on the basis that there are local surplus places."

The Prime Minister told the Liaison Committee:

"I am simply saying that you cannot say that good schools are unable to expand simply because you have got surplus places elsewhere when the surplus places elsewhere may be in a school that is not up to standard."

So there we are. My party agrees with the Prime Minister, but I am less sure whether Labour Back Benchers agree with him. The Government will certainly have our support for measures in the Bill, when it is finally published, that genuinely enable good schools to expand and give genuine autonomy to schools.

The recent National Audit Office report, "Improving poorly performing schools in England", revealed that 23 per cent. of secondary schools in England are underperforming. All of us in the House have to work together to tackle that problem, and the Opposition will do all that we can.

Dr. Pugh: One final nagging doubt about the hon. Gentleman's stance afflicts me. He will accept that most parents would choose a very good local school and that parents do not willingly choose to send their children any further than they have to, because that is expensive and, although travel broadens the mind, most travel to school does not. If the net effect of that is that the local school is in financial difficulty and goes under, is that the best long-term solution? Might not a better long-term solution be to ensure that a good local school is there for everyone, because that must be ultimately what everyone would choose?

Mr. Gibb: Of course the hon. Gentleman is right. We want more local schools delivering high-quality education. Parental choice is not the be-all and end-all; it is not the only mechanism for driving up standards. I am thinking of a range of other measures, taken by the local authority, the Department for Education and Skills and the Qualifications and Curriculum Authority. All those bodies have a role to play in trying to drive up standards, so that we have more good schools in more localities throughout Britain. Ultimately, however, parents should have a say, and if parents do not want to send their child to a school because they are worried about its reputation, standards and quality of teaching, they are perfectly entitled not to, and consequences follow from that.

The Opposition are concerned about facts in the National Audit Office report and we will do all that we can with the Government, or by opposing the Government, to ensure that the problem is tackled as soon as possible, because in this global world, where high values of education are vital, we can no longer allow 23 per cent. of our secondary schools to be regarded by Ofsted as under-performing.

12.12 pm

The Parliamentary Under-Secretary of State for Education and Skills (Maria Eagle): I congratulate the hon. Member for Southport (Dr. Pugh) on obtaining the debate, which has been excellently conducted by hon. Members on both sides of the Chamber. The hon. Member for Southport perhaps raised more local issues about his experience in his constituency and with his local authority, but hon. Members on both sides of the Chamber have connected to the wider debate. We might consider today's occasion to be some of the opening skirmishes of the debate on the education White Paper, but it has been a thoroughly enjoyable and excellent debate. In the time available, I shall try to deal with as many of the points raised by hon. Members as possible, but given that the debate was initiated by the hon. Member for Southport, I shall also try to deal with some of the specific points that he raised about his constituency experience.

I am pleased to acknowledge—this fact is incontrovertible—that hon. Members on both sides of the House have the interests of children and schools very much at heart. We are all engaged as politicians in the game of trying to ensure that we improve standards for children; that children can, as they grow up, meet their full potential and that they have the best possible choices in life, which only a thoroughly good education can bring. By achieving that, they can perhaps overcome disadvantages that they may have in life. That is the core of all the policy thinking and all the interventions and speeches that we have heard today from hon. Members on both sides of the Chamber, so I am happy to acknowledge it.

The hon. Member for Southport did not specifically mention this one way or the other, but Sefton council, his local authority, has received significant funding

[Maria Eagle]

increases aimed at improving and assisting in the running of schools in his constituency. Since 1997, its funding has increased by £1,270 per pupil in real terms, which is a 46 per cent. increase and is over the national average. In the current financial year, Sefton will receive a just over £3,500 guaranteed unit of funding per pupil. We are having this debate about standards and organisation of schools in the context of increasing resource levels and of a debate about how best to turn that money into real value and excellent outcomes for as many children as possible.

Of course, schools' organisation is primarily a matter for local authorities. The hon. Member for Southport suggested what I should not include in my speech. It is quite interesting to have the hon. Gentleman who called for the debate tell the Minister in advance what he does and does not want to hear. None the less, he will have to listen to a little of what he perhaps does not want to hear. There is no doubt that organisation of schools is a matter for local determination. That is just a matter of fact since the School Standards and Framework Act 1998, and I for one, as a Minister in the Department for Education and Skills, am happy that I do not have to sit at my desk and try to work out which schools in the constituencies of each hon. Member in England ought to stay open and expand, or close. To be perfectly honest, if I had to do that, I would have no time to do anything else and I would almost certainly be one of the most unpopular people in the country, whether or not every decision that I had made was perfect.

These matters have to be determined at local level, are sensibly determined at local level and should not land on the desks of Ministers. The hon. Member for Southport has to accept, although he did not want me to say it, that it is incontrovertibly the fact that these matters are dealt with, and are best dealt with, by local authorities.

My hon. Friend the Member for Dudley, North (Mr. Austin) said that he would like to see more consultation, discussion, information and openness about the way in which the decisions in respect of the two schools in his constituency are being made. I support him in that respect. He needs to ensure that he continues to press the council, as I am sure he will, to be as open, honest and transparent as possible, not only with him but with local parents, about the way in which that reorganisation should be pursued. If he is even disputing the facts about the birth rate, a lot more clearly needs to be done to ensure that there is a shared understanding locally of what the needs are in his constituency. However, I am sure that, like any hon. Member, he is perfectly capable of making that point to the relevant people who need it to be made to them, without too much assistance from me.

My hon. Friend the Member for Blaydon (Mr. Anderson) made specific points about surplus places. Not surprisingly, that was a strong theme running through the debate. It was flagged up by the hon. Member for Southport, who referred to the situation at what was Ainsdale high school and is now Ainsdale Hope high school. He will know that I know his constituency well, being a Member of Parliament from a not-too-distant place. He might not know that I attended for the whole of my secondary education one of Sefton's excellent local schools—Formby high school—so I have personal experience not of Ainsdale high school, but certainly of Sefton schools. That leads me to accept his assertion that it is a good local authority in respect of the way in which it carries out its duties to schools. Certainly, Ofsted reports do not indicate anything other than that, and it is grappling with this issue.

The hon. Gentleman did not quite mention what has happened in terms of numbers at Ainsdale Hope. My understanding is that it has gone from having 628 pupils in January 2005, which meant that there were 171 surplus places in the school, to having 366 pupils this January, so it is clearly moving in the wrong direction in terms of parents sending their kids to that local school. I am happy to accept that the local authority has been doing what it can to support the school, not only by closing it as a community school and reopening it as a voluntary-aided school, but by putting investment into the site. For example, a learning centre has been placed, I believe, in a building on the site. It is not, perhaps, in the school itself, but it certainly makes the school a centre of all kinds of educational opportunities in the area. The hon. Gentleman will have more insight into the subject than me, but from the numbers it seems that local parents have not been convinced. We know from constituency experience that we can run into difficulties. If local people feel that the school will inevitably close, it can become a self-fulfilling prophecy, as people move their children before the school closes.

There is no doubt that the local authority will have to handle the issue, as it seems determined to do. However, I should make one or two points about falling school rolls and surplus places, because it has been a theme of the debate. We know that nationally the number of children in primary education is falling—the hon. Member for Kingston and Surbiton (Mr. Davey) made the point—and that that impacts on secondary schools.

In Sefton, in the constituency of the hon. Member for Southport, 15.2 per cent. of primary school places are surplus, which amounts to 3,911 places. Some 4.6 per cent. of secondary school places are surplus, which amounts to 1,013 places. As the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb) said, it is not sensible to run a system without any surplus places; there have to be enough places to take account of people moving in and out, the needs of looked-after children, who may move from school to school, and people who move home between the usual rounds of admissions. We cannot be silly about that; there must be at least some surplus places. None the less, the point can be reached at which the inefficiency of a local authority operating at such a level means that action must be taken. If the level of surplus places is too high, it can represent a poor use of resources. Those resources could be used more effectively to support other schools in raising standards. In such problem cases, the local authority must take action.

Mr. Davey: Surplus capacity is not just about in-year transfers and a little bit of slack; it is necessary for parental choice and preference. That is why my party believes that there is some value in paying for surplus places. The question is how many.

Maria Eagle: I was not suggesting that the hon. Gentleman thought otherwise. Nor do we seem to disagree that if there is to be any choice, there must be some surplus and slack in the system to enable that choice to be made. I doubt that we would agree on the precise percentage, or that we would even have time for such a debate. I have no doubt that it will feature in our discussions about the White Paper and legislation arising from it.

The problem of surplus places was not created by the White Paper or by any policies introduced by the current Government. In any system, there must always be a question over what to do with surplus places. The problem did not suddenly appear with the White Paper; it is an issue with which every system must cope.

With the Audit Commission, we have produced a web-based toolkit, of which hon. Members may be aware and with which they may be familiar. It offers a range of practical advice and guidance to local authorities facing such issues. We encourage imagination. My hon. Friend the Member for Dudley, North suggested some imaginative ways of dealing with the issue, and he mentioned his local authority's need to close two schools. There are ways—less brutal than school closure—in which we can encourage the local education community to deal with such issues. However, I am not saying that school closures are not sometimes necessary.

Mr. David Anderson: The Minister has laid out exactly what we in Gateshead are trying to do. The options include extra community use and use by the health service. Reality clashes with parental choice, however. The parents do not want to see the schools close, and the only way around that is not to close them, and to reduce class sizes and provide a better education. That would be a win-win for everyone.

Maria Eagle: It is tremendously important that in such debates, all local implications are thoroughly discussed. That is why I hope that my hon. Friend the Member for Dudley, North will get back on to his council to be a bit more open. When there is a thorough local debate, local parents are not totally selfish, nor are they interested only in their school; they are interested in all local facilities. There are other ways forward, including amalgamation, federation and collaboration, and the extension of schools to include public service facilities, such as health facilities. They are local solutions that may be appropriate.

I agree with the hon. Member for Bognor Regis and Littlehampton that parents are not daft. They, much more than somebody in Whitehall or in a council chamber, know what is best not only for their children but for their local community. It is important that parents are involved. Parents will not always be rational locally; they may sometimes do something that is not sensible. However, the essential arguments and discussions must take place locally. Through the school organisation committees and, eventually, the adjudicator, there is a mechanism for resolving any local disagreements.

The system is designed to attempt to ensure some kind of agreement—unanimous, preferably—among local stakeholders, so that such matters can be taken forward sensibly, without dictation by Whitehall, guided by good practice and toolkits on our website, of which people can make use in order to deal with the local situation in Sefton, Dudley, North or Blaydon.

Dr. Pugh: I am very much in favour of the benign solutions and the consultation of which the Minister speaks, but in trying to anticipate what will befall the local authority, one factor is knowing precisely what it needs to do about children's centres and extended schools, and precisely when "Building Schools for the Future", for example, will come its way. Early indications can turn problematic situations into almost beneficial situations.

Maria Eagle: I agree with the hon. Gentleman. Those decisions must be made with the maximum information, via the DFES, not only for the big, capital programmes such as "Building Schools for the Future", but for other public services, such as health or children's centres. It is not necessarily easy to obtain all the information when it is needed, but locally we must try to ensure the availability of as much information as possible in order to make the best possible decisions. I do not resile from the fact that those decisions ought to be made locally. The hon. Member for Southport did not want me to say that, but I have and it is now on the record.

Surplus school places and falling primary rolls will form a key part of the debate about the White Paper. The hon. Member for Kingston and Surbiton asked me several specific questions about the cost to a local authority of paying for its surplus places. He will not be surprised that I cannot give him a figure, because it varies and one might choose to use many different parameters in order to work it out. Statisticians get excited trying to work out such figures. Although I cannot respond specifically to his points, I am happy to drop him a line to deal with the points that we do not deal with today. There is no doubt that surplus places provide a way of ensuring that schools can respond to the movement of pupils. Surplus places are not always 100 per cent. bad. It can become difficult if their level becomes too high in a particular area. I will write to the hon. Gentleman.

Derek Conway (in the Chair): Order. I am sorry to interrupt the Minister, but I think that she has fairly well finished anyway. We must now move on to the next debate on Darfur and the threat to security in Sudan, in the name of Mr. David Drew.

Security (Sudan)

12.30 pm

Mr. David Drew (Stroud) (Lab/Co-op): I am delighted to introduce this Adjournment debate, having escaped from Committee proceedings on the Animal Welfare Bill in which I was speaking about 30 seconds before I arrived in this Room. I am delighted also that the hon. Members for Buckingham (John Bercow) and for St. Ives (Andrew George), the Front-Bench spokesman for the Liberal Democrats, are present. I welcome the Minister to the debate. Its subject is not his particular portfolio, but I am sure that it will be a quick and helpful learning curve on Africa.

I wish to thank Senait Petros who has become the co-ordinator for the all-party group on Sudan, her predecessor Sultana Begum and my predecessor, Hilton Dawson, for the work that he did on Sudan. He is much lamented. We make no apology for continuing to raise the issue in this place, especially Darfur, which is in a parlous state. I thank Christian Aid, Amnesty International and Oxfam, which have also helped to bring to our attention some of the issues on which I shall dwell.

The humanitarian, security and political situations continue to deteriorate in Darfur. Atrocities happen daily. People are still dying of malnutrition and disease in large numbers and a new famine is feared. According to recent reports by the World Food Programme, the United Nations and the Coalition for International Justice, 3.5 million people are now hungry, 2.5 million people have been displaced due to violence and 400,000 people have died in Darfur. As the security situation deteriorates—I stress "deteriorates"—humanitarian access is becoming worse. The international community is failing to protect civilians or to influence the Sudanese Government sufficiently to make sure that there is proper access.

The breakdown of the peace process and the deterioration of the security situation in Darfur have led to worsening relationships between Chad and Sudan, and the rebellion has ramifications that go beyond Darfur into the east of the country and threaten the comprehensive peace agreement. I intend to refer to those issues, but with your permission, Mr. Conway, I hope that the hon. Member for Buckingham will be able to speak after I have finished.

The sanction report of the UN Security Council's committee on Sudan said that small arms and ammunition have increasingly been flowing to the anti-Government rebels from Chad, Eritrea and Libya in violation of the UN arms embargo. The UN-appointed panel also accused the Government of Sudan of violating the embargo by moving arms into Darfur from elsewhere in the country arming the Arab militias and deploying additional attack helicopters. That is all well known; the simple fact is that it continues to this day.

The report of the International Commission of Inquiry on 31 January highlighted the violation of human rights in Darfur. The main findings state that the Government of Sudan, the Arab militias and the rebels are all guilty of serious violation of human rights and humanitarian law that may amount to crimes against humanity and/or war crimes. Following that, on 29 March the UN Security Council passed resolution 1591. In reply to my parliamentary written question on 12 January, it was good to hear the Minister for Trade, who speaks on Africa in the House, make a robust statement on behalf of my noble Friend Lord Triesman, in which he stated that the UK Government want the International Criminal Court to be able to investigate what has been going on in Darfur. It is lamentable that the Government of Sudan continue to block that and not recognise the ICC. My hon. Friend the Minister might want to express some views on that.

The Security Council has put in place an asset freeze and travel ban on belligerents. It does not seem to be working. What does my hon. Friend have to say about that? What will the United Kingdom Government do to pressurise the Government of Sudan to fulfil their obligation to identify, neutralise and disarm militia groups outside the formal state security forces under their influence, as demanded by the Security Council? What will they do to pressurise all sides to abide by the ceasefire and the security protocols, and the recommendation under resolution 1591 to widen the arms embargo? Clearly, the recommendation is not working. What are the Government doing to put pressure on the key nations of Chad, Eritrea and Libya to stop playing an unhelpful role in aspects of the conflict?

The ceasefire and peace talks seem to be making rocky progress. Since July 2005, efforts to push forward the peace process have continued. However, a split within the Sudan Liberation Movement/Army has brought the talks to a standstill. Negotiations with the SLM/A and the Justice and Equality Movement led eventually to the opening up of a joint position on behalf of the rebels. Given that the rebels have demanded the vice-presidency of Sudan and the return of territory that was removed from Darfur and incorporated into northern Sudan in the 1990s, such matters have been brought to an abrupt halt. I wonder what the UK Government are doing to provide capacity to the rebels but, more particularly, what pressure are they putting on the Government of Sudan to get the peace talks under way?

I have received much evidence from Amnesty International of awful human rights abuses, such as rapes and sexual violence against women and girls. I have much evidence of illegal detentions, arrest and intimidation of civilians, forced returns of internally displaced persons and evidence of torture. The Sudanese Organisation Against Torture—the wonderful organisation that we met when the hon. Member for Buckingham and I were last in Sudan—comes forth daily with many lists of people who are being discriminated against and worse. In the west of Darfur, an even worse situation is growing. Again, what are the UK Government doing to put pressure on both the Chadian Government and the Sudanese Government to help resolve the problem?

I shall move on to the wider scene in Sudan. As an all-party group, we have been desperately worried for the past two years that whatever is happening in Darfur can be played out in the east of the country. We met representatives of the Abuja Congress there and we continue to meet them here. They seem to be only a touch away from launching their own conflict, which would be a desperate situation. Matters are made worse

because of the closeness of Eritrea and Ethiopia, which are making their own warlike noises. It would be interesting to know what the UK Government are trying to do to bring some sanity into the situation. Under the comprehensive peace agreement, the SLM/A must withdraw from eastern Sudan by 9 January 2006. There is no evidence that that has happened. What will the UK Government do to make that happen? The withdrawal is behind schedule and there is a risk that it could spark a full-scale conflict.

I shall speak positively about the CPA towards the end of my remarks, but if it is to mean anything, it will have to bring peace to Darfur and stop war in the east. It is not only the Government of Sudan who must be brought to task to make sure that that is happening. Pressure must be put on the SLM/A that will result in something better happening. As for the International Crisis Group, it is recommended that the UN should name a special envoy to do what Senator Danforth was doing several years ago. It needs a lead mediator who can speak to all the different parties. What are the UK Government doing to bring that forward?

Andrew George (St. Ives) (LD): The hon. Gentleman is making an excellent case and asking exactly the right questions. Does he wish to comment on the context of the UN mandate? We both went to see Lord Triesman to discuss the issue. Does the hon. Gentleman wish to comment on whether that might be strengthened, and if so, how? Are there sufficient African Union troops in the area to enforce that sort of mandate?

Mr. Drew: The hon. Gentleman is percipient: I was about to mention the African Union and the support that we should be providing, starting with the point that the AU force is still not up to strength. I believe that it was demanding 7,700 peacekeepers; it said that that was how many it needed to be at least partly effective on the ground. What are we doing to help in that regard?

I do not know what has been the outcome of the dispute over the failure of the Government of Sudan to allow in the armoured personnel carriers that the Canadian Government kindly offered. Are they still stuck somewhere in Khartoum, or have they now reached the place that they should be at? It would be interesting to get the definitive answer to that; there are rumours that they have now been released, but it would be good to hear what the Government have to say about that.

How can we further bolster the AU? In the short term, there needs to be a push for support to the western part of Darfur, but the AU force may need to be strengthened further and linked with UN—and, possibly, NATO—forces because of logistical requirements. We might also need to put pressure not only on the Government of Sudan, but on the Government of China, who have not been helpful through the UN Security Council. I would like the Minister to comment on that.

My last point relates to eastern Darfur. It is somewhat bizarre that there are suggestions that Sudan is being nominated for the chairmanship of the AU. Nothing ceases to amaze me, but in this time and place, with AU troops in that country to try to keep the peace there, it is surely not appropriate for the Government of Sudan to be chairing the AU, which is, in a sense, trying to scrutinise what they are doing.

I will finish on a more positive note, before allowing the hon. Member for Buckingham—who is my good friend—to say a few words. The comprehensive peace agreement is a wonderful achievement; no one wants to underestimate that. However, questions arise out of the fact that it appears that only $112 million out of the $4.5 billion that the donors promised has yet to be made available in the pot. That will lead both the Government in Khartoum and the SLM/A in the south seriously to question the will of the wider world to deliver on its promises in respect of the CPA. Although I welcome what the CPA is about overall, the proof will be in the eating, and it will be a bit disappointing if what has happened so far is evidence of an unwillingness on behalf of the western world in particular to put its money where its mouth is.

12.43 pm

John Bercow (Buckingham) (Con): I am extremely grateful to the hon. Member for Stroud (Mr. Drew) for—characteristically generously—giving me this opportunity to contribute to the debate. It was a privilege to go with him to Sudan, including Darfur, in the summer of 2004, and I agree with everything that he has said.

I want specifically to pick up on the point that the hon. Gentleman made about Sudan's prospective chairmanship of the African Union. I cannot think of a single step that would be simultaneously more absurd and better guaranteed to undermine its reputation, and I very much hope that that is avoided.

In Darfur, it is extremely difficult to establish with any precision the numbers of deaths—as the Minister understands, and doubtless will himself proclaim. However, we can confidently say, without fear of exaggerating or of being contradicted, that death is still taking place in Darfur on a daily basis and on a significant scale—death through violence, through disease and through malnutrition, and I want briefly to focus on two points. First, given the capacity and funding constraints experienced by the AU mission and the recognition by the mission itself of the need for a step change in tackling the violence in Darfur, would it not now make sense for the international community to go for a direct transfer to a UN mandate? That would allow for the AU force to be blue-helmeted, would make greater resources available, and would speed up deployment. That is my first and very specific challenge to the Minister.

I will now make my second point, after which I will listen attentively and respectfully to the Minister's reply, and to anything else that might be said. The international community in the form of the United Nations has adopted the responsibility to protect. I do not want to sound pious about this matter. We in this Chamber know very well that there is a pervasive cynicism about politics and politicians. That is a recurrent theme in debates on many different subjects; that cynicism applies to politicians irrespective of whether we are operating on a domestic terrain or discussing international issues. If the responsibility to protect is not to be merely a pious piece of rhetoric designed to make those who have crafted it look and sound good, but is to be translated into practice for the betterment of the human condition in some of the most difficult and ravaged parts of the world, the time is now for that to happen in Darfur.

[John Bercow]

That is simply not happening at present; it is not true to say that we regard it as a great priority to tackle the savagery and the cocktail of barbarity that has been served up there, principally by the Government of Sudan in recent years. There has been what I would describe as a holding operation by the AU—a new institution that is genuinely committed and that is doing its best with pathetic resources and with delivery on the promises of increased resources being very slow.

My anxiety is that we are in danger of becoming desensitised to death on a dramatic scale; it is almost as though the number, range and seriousness of conflicts around the world are causing us to be numbed by the seeming inevitability of it all. I know that we cannot change everything overnight, but we have a duty to act. I would like the Prime Minister, the Foreign Secretary and the Minister to be championing the cause for a UN mandate and for a much greater intensity of activity on a daily basis. That is what I want to hear about from the Minister, and I shall now resume my place in the expectation that I might.

12.48 pm

The Minister for Europe (Mr. Douglas Alexander): I thank my hon. Friend the Member for Stroud (Mr. Drew) for securing this important and timely debate. In recent days in some of our newspapers, all-party groups have not received the most benign coverage, but the sort of debate that we have had this morning evidences both the importance of the work that this particular all-party group has undertaken, and the expertise and commitment that Members bring to this area of concern. I share with Members who have spoken profound concerns about the grave situation in Darfur and elsewhere in Sudan, about the problems in neighbouring Chad and the risks that they pose to Sudan, and about the problems in the east of the country and the slow progress towards a peace agreement in Abuja.

My hon. Friend and the hon. Member for Buckingham (John Bercow) raised a number of specific points, and I will endeavour to answer all the questions asked. I therefore hope that I will have Members' forbearance as I seek to make rapid progress in respect of remarks that I know will be of direct interest to some of them, and then in answering each of the specific questions.

The problems under discussion are of huge dimensions with terrible consequences for the people of Sudan. The situation is extremely serious. My ministerial colleagues and I—and, indeed, the British Government—are committed to a Sudan that is peaceful, democratic and prosperous and that respects human rights and the rule of law, a Sudan whose people share equally in their nation's future prosperity and that is an active and constructive member of the international community. That cannot be achieved until Sudan accepts and implements peace. Of course, the most immediate threat to Sudan's security comes from Darfur. We need to ensure also that the comprehensive peace agreement of which my hon. Friend the Member for Stroud spoke is fully implemented. There is a further threat in the east from ongoing conflict; that was also addressed in our debate.

Against the backdrop of this serious situation, progress has been made. It is worth taking stock of some of the main points. The international community has mobilised the largest humanitarian operation in the world in Darfur, feeding and providing for 3.4 million people. The humanitarian situation has improved significantly: the mortality rate is down and malnutrition rates have almost halved since last year. The United Kingdom is the second biggest national donor to Darfur, providing £75 million this year alone.

The African Union monitoring force has established an increasingly effective presence, and has improved security and reduced human rights abuses where it operates. As a result of international pressure, the Government of Sudan have withdrawn their Antonov bombers from Darfur and allowed in 105 Canadian-supplied armoured personnel carriers for the AU mission in Sudan. There is now a peace process—the Abuja talks to which I referred—which offers the possibility of a political settlement to the conflict. The referral of the situation to the International Criminal Court sends a strong signal to the world at large that there will be no impunity for those guilty of grave human rights abuses in that conflict.

Clearly there has not been enough progress, and in some areas there has been a deterioration. The old guard in Khartoum has still not done enough to rein in the forces and their proxies in Darfur, nor has it taken serious steps to punish those guilty of human rights abuses. In Darfur, security has deteriorated. The sheer numbers of people killed or injured through violence are shocking and abhorrent to our Government. The situation is becoming more complex, with the two rebel movements fighting each other. The AU force is still relatively weak and is facing a funding crisis.

I very much regret that AMIS—the African mission in Sudan—has suffered fatalities. I join my right hon. Friend the Secretary of State for International Development and my noble Friend Lord Triesman in their condemnation as wholly unacceptable the killing of a Senegalese member of AMIS on 6 January. AMIS was originally conceived of as a smaller, short-term operation. Darfur will need a peace- support operation of increasing complexity for several more years, and the recent assessment mission for AMIS recommended that that would be best done by an international force. In principle, the AU supports handing over AMIS to the UN. That makes sense: it would put the funding and logistics on a surer footing and would allow the AU to focus on the longer-term priority of developing its own peacekeeping capacity.

Perhaps the greatest concern is the recent fighting in Chad; it risks spilling over into Darfur. Both Chadian and Sudanese rebels are active in Darfur. There is a risk of a military build-up by both countries on both sides of their borders. All parties need to exercise restraint, to demonstrate their commitment to peace in Darfur, and to seek a solution through negotiation, not violence.

I now turn to the questions asked by my hon. Friend the Member for Stroud and, first, to the role of the International Criminal Court and the progress made there. On 6 June, the ICC prosecutor, Moreno-Ocampo, announced the start of a formal investigation. The court has since been collecting evidence from various sources. On 13 December, the prosecutor briefed the United Nations Security Council, noting that the office had

made good progress in the investigation's first phase, and that the next phase would involve seeking further assistance and co-operation from the Government of Sudan. Also on 13 December, Sudan's Justice Minister said that Sudan would not allow investigators from the ICC into Darfur.

My noble Friend Lord Triesman released a statement highlighting our concern and noting that we expect the Government of Sudan to comply with the wishes of the international community as set out in UN Security Council resolution 1593 and to co-operate fully with the ICC, should it decide to visit Darfur. Our ambassador in Khartoum also raised the matter directly with the vice-president of Sudan on 23 December. We have consistently made it clear that the Sudanese must co-operate with the ICC. The ICC visited Sudan recently, and the Government of national unity set up an intergovernmental committee to receive them.

My hon. Friend the Member for Stroud also raised the issue of Chad. We are obviously concerned about its current instability, and the tensions between it and Sudan. We are calling on both sides to rein in their troops and exercise restraint. Our ambassador in Khartoum raised those points with the Sudanese Foreign Minister on 7 January. Chad is host to 200,000 Darfurian refugees, who are in 10 camps located along the eastern frontier with Darfur. We are working closely with the international community to ensure that all contingencies have been prepared for. This year, the United Kingdom provided £5 million to the United Nations High Commissioner for Refugees, the World Food Programme and non-governmental organisations delivering life-saving medical assistance and water supplies. Support for the humanitarian response will continue in Chad during 2006 as part of our response to the problems in Darfur.

In relation to the comprehensive peace agreement and the UK Government's support, as part of our substantial development programme, the UK is providing £380,000 to support a number of key national commissions—on the judicial service, on the civil service, on human rights, on land, fiscal and financial monitoring and allocation, and on petroleum. The UK has already provided experts for the Abyei boundary commission and the constitutional review commission. In relation to the International Crisis Group's request for a high-level UN special envoy, I assure hon. Members that we have full confidence in the United Nations Secretary-General's current special representative, Mr. Jan Pronk.

I was asked what information we had on the location of the armoured personnel carriers. All 105 APCs have been delivered and are being deployed across Darfur. During the EU troika visit in October, Lord Triesman urged the Government of Sudan to ensure that equipment such as the Canadian APCs were allowed quickly into Darfur.

On the regional players—an issue that my hon. Friend the Member for Stroud raised—there is an important role for African countries in addressing the problems of Darfur. Of course, the AU is heavily involved, as I have said. Alan Goulty, the United Kingdom's special representative for Darfur, recently visited Tripoli for talks with the Libyan Government, and he plans to travel to Eritrea for talks with its Government shortly. I assure hon. Members that we recognise the importance of the regional players in the conflict.

On support for the southern Government, we are providing them with £2 million for rapid technical assistance. Addressing that new Government's considerable capacity constraints is, of course, a priority for us, so we will provide short-term advice on a flexible and responsive basis to fill the critical needs identified. In relation to the east of Sudan, on 11 January a militia allied to the Sudanese armed forces entered the eastern town of Hamesh Koreb and occupied positions held by the eastern front. The UN mission in Sudan—the UN force responsible for monitoring the comprehensive peace agreement—has sent a monitoring team to the area. Its initial assessment is that the incident was less significant than initial media reports claim. Our embassy in Khartoum is monitoring the situation closely.

The timetable for the withdrawal of the Sudan Liberation Movement/Army from eastern Sudan has been extended for one month by the joint defence board, which may reconsider the time scale once again before the deadline of 9 February. That is provided for under the terms of the comprehensive peace agreement, and we welcome that party's efforts to ensure that the CPA actually works.

On the point raised by the hon. Member for Buckingham of the Sudanese candidacy for the presidency of the African Union, it is of course for the AU member Governments to decide who the president of the AU should be. However, it would be difficult for the AU to maintain its credibility in Darfur, both in terms of its role in the Abuja talks and in relation to AMIS, if one of the parties to the conflict held the presidency. I hope that the hon. Gentleman will understand that I do not wish to say anything further at this stage, not least given the potential for the views of the British Government to become a factor in the discussions under way in the AU, in a way that might not help us to meet his objectives. However, I assure him that I have listened carefully to the points that he made.

Although the Abuja talks that I mentioned are making some progress, there is still a long way to go. In particular, the rebel movements are still holding too rigidly to maximalist positions on issues relating to power sharing and are not engaging fully on issues of security. The Government of Sudan could do more to engage the movements and break the impasse. Africans and non-Africans alike need to keep up the pressure on both sides to negotiate flexibly and with a much greater sense of urgency.

The continued problems in the east are also a concern for security in Sudan. The recent increase in attention paid to them is welcome, as are the recent announcements that the eastern front and the Government of Sudan are to meet under Libyan auspices to explore the possibility of a negotiated solution, possibly as early as today. If international observers are invited, the United Kingdom will of course attend. It has already played an important role, providing technical assistance to the eastern front to help it to prepare for peace talks. The international community needs to co-ordinate its efforts to ensure that there are viable solutions to the humanitarian problems of eastern Sudan as well as to security problems.

[Mr. Douglas Alexander]

The UK will continue to play a leading role on Darfur. We are vocal in pressing the Sudanese Government to provide security to their own people and to support the AU in Darfur. Within the UN and the EU, we have also worked to maintain strong international pressure—

Derek Conway (in the Chair): Order. I am sorry to interrupt the Minister when he has nearly finished, but the clock has beaten us.

Pensioner Incomes (Wellingborough)

1 pm

Mr. Peter Bone (Wellingborough) (Con): It is a particular pleasure, Mr. Conway, to serve for the first time in a debate under your chairmanship. I thank Mr. Speaker for granting me the opportunity for a debate on what is a very important issue for pensioners in my constituency, the Minister for attending the debate and his Department for its kind inquiries prior to it. I also welcome my hon. Friend the Member for Kettering (Mr. Hollobone), whose constituency neighbours mine and who also has issues and concerns about pensioners.

Wellingborough is a constituency in the east midlands with a mix of urban and rural areas. More than one eighth of the adult population is retired, and many worked in the shoe and boot industry prior to their retirement. The constituency could not be considered a high-income area.

After the general election of 2001, I felt that many politicians of all political parties had become arrogant and out of touch. They were more than happy to preach to people, but were not prepared to listen. So I founded the "Listening to Wellingborough and Rushden" campaign, which aimed to seek the views of local people, groups and organisations and campaign for change on their behalf. I listened to local people at every opportunity—through surveys and public meetings, and when I visited residents. People were crying out for someone to listen to their views and concerns and do something about them.

As part of my listening campaign, I was approached by a Mr. Martin Sterrow, a local pensioner who had never before been involved in any political activity. He had become outraged that year after year the small rise in his state pension had been swallowed up by massive increases in council tax. Mr. Sterrow approached me and his local councillor, Councillor Malcolm Waters, to arrange a public meeting. I was more than happy to do that as part of my listening campaign, but my experience of public meetings had been that very few people bothered to turn up. However, there must have been 100 people at Mr. Sterrow's public meeting, and there was real outrage from the pensioners who attended; some of them were prepared even to go to prison rather than have to pay the enormous increases in their council taxes.

The pensioners were concerned that their pension incomes were in decline in real terms, and made it clear that the listening campaign needed to take on board two issues. The first was the ever-increasing council tax with its double-digit increases year after year. They wanted those increases to be controlled. The second was the lack of a decent state pension, and they were adamant that the link between state pensions and earnings should be restored to give pensioners dignity and respect in their old age.

These people had worked hard all their lives, had not relied on the state and had saved through the years, putting money aside so that they could live comfortably during retirement. However, instead of that, they were being crippled by the amount of tax that they had to pay—first on their pensions, secondly through stealth taxes and thirdly through their council tax.

After the public meeting, Mr. Sterrow agreed to organise a petition asking the Government to restore the link between the state pension and earnings and to change how local authorities were funded to ensure that excessive year-on-year rises in council tax would not swallow up the much smaller percentage rises in the state pension. Mr. Sterrow and one or two other pensioners went from door to door throughout Wellingborough gathering signatures for the petition. They received a huge amount of support from local people and gathered more than 200 signatures. I should like to pay tribute to Mr. Sterrow's work and his raising of a very important issue.

As part of my listening campaign, I organised a second public meeting for concerned residents to voice their views to local borough councillors and county councillors, including the leader of Wellingborough council. My hon. Friend the Member for South Suffolk (Mr. Yeo) was present to accept the petition and take it to Westminster to update the shadow Cabinet on the Wellingborough pensioners' campaign.

That campaign took place in 2002 and 2003 and highlighted the problems local pensioners faced long before the issue of pensioners and council tax became the important national issue that it is today. The listening survey, which regularly goes out to Wellingborough residents, highlighted the issue very early on, when pensions and council tax came top of local concerns. I have to say that I asked for the tallies to be recounted, because at that time I did not believe that pensions and council tax were the top local concern. It turned out that they were.

I am more than aware that the problem is not confined to my constituency, and that pensioners nationwide have been forced into hardship through inflation-busting council tax rises swallowing up very small rises in the state pension. However, Wellingborough has seen the biggest rise in council tax since council tax was brought in. Pensioners in my constituency have been hit the hardest and are crying out for a change in the method of local government funding so that it does not penalise those on fixed incomes. I am assured by Mr. Sterrow that on occasion, the rise in his council tax bill was higher than the rise in his state pension.

The Minister for Pensions Reform (Mr. Stephen Timms): I am listening carefully to the points being made by the hon. Gentleman. I was not clear about the date of that very large council tax increase. Will he say what party controls Wellingborough council? This is a matter of local financial management as well as of Government funding.

Mr. Bone: I should make it clear that at the time, the local council and county council were Labour-controlled. However, I am not trying to make a party-political issue of that, because the county council and borough council were working within the difficulties that they had. Mr. Sterrow produced what I would call a rate bill and showed that in one particular year, the council tax increase was higher than the increase in his pension. That was surprising, although we bear in mind that we have seen the highest council tax increases in the country.

In the Chancellor's 2005 Budget, the Government announced that pensioner households with residents over the age of 65 would receive a one-off £200 payment towards their council tax as long as they did not receive the guaranteed element of pension credit. They would also receive the annual winter fuel payment, and then there would be the pension credit—a hugely complicated system in which pensioners have to fill in numerous forms and give highly personal financial information to Government pen-pushers.

Pensioners are unsure about what they are and are not entitled to; one could not make the system more complicated even if one wanted to. To be administered, the system has to employ thousands of staff, all at a cost to the taxpayer. It now employs snoopers to cold-call pensioners to ask over the telephone or at the doorstep for details of their incomes. That is a most disturbing development. When will the Government understand that many pensioners do not want to tell them about their personal circumstances?

A pensioner recently contacted me because someone from the Government was coming to his house to ask about his income and other circumstances, and I attended the meeting with the pensioner. The Government official turned up on the doorstep and presented an identity card not much bigger than a business card—most pensioners would have had difficulty in reading it. The official then started asking questions about the pensioner's income, savings and medical circumstances, and after all that told him that he was not entitled to any extra money. When I asked him, the official told me that he had made very many visits but that very few pension credits had been signed up—so there is much intrusion for little reward.

That method of going to people's homes to ask them personal questions epitomises this Government's Big Brother obsession. Their need to micro-manage and control everything has hit pensioners the hardest. Pensioners have to go through the indignity of means-testing, filling out a long and complicated form, to claim back what they have spent years putting in. It is, after all, their money—they have contributed to their national insurance stamp for years—and they should get a decent pension as an automatic right.

I did not enter politics 30 years ago so that, in a matter of a few years, 75 per cent. of our pensioners will have to fill out forms to get a decent pension. The pension is their right; pensioners have the right to retire with dignity and to enjoy the last years of their lives without the hassle of Government bureaucracy and intrusion. I have seen elderly pensioners who have paid taxes and national insurance all their working lives, and who continue to pay tax on their pensions, handing over £10 and £20 notes to pay for private operations because they are not able to get them done quickly enough on the NHS.

The Government are failing our pensioners. People have retired, applied for their state pension and given their bank details with the presumption that the payment would automatically be credited each month. In one instance, a man had asked for his pension to be paid into his bank account. He did not look at his account in detail until a year later, when he found that he had received no state pension at all. When he contacted the Pension Service he was told to make a claim, although he could not receive all the pension

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owed to him since he retired because he had claimed it too late, even though his original claim was made on the day he retired and the Pension Service had misplaced it.

Mr. Philip Hollobone (Kettering) (Con): As the neighbouring Member of Parliament, I want to put on record how much local people appreciate my hon. Friend's interest in, and commitment to, his constituency concerns. On the last point that he made, I had a similar case in my constituency. An error had been made in the calculation of a constituent's pension entitlement and the Pension Service refused to refund all of the money. Will the Minister give us some encouragement that he will examine the rules, to ascertain whether appropriate reimbursement could be made more speedily, and in full, in future?

Mr. Bone: The situation is extremely strange. Where someone has paid into a pension all their life through their taxes, and then, because of an administrative error, they do not receive it, surely the amount should be backdated to them. That is common sense and fair play.

We are talking not about the rich and the better off, but about those who have paid into the state all their working lives, worked hard and saved a little for their retirement. Such people have been failed by this Government. My suggestion is that we give back dignity and respect to our pensioners. They have given so much to this country during their lives and deserve to spend their retirement comfortably, and to have dignity and respect.

We need just one system: one proper, decent state pension for all, regardless of how rich or poor people are. We should give pensioners one decent pension, and should scrap the pension credit, means-testing, the winter fuel allowance and living expenses. One proper, decent pension is needed so that pensioners can decide how to spend their money. It is not up to the Government to dictate how much money should go on what, and when and where it should go on it. Pensioners are not stupid; they know best how to spend their own money.

The Government might claim that my suggestion is just too expensive, but that is just an excuse. It is not because they cannot introduce a proper state pension, but because they will not do so. Savings can be made in hundreds of different areas. There are, for example, the millions of pounds left in the Government's coffers of unclaimed pension credit. So much remains that the Government need to employ snoopers and to spend millions on advertising campaigns. How can the pension credit system be working if so much money is not being claimed? It is not only a lack of awareness that prevents pensioners from applying, but the complex forms and the fact that pensioners are asked to disclose so much personal information. By far the most important reason is that pensioners hate the indignity of means-testing.

Millions of pounds are left in the Government coffers and thousands of staff are employed to administer the state pension, pension credit, winter fuel allowance and pensioners' living expenses. If there were just one system with one set of administrative staff, the financial savings would be huge. The Government might still give the excuse that one comprehensive pension system would be financially unviable, but what about all the money that they waste?

As a cricketer, I must congratulate the Government on reaching a century. Unfortunately, it is not a century of which they should be too proud. By my calculation, since 1997, under this Government, British taxpayers have paid £100 billion to the European Union. If just a fraction of that had been spent on British pensioners rather than on French farmers, we would not be having this debate. Assuming that the Government continue to be too cowardly to stand up for British interests in Europe, there are plenty of other places from which money could pay for a decent income for pensioners. What about the enormous amount of money that the Government waste each year in Britain?

The TaxPayers Alliance is about to publish a report stating that the Government waste £80 billion a year. On what do they waste that? Some £225,000 was spent on a scheme to advise people not to wear ill-fitting slippers. Some £40,000 was spent on coming up with a 46-word definition relating to patients' experience of the national health service. That works out at roughly at £1,000 a word. The Home Office has employed 142 consultants at a cost of £74 million. My favourite example is the £10,000 being spent by the Office of the Deputy Prime Minister on examining whether fire engines should remain red.

Let us have no rot from the Minister that the Government could not afford to pay pensioners a decent pension without means-testing. They choose not to do so, because they want to control everyone and to know everything about everyone. Most importantly, the Government believe that they know best. I urge them to trust our pensioners, to give them a decent pension and to give pensioners and the other people in Wellingborough what they deserve.

1.17 pm

The Minister for Pensions Reform (Mr. Stephen Timms): I welcome the opportunity to air the important matters on which this debate touches. It is refreshing to hear some good old-fashioned Conservative tub thumping from the hon. Member for Wellingborough (Mr. Bone), at a time when his party is moving in the opposite direction.

Over the past couple of decades pensioner incomes have risen almost twice as fast as earnings; between 1996–97 and 2003–04 pensioner incomes increased by about 21 per cent. compared with 13 per cent. for earnings. In the 1980s, the big increase in average pensioner incomes was mainly driven by increases in private pensions. That was excellent for those with an occupational pension, but not everyone was included. The result was that a large minority were left behind by the general improvement in pensioner incomes. Between 1979 and 1997 the income of the most well-off fifth of pensioners grew roughly twice as fast as that of the least well-off fifth.

In 1997, we were left with many pensioners, particularly older women, on desperately low incomes. There were hundreds of thousands of single pensioners in 1997 whose total income, means-tested through income support, was £69 a week. Tackling that dreadful legacy was our No. 1 priority when we were elected. We

needed to boost the incomes of the least well-off pensioners. That was done first through the introduction of the minimum income guarantee.

In 2003, that was followed by the successful introduction of pension credit, which focuses help on the least well-off through its guarantee—currently £109 a week for a single pensioner rather than the £69 of just eight years ago. That level is being uprated in line with earnings and will rise to £114 from April. In addition, the pension credit provides a reward for those who have managed to save a modest amount towards their retirement income—income which was deducted pound for pound under the old income support regime.

Currently, some 2.7 million households in the country benefit through pension credit. In Wellingborough, more than 6,000 individuals in some 4,900 households receive pension credit; the average weekly payment is £39. Abolishing pension credit as the hon. Gentleman suggests—his position is rather different from his party's—would leave every one of those 6,000 Wellingborough residents worse off. Pension credit is therefore having an immense impact in Wellingborough and throughout the country, and it is particularly helping women—including the 3,200 women who receive it in Wellingborough—to improve their retirement incomes.

Among the other improvements that have helped are winter fuel payments. This morning, my right hon. Friend the Chancellor has been spelling out how the £300 million that he announced in December will be used to improve heating and insulation for pensioners. There have also been above-inflation increases in the basic state pension, the level of which has increased by 8 per cent. in real terms since 1997. Under the Conservative Government, of course, there was no real increase for many years. There are also free television licences for over-75s. The hon. Gentleman wants all those things scrapped, but if he goes to meetings such as those that he described, he will find that those who have benefited from that extra help, including the winter fuel payments, very much appreciate it.

The result of all that has been a dramatic rise in pensioner incomes and, in particular, a proportionately much larger increase in the incomes of the least well-off pensioners. Pension credit and the other measures that we have implemented since 1997 mean that pensioners are £19 a week better off on average than if we had increased the state pension in line with earnings since 1997 and left other things unchanged. The least well-off third of pensioners are £30 a week better off. That is a remarkably effective response to the problem of pensioner poverty that existed in 1997.

I am certainly aware of the concerns that the hon. Gentleman voiced about council taxes, which are felt by many, and particularly by those on low incomes. We have taken action to address those concerns. Less well-off pensioners who face increases in their bills can continue to get help through council tax benefit. In addition this year, households with somebody aged 65 or over who does not receive the guaranteed element of pension credit—pensioner households that pay at least some council tax—are receiving £200.

Of course, central Government do not set the level of council tax, although we have invested substantial amounts to ensure that local authorities have sufficient resources. Since 1997, total grant to local authorities has increased by a third in real terms. We have also added an extra £408 million in formula grant above what is in the published plans for local government, plus £200 million in unfenced specific grants. Given that substantial investment, as well as the scope for efficiency improvements, which I hope that the hon. Gentleman is urging his local authority to make, there is no excuse for excessive council tax rises. In fact, 2005-06 saw the lowest average council tax increase in more than a decade. My understanding is that the hon. Gentleman's local authority is now Conservative controlled—indeed, I can confirm that that is now the case, although he was a little coy about making that point in his speech. However, I hope that he is pressing his authority to improve efficiency in its organisation.

Mr. Bone: I hope that the Minister will make it clear that Wellingborough council, which is now Conservative controlled, is rated as excellent by the Government. I hope also that he will deal with the crux of my comments. I hear what he says about all those freebies, but do the Government object in principle to giving everyone a decent pension and getting rid of all those funny little bits?

Mr. Timms: The point that I am making to the hon. Gentleman is that we have managed to break the historic link between old age and poverty through the policies that I have described. In the past, people in retirement were almost invariably significantly more likely than those in work to be poor relative to others, but that is no longer the case, because of the changes that I described. Andrew Dilnot, the former director of the Institute for Fiscal Studies, has said—there is a good deal of substance to his point—that the virtual eradication of abject pensioner poverty is the most significant of all the major social changes since 1997, and we must certainly not put it into reverse.

The hon. Gentleman mentioned pension credit take-up, but I was disappointed by his rather disparaging comments about the staff of the Pension Service, who work hard to ensure that people can take up the benefit due to them. I can give him the recent example of a pensioner couple in Northamptonshire who were helped during a visit to complete a pension credit application. They received not only pension credit, which, in their case, was worth £106 a week in backdated arrears of more than £1,000, but an increased award of attendance allowance, plus a full council tax rebate. If we are to ensure that people receive the benefit to which they are entitled, we need to work hard. Such visits are extremely effective in helping people to obtain what Parliament has decided is their due.

The Pension Service is working with the public, private and voluntary sectors to ensure that everyone has access to the help to which they are entitled and to the services that they need to stay well and lead independent lives. If a local authority representative is present during those visits, or the person doing the visiting works with the local authority, they can ensure that people receive the help to which they are entitled from the local social services department. There are more than 70 joint teams, in which local service staff, local authority staff and, in some cases, voluntary sector

[Mr. Timms]

staff work together in a joined-up approach, and we are seeing a great array of benefits and improvements as a result.

The disability and carers' service is taking steps to improve the receipt of disability benefits, too. In some instances, that requires it to obtain information about people's circumstances, and rightly so. That is part and parcel of ensuring that people receive their due and maximise their income in retirement.

The pressing problems of inadequate incomes that faced us in 1997 have been effectively addressed. There is certainly more to do, but we have seen substantial improvements, which have given us a sound foundation on which to build an enduring pensions settlement for the UK—one that can handle the dramatic increases in life expectancy that we have seen over the past 25 years and that seem to be set to continue. The improvements that we have introduced benefit us all, and I hope that that pensions settlement will be based on as broad a consensus as possible between the parties throughout the country.

There is certainly more to be done, which is why we asked Lord Turner and the members of the Pensions Commission to produce their report, which was published last November. In it, they called for a national debate, and we shall undertake a major consultation exercise in the coming months to engage with the public and with everyone who has an interest in the issue. We shall want ideas and proposals from political parties, employers, trade unions, local authorities and everyone with an interest in the future of our pensions system.

The hon. Gentleman argued for an earnings link in the basic state pension, and that is, of course, one of the proposals in the Pensions Commission report, along with a pretty comprehensive package of changes. We shall want to explore those ideas thoroughly in debate in the House and in the country and to examine the commission's proposals for reform in detail. We want to debate them and test them against principles of reform to give people every chance to consider the options and to build the broad consensus that we believe is crucial to securing the long-term confidence that we need. I have asked the commission to continue its involvement in the debate over the next few months, as we move from diagnosis and analysis to proposition and decision. I want the debate to involve every section of our community as we work towards the publication of a White Paper in the spring.

We have seen substantial improvements in pensioner incomes over the past eight years, and particularly large increases in the incomes of those who were the least well-off and who needed help most urgently. I can tell the hon. Gentleman with confidence that that was the right thing to do. In 1997, far too many people had a tiny weekly income of £69. The priority was to increase that. We have done so effectively through pension credit, and it is important that we do not go backwards.

Deferred Pensions

1.30 pm

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): I am grateful to Mr. Speaker for having granted me this debate, which I have been trying to get off the ground for nearly a year, on and off.

The subject is extremely important to my constituents who were formerly factory workers employed by Texon UK, and who are deferred members of an insolvent pension scheme run by their former employer. I know that the Minister is aware of the issue, as there has been much correspondence between me and his office on the matter during the past year.

My constituents were made redundant 10 years ago, when Texon UK embarked on the job-cutting exercise that was a precursor to its going into receivership. Texon, once called United Shoe Machinery, had been a local employer for many years, serving the shoe-making industry. Thankfully, the factory, located on the Skelton industrial estate in the East Cleveland area of my constituency, still operates following a management buy-out, but with a much reduced work force. Nevertheless, 120 jobs are important and I wish the company every success in future.

That, however, will not alter the scale of the problem faced by my constituents. They were unhappy about the redundancies, but they accepted them, because they felt that they had the reassurance of a pension from the company pension scheme when they reached retirement age. However, that was not to be—hence this debate.

I shall focus on two connected issues. My first concern is the financial arrangements made within the company, at the time owned by Texon, and my second what appear to be grave limitations in the new financial assistance scheme for deferred occupational pensioners. The sorry saga began when USM Texon was taken over by a private equity company, Apax, which made significant changes to the company pension scheme. A new USM pension plan was set up and 279 machinery workers were transferred into it. However, a transfer payment to cover these liabilities was made only in September 2000 when a further 318 deferred pensioners and 360 existing pensioners were moved into the new USM plan. That left several hundred people in the old Texon scheme, a number whom were my constituents.

The transfer of this second tranche of members was not made until a few weeks before the company went into receivership in October 2000. Once the company ceased trading it was obvious that the pension scheme would be under threat. The threat became reality when wind-up proceedings were lodged because the scheme had insufficient funds to meet its pension liabilities. At that time the scheme had an estimated deficit of some £30 million. Under winding-up rules, existing pensioners were first in the list for a payout, so 360 old USM pensioners received the bulk of their expected benefits, but the remaining 544 USM members—including those of my constituents who are deferred pensioners—have lost their pensions and any right to contributions they had made to the scheme. The problem was made worse when the Texon scheme went bust in April 2004 with a deficit of £20 million.

My first concern is, therefore, whether the former employers concerned have acted in good faith. As I said, the pension scheme was the subject of a number of

financial transactions prior to the company's going into receivership. The original transfer payment made by Apax amounted to £33.1 million—a sum insufficient to meet Apax's obligation under the minimum funding requirement, but one that had been calculated on the basis of a valuation of the scheme's assets made three years previously. I understand that the view among senior actuaries was that if the valuation had been conducted on an up-to-date basis, Apax would have had to put an additional £2.3 million into the scheme. Indeed, the independent trustee appointed to wind up the scheme wrote to ask it to reverse the transfer.

Parts of the trustee's letter, quoted in *The Daily Telegraph*, said that reversing the transfer would

"Avoid the risk of criticism for making a transfer only a few weeks before the firm went into receivership."

He went on to point out that

"pensioners and deferred members were not asked to consent to the transfer and it seems unfair that they should now suffer a reduction in benefits as a result of a transfer over which they had no control".

Those financial transactions must have had an impact on the overall health of the USM and Texon schemes. I accept that the Minister has no direct responsibility for individual company pension schemes, but as the behaviour of companies managing such schemes can impact on his responsibilities, such as the finances of the financial assistance scheme, I would ask him to talk to his ministerial colleagues in the Department of Trade and Industry about this case. I appreciate that he might want to refer me to the pensions ombudsman and the pensions regulator. However, given the remit of those bodies, that might not produce the results that my constituents seek.

Past referrals have been made to the pensions ombudsman, but I understand that he was unable to investigate the role played by Apax because he has no jurisdiction over a company's shareholders. I understand that a complaint to the pensions regulator also made no progress because, apparently, it can investigate only the actions of trustees. In this case, it decided that they had done nothing illegal, although the regulator said that the complaint contained information that

"might be of interest to the DTI."

I understand that a complaint to the DTI was also rebuffed, because it could investigate only complaints made by shareholders, and that complaints about pensions fell outside its remit due to their "unincorporated" status. Some serious joined-up thinking is needed on all these issues.

The second issue I wish to turn to is the way in which the financial assistance scheme will affect my constituents. They have told me that at first they felt that they could rely on it. However, it is apparent that only a few from Skelton will gain any assistance through the scheme, because of the age profile of the workers who were made redundant. In the main, they are good citizens, hard-working men in their 40s and 50s with families. I have known some of them for more than 20 years. They are not people who were within three years of retirement, and who will get 80 per cent. of their pension from the FAS. I do not for a moment disparage the scheme itself. It was a good start, and helped those people who were facing the worst prospects. I applaud the fact that it injected £400 million to assist those who urgently needed such help. However, as things stand, many thousands of people who are in the same circumstances as my constituents will not benefit.

This is a serious issue of faith. Past Governments have stressed the need for people to make independent provision for retirement and have backed occupational schemes heavily. My constituents followed that advice and invested in a company scheme that they saw as in their best interests. They now find themselves cut adrift, having to face a future dependent on what the state can provide. I am aware that there is a comprehensive spending review and that there will be a review of occupational pensions. There will also be a review of how the state relates to a member of a scheme who might need assistance. However, I have been told that that review may not report until 2008. If that is correct, it will further dishearten many of my constituents.

I hope that the Minister will tell me that the review will be expedited. That would mean that my constituents and their trade unions could make submissions and that the finished findings of such a review could be fed into the comprehensive spending review process immediately. The Government need to grasp the problem urgently. We are told that that will be hard, given the financial implications. However, we need to recognise that those affected, such as my constituents, are a numerically defined group. Importantly, as the starting date of the pension protection fund was April last year, they are a closed group that cannot grow.

My affected constituents are of a defined age cohort and will not easily find a job that could give them a reasonable prospect of employment for a period long enough to build matching pension provision. The same demographic consideration would also tell us that mortality will play its part, roughly defining the total time period that the scheme would need to cover. The Government should factor in the costs that would have to be met by the state, in any case.

If we make assumptions about the people affected by such insolvent pension schemes who will need to have recourse to state benefits, another fact emerges. In that equation, the financial transfers between an expanded FAS and the cash that the Department for Work and Pensions would incur could well be neutral, at best. Would there be a cost if the FAS were widened? Of course, but the Government have made bold gestures in the past and can do so again. The Government can seriously explore other funding avenues: receipts from advance corporation tax, perhaps, or, as has been suggested before, the use of dormant assets in unclaimed accounts. I am aware that the Government see the last matter as a long-term issue and are possibly earmarking receipts from that for youth activity. However, the wronged pensioners at Texon UK and other pensioners in the same boat are also a deserving group.

An extension of the FAS to cover those within 10 to 12 years of retirement would bring a lot of joy to my affected constituents. I look forward with hope to the Minister's reply.

1.43 pm

The Minister for Pensions Reform (Mr. Stephen Timms): I begin by congratulating my hon. Friend the Member for Middlesbrough, South and East Cleveland

[Mr. Stephen Timms]

(Dr. Kumar) on securing this debate on an important topic of concern to many people in his constituency who are former employees of the company to which he refers. Similar issues face many other people who are former employees of other companies and members of other schemes. I pay tribute to my hon. Friend for the work that he has done and the eloquent case that he has made on behalf of his constituents. I have had many meetings with hon. Members whose constituents have been affected by the wind-up of underfunded pension schemes. I have great sympathy for all those who have lost part or, in some cases, all of their expected pensions in such a way. It is a devastating experience for anybody to endure.

The USM Texon pension scheme and the impact of the company's insolvency on employees in the shoe-making industry has been eloquently described this afternoon by my hon. Friend. I want to address, as far as I am able, the pension issues that he raised. First, he raised concerns about the activities surrounding the USM Texon pension scheme, the behaviour of the employer and some of the financial transactions. Other Members have raised similar concerns about the events in that company. I am advised that both the Occupational Pensions Regulatory Authority, the predecessor to the pensions regulator, and the pensions regulator considered the case and came to the conclusion that the activities surrounding the pension scheme did not break pensions legislation. That is rather a narrow test, of course, but the regulator can take action only if the law has been broken. The Pensions Act 2004 greatly strengthened legislation in that area, but without a breach of legislation or regulations, the regulator is not in a position to act.

The pensions ombudsman is still considering cases arising from the scheme. In particular, a scheme member has complained that the trustees failed to produce a transfer value statement when asked to do so and the pensions ombudsman expects to reach preliminary conclusions on the case quite soon. The outcome of the complaint will have a bearing on a number of other complaints that the ombudsman has received in connection with the scheme about bulk transfer issues, and will be of interest to those who have raised their concerns with my hon. Friend.

I gather that there have also been complaints to the Department of Trade and Industry companies investigation branch, but, since the complaints relate mainly to pensions, it was concluded that they should be taken up elsewhere. I do not think that the DTI can investigate complaints made only by shareholders; in this case, Members have made complaints. With investigations that are under way at the moment, the work of the pensions ombudsman is most relevant to the case that we are considering.

My hon. Friend had a good deal to say about the financial assistance scheme, introduced through the Pensions Act 2004. I am grateful to him for recognising that, for some people, the FAS provides valuable help. Neither the Government nor the taxpayer has a liability in such cases, but we have set up the scheme to help members of underfunded pension schemes who were fewer than three years away from the scheme's normal retirement age on 14 May 2004 and whose scheme had commenced winding up between 1 January 1997 and 5 April 2005—a contained group, as my hon. Friend rightly said—while being sponsored by a principal employer who had experienced insolvency prior to a given date. Hon. Members will know that protection in cases where insolvencies occurred after 5 April 2005 will be provided by the pension protection fund. However, that cannot be the case for insolvencies that occurred before the fund was created and before the PPF levy supporting the fund was raised.

The FAS operational unit opened on 1 September 2004. Work has began on a collecting scheme and member data so that decisions can be made about whether schemes and individuals qualify for FAS. Once that information has been provided, decisions can be made and assistance paid to affected scheme members.

The first qualifying schemes were announced on 25 October 2005. So far, 146 schemes have qualified. The first qualifying members, who happen to be members of the ASW Cardiff pension scheme, are now receiving initial payments from the FAS. Those initial payments—they are 60 per cent. of the expected pension—are payable until the scheme completes wind-up; at that point, full FAS payments of 80 per cent. of the expected pension will commence, together with any arrears due. Work continues on processing data for other schemes, so that we can issue payments to more of those affected as soon as possible.

Scheme trustees have until the end of the notification period on 28 February—the end of next month—to notify the operational unit that they wish their pension schemes to be considered for the FAS. I urge any trustees who have not yet made such a notification already to do so soon.

The USM Texon pension scheme was on the indicative list of schemes potentially eligible for the FAS that was published last February. The trustees have now made a formal application to the scheme. The scheme notification has been accepted, and the operational unit is considering whether the scheme qualifies. That will involve obtaining additional information from the trustees—namely, the date of the employer's insolvency and the name of the principal employer. That minor information has only just been requested, so it is not yet possible to confirm that the USM Texon pension scheme will be eligible for the FAS. I am therefore not able to state which members will qualify for assistance. However, I hope that the matter will be resolved within the next month or so.

My hon. Friend felt that the £400 million provided for the FAS is not adequate, and that more money should be made available to extend assistance to more people. He said that most former employees of USM Texon—at least those in his constituency—are too young. They were more than three years from their scheme pension age in May 2004. Our priority when designing the structure of the FAS was to get help quickly to those who faced the most urgent difficulties. We took the view—I think that my hon. Friend will agree that we were right—that those were the people closest to or already at retirement age, who would be least able to make alternative provisions to replace their lost pensions. However, as with any cash-limited scheme, some people will fall outside the qualifying criteria.

My hon. Friend said that if we were to extend the period from the current three years of scheme pension age to 10 or 12 years it would be very helpful to his constituents. I understand that. As he knows, my right hon. Friend the Chancellor told the Labour party conference in September 2004 that the Government will be reviewing the funding of the scheme, alongside the Government's other spending priorities, in the next spending review. In the meantime, however, funding is fixed for the current spending review period, up to and including 2007–08.

Should it be decided to provide additional funding, my hon. Friend wondered when it would start. It would take effect from the beginning of the financial year 2008–09. He was also concerned about how long it would take. That answer is a little more encouraging: an announcement will be made in the summer of 2007, so the information will be available rather earlier than he feared it might be. Ahead of that review, however, our plans will cover only those who fall within the criteria that I have set out. I cannot offer my hon. Friend any prospect of extending eligibility ahead of the review.

Those who were more than three years from their scheme pension age in 2004 will not yet be at their scheme pension age, so they are not yet in a position to need help. I can understand people wanting to know the outcome of the review as soon as possible, but I can give no expectation of it happening before the summer of 2007.

The position of people outside the current scope of the scheme will be considered as part of the review, alongside the other spending priorities that the Government need to address. I appreciate that such uncertainty will be difficult for many, but Government funding is already allocated, and no additional source of funds is available.

My hon. Friend made some suggestions for obtaining additional funding for the FAS. He suggested using unclaimed assets from banks and other financial institutions or receipts from advance corporation tax to increase scheme funds. On the use of unclaimed assets, my right hon. Friend the Chancellor explained last month in the pre-Budget report that an agreement had been made with banks and building societies that such assets would be used to improve youth and community facilities. Before the election, I was the Minister at the Treasury dealing with that issue. I therefore know that many proposals have been promulgated in various quarters on how to use those unclaimed assets. However, there is much less certainty about how much money is available. Some of the figures that I have seen are significantly greater than the reality is likely to prove. I caution my hon. Friend against seeing funding from that source as being a likely solution.

The Government's view is that if owners and their assets cannot be reunited, the money should be reinvested in the community, particularly in disadvantaged communities, and that that should be done in a sustainable way through a co-ordinated delivery mechanism, with a focus on services that are responsive to the needs of young people; they should also be used to deal with financial education and financial exclusion. That seems logical, given that difficulties with financial literacy and financial education may have led to the assets being mislaid.

The removal of payable tax credits for advance corporation tax—they were effectively a subsidy for the payment of dividends rather than money to be reinvested in the business—has not led to an availability of uncommitted funds. It was part of a package of measures, which included a reduction in the rate of corporation tax. I know that my hon. Friend has been a strong advocate of increasing investment in manufacturing in order to boost the productive capabilities of the economy; and that package was helpful from that point of view. I note that, at the last election, none of the political parties argued for reinstating those credits. Indeed, as I said earlier, the resources secured from that source have been committed elsewhere.

I pay tribute to my hon. Friend for his campaigning and for the committed work that he has carried out on behalf of those of his constituents who have been so hard hit by the collapse of the firm and the pension scheme. We made good progress in setting up the FAS, which ensured that the first payments were made on schedule before Christmas. I know that my hon. Friend and many others are eagerly awaiting the review of the FAS; the outcome is due in the summer of 2007.

Question put and agreed to.

Adjourned accordingly at two minutes to Two o'clock

Westminster Hall

Wednesday 18 January 2006

[HUGH BAYLEY *in the Chair*]

First World War Soldiers (Pardons)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Watson.]*

9.30 am

Mr. Keith Simpson (Mid-Norfolk) (Con): It is a pleasure to serve under your chairmanship, Mr. Bayley, in the removed Westminster Hall. The subject that I have been lucky enough to have had selected for debate—that of pardons for British soldiers executed in the first world war—continues to generate great public interest and controversy. It was not only a controversial subject at the time, more than 90 years ago; there has been a continuing campaign that seeks pardons either for individuals or for all the men who were executed while serving in the British Army or the Commonwealth armies during the first world war. It is regarded as a question not only of natural justice, but of humanitarian concern.

Having been interested in the subject for more than 30 years, I have concluded that the debate about pardons for British soldiers executed in the first world war is not a narrow debate about just those men, British military justice and the way in which the British Army performs. There is also a continuing debate about Britain's coming to terms with the first world war. Whatever the evidence at the time and the continuing work of historians, those of us who have been involved in the issue as historians realise that any attempt to influence wider public opinion on the first world war or pardons for British soldiers executed in that war comes up against powerful and popular cultural images, which have helped to define at least public perception. I am thinking of the impact some 30 years ago of the play and then the film "Oh! What a Lovely War" and some 15 years ago of the series "Blackadder Goes Forth". Whatever historians have attempted to say about British generals in the first world war, and there is a case to be made, the image of Stephen Fry playing General Melchett—a bovine man of intense stupidity callously sending tens of thousands of young men to their deaths—is incredibly difficult to overcome.

Let me declare an interest—first, as a military historian. Many years ago, when I had as my father-in-law would say a real job and before I became a Member of Parliament, I researched and wrote a number of books connected with the first world war. In the early 1970s, I was lucky enough to interview several hundred veterans of that war who of course even then were in their 70s and 80s. One question, among many others, that I invariably asked them concerned their attitude towards the men who were executed in the first world war for desertion, cowardice and so on. The survivors of that war had an ambivalent attitude towards those executions. That is borne out by the archives at the Imperial war museum, whether oral or written. It was possible to find large numbers of men who, at the time and in their old age, regarded the executions as wrong, vindictive and not achieving their objective of deterring people from running away, but equally I found large numbers of veterans who were bitter. They might not necessarily condone the fact that ultimately the men were executed, but they were bitter that some men decided to abscond and, as they saw it, did not do their duty and let their muckers down. That is an equally balanced view.

Following that research, I was involved in getting a minor classic on the first world war republished in 1986. I am referring to a book that was originally published anonymously in 1938, "The War the Infantry Knew", an account of the 2nd Battalion the Royal Welch Fusiliers during the first world war based entirely on letters and diaries of officers and those of other ranks. The core part of the book was the diaries of the battalion medical officer, the formidable Captain James Churchill Dunn, Distinguished Service Order, Military Cross and Bar, Distinguished Conduct Medal—that related to his time as a trooper in the yeomanry in the South African war.

I had always imagined that Dr. Dunn was, frankly, a rather tough old bastard. A particular image was given by the contemporary accounts from those who served with him. I am thinking of Siegfried Sassoon, Robert Graves and Private Frank Richards, who was one of the few pre-war regular working-class soldiers to leave a real memoir—it was tarted up by Robert Graves, but "Old Soldiers Never Die" gives a real view from the ranks. I was to discover that Dr. Dunn was probably a more sensitive and perceptive man than I had ever imagined. Interestingly, through his diaries, he gives a number of accounts of his views on morale and discipline and of how his own courage leached away in the course of continuous soldiering and participating in major battles. He served as a regimental medical officer continuously for nearly two years. Robert Graves and Siegfried Sassoon, brave men as they were, flitted in and out of combat, unlike the bulk of the British Army.

Dr. Dunn was one of only two regimental medical officers to give evidence in 1922 to what we now call the shell shock committee. There are virtually no first-hand evidence accounts of the questionnaire surviving. Dr. Dunn's, however, does survive, because it was in his papers. Despite being a sensitive man, he was absolutely convinced of the deterrent value of executing those who wilfully deserted and absconded; he believed in the deterrent effect. I am not suggesting that just because that was the view of one regimental medical officer—a man of considerable experience who was sensitive enough to recognise what battle stress was; he used to withdraw soldiers from the front line to rest them—a case should be based on it against the campaign that seeks pardons for British soldiers executed in the first world war. I am trying to illustrate my background interest in the subject.

When I became a junior Front-Bench defence spokesman in June 1998, my first Front-Bench speaking role, within a few days, was to respond to a statement by the then Minister for the Armed Forces, who is now the Secretary of State for Defence, on the review of pardons for soldiers executed in the first world war. It is interesting that, in the 1970s, a large number of Labour Members then in opposition felt very strongly that the then Conservative Government and previous Labour

[Mr. Keith Simpson]

Governments had been far too secretive about the records relating to the men executed and that the likelihood was that there had been a cover-up.

The Minister of State in 1998 carried out a very comprehensive review. As he said in his statement, he personally examined about one third of the files. He interviewed many people, including historians and relatives, and he concluded in 1998 that there was not a legal case to pardon those who had been found guilty and executed. However, the Government were moved to say that they regretted what had happened. It is interesting that someone whom I suspect before he looked into the matter was predisposed to consider that there was a strong case the other way concluded at the time, after an exhaustive survey, that there was not necessarily such a case.

I am speaking here today because we are now eight years on. I am not saying that just because the Government had a review and said then that there was not a case that there will never be a case. I am not persuaded—it was my considered view then and still is today—that there is a case for retrospective pardon. My view is still based on a reluctance to rewrite history without real evidence. I am not in any way suggesting that those who are advocating pardons for those executed during the first world war are arguing this, but there is a case that such pardons could apply to other periods in history involving the British armed forces. There is strong feeling about the issue in the first world war because it is close and real, and there are still surviving members of families of those who were executed, but there is certainly a case to be argued that we could consider those British soldiers who were executed during active service in, for example, the Peninsular war, to see whether at the time similar criteria could be applied and that they did not know that they were suffering from post-traumatic stress—although they would not have understood at the time what that meant.

I want to draw out the Minister on the point that the evidence at the time was more complicated than some popular historians have made out and that each individual case is different, which creates a major problem. That does not mean that all of us who are involved in this debate are not moved by what must be the trauma of the families who have discovered that a grandfather, a father or an uncle was found guilty of a capital offence and executed. It has moved many members of the public, and I can understand why; it is a natural feeling.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on securing this important debate. I have followed with huge interest what he has had to say so far. Are there not many different individual reasons why soldiers were executed? I understand that some war memorials have named those who were executed, but in other communities a decision has been taken not to do so. The sensitivity that he brings to the debate is hugely important.

Mr. Simpson: I thank my hon. Friend for those comments. On the whole, all hon. Members who have been involved in this debate have been sensitive, because that is the feeling among the public. His point about communities' reactions—I may come back to this—is understandable. My sense is that in the aftermath of the second world war certainly those families who had knowledge that their husband, father or grandfather had been executed frequently wanted to keep quiet about it. It was the military equivalent in that period of an unwanted pregnancy. It was something that people felt ashamed of and did not want to talk about.

Over the past 15 years, there has been a sustained campaign in this country and in Commonwealth countries for formal pardons for those executed, and since the Government's review of 1998 that campaign has continued. Any belief that the Ministry of Defence had that the review would somehow stop the debate was, as I said at the time, highly unlikely. The purpose of my debate is to enable us to question the Minister about Government policy and whether it has changed, or is likely to change, as a consequence of either new evidence or information, legal proceedings, or sustained lobbying.

The interest of parliamentarians in the issue and the emotions that it arouses could be seen last week when there was a question in the other place and, it would be fair to say, their lordships gave the Minister for Defence Procurement a hard time at the Dispatch Box. It applies not only to this House but to the other place. As much as anything else, that question prompted me to apply for this debate.

Vera Baird (Redcar) (Lab): I echo what the hon. Member for Kettering (Mr. Hollobone) said about the measured way in which the hon. Member for Mid-Norfolk (Mr. Simpson) is presenting the debate; the broad sweep of the historian is present, and I congratulate the hon. Gentleman on securing the debate and on the way in which he is conducting it. Before he moves on to recent events, may I raise the question of the case for an overall pardon, for which there has been strong lobbying? Both hon. Gentlemen have made the point that there may be distinctions to be drawn between individuals. Would there be any real reason why the statutory body, the Criminal Cases Review Commission, as an expert body that regularly refers cases back to the Court of Appeal and, equally, refuses many, should not be asked to look at all the files and to come to a view? Would that be better than the Secretary of State doing so?

Mr. Simpson: I thank the hon. and learned Lady for that intervention. I know that she put that very matter as a written question to the Minister's predecessor a couple of years ago, and got an answer that was not in the affirmative. That question should not so much be put to me, as it is an option. My personal view—I should be interested to hear the Minister's—is that, so far as I know, not only is each case different, but the material relating to each case is different. Some files are very comprehensive, but others consist only of one sheet of paper. I am putting my conclusion before I have developed my arguments, but I have concluded—this may not be the final conclusion of the High Court—that we decide to pardon either everybody or nobody. There are, I suspect, major problems, and I refer the hon. and learned Lady's question—while in no way avoiding it—to the Minister.

Since 1998, we have seen a number of developments, which I should like briefly to take hon. Members through. In November 2000, an important psychological threshold was crossed when relatives of those executed were allowed to participate in the Remembrance day ceremonies at the cenotaph. As my hon. Friend pointed out, many but not all local communities—even in this regard they have been divided—have decided to add to war memorials the names of those who were executed in the first world war. I think that I am right in saying that there are one or two examples of the names of those who were executed already appearing on war memorials in the 1920s and 1930s. I have not had time to check this, but the name of the only Norfolk man to be executed—Private John Abigail of the 8th Norfolk Regiment, who was a volunteer who deserted more than once and who was executed in 1917—appears on the wooden panels of St. Augustine's church in Norwich. Having seen a photograph, I think that that predates the contemporary debate. However, that was an important watershed.

In October 2004, the Irish Government formally submitted to the United Kingdom Government a report seeking a pardon for 26 Irish soldiers who were executed. They were from both the north and the south, Catholic and Protestant—those who served in the demonstrably Protestant 36th Ulster Division and the overwhelming Catholic 16th Irish Division. I shall come back to that, but I understand that the report is lying on the table and that the Ministry of Defence has not yet formulated a considered reply. Obviously, there are contemporary political sensitivities relating to that.

In May 2005, a case was brought before the High Court by the family of Private Harry Farr, seeking a full posthumous pardon. It was brought in the name of his daughter, who is now aged 92, who must be one of the relatively few surviving immediate relatives. That case has been adjourned while the Ministry of Defence considers further submissions by the family. I recognise that I should not get into the weeds of that case because it is, at present, sub judice.

In November 2005, the hon. Member for Thurrock (Andrew Mackinlay)—alas, he is not in his usual place; like Charles II, he is on his travels abroad, with the Foreign Affairs Committee, but his heart is here in this room even as we speak—introduced a new version of his private Member's Bill, which in effect has been introduced and reintroduced since 1993, seeking a pardon for soldiers of the great war. In 2000, the New Zealand Government passed an Act to pardon soldiers of the great war, which related to five New Zealand soldiers who were executed. That was a no-holds-barred, absolute retrospective pardon. In July 2005, the New Zealand Prime Minister presented the relatives of those soldiers with any outstanding medals, decorations and certificates. The New Zealand Government have gone the whole hog. Interestingly, to compare and contrast, in December 2001, the Canadian Government debated the issue and offered a formal apology to 23 Canadians who had been executed, but stopped short of granting statutory pardons.

In three countries—the United Kingdom, New Zealand and Canada—we have three variations: there has been no apology and no pardon directly from the United Kingdom Government, but there has been a motion of regret, which is as near as possible to an apology; in New Zealand, there has been a complete apology and a restitution of all civil rights, if I may put it that way; and the Canadian Government have made an apology, but have not granted a statutory pardon.

Interestingly, there are dogs that have not barked in this case. As far as I understand, no request has yet been received from the South African Government for those who would now be constituted citizens of South Africa who were executed during the first world war. I will not touch on the subject of other Commonwealth citizens who were also executed under military law during the first world war. There are half a dozen in relation to Nigeria and the West Indies, and, of course, several hundred who were in the old Indian army. Several dozen were executed as a consequence of a mutiny in Singapore in 1915. It will muddy the waters if we get on to that area.

A vast amount of popular and academic literature and many TV documentaries have been produced since 1998. In my considered opinion, the two best books, which do not quite present the arguments for and against, but which complement each other, are Catherine Corns's and John Hughes-Wilson's "Blindfold and Alone: British Military Executions in the Great War", which was published in 2001, and Dr. Gerard Oram's "Military Executions During World War I", which was published in 2003 and which has the advantage of comparing and contrasting what happened in the French and the German armies, as well.

Having sketched out the background, let me come to the core of what I wish to address. I want to ask the Minister some specific questions to see what, if anything, has changed since 1998. First, has his Department discovered any new official documents relating to the courts martial and executions of these men? Secondly, have any of the files relating to the 3,000-plus men sentenced to death but reprieved been discovered? I understand that all those files were destroyed at some point in the inter-war period. This is an important issue; the hon. and learned Member for Redcar (Vera Baird) will be aware of it. There would be a control mechanism if we had available the 3,000 files relating to those people found guilty but reprieved. We do not know why they were reprieved. We have only one side of the argument. Thirdly, have any other official documents or has any other contemporary evidence been produced by other Departments or by individual citizens since 1998 that is directly relevant to the central question? Finally, has the Government's legal opinion changed since 1998?

Obviously, a serious challenge to the Government's opinion as stated in 1998 is the High Court case involving Private Harry Farr. I know that this may be difficult for the Minister to answer and he may very well say that it is a hypothetical question, but can he confirm that if a final ruling finds in favour of the family—that there will be some form of pardon, even if it is a conditional pardon—that would effectively set a precedent for all the other cases, or, as the hon. and learned Lady suggested, would the Ministry of Defence have to consider some form of tribunal that would assess each individual case as the case of Private Harry Farr has been assessed?

[Mr. Simpson]

I understand the political sensitivities of this matter, but the MOD has now had just over a year to study the report of the Irish Government covering the cases of the 26 Irish soldiers. A copy of the report was leaked to the *Sunday Mirror* and there are various extracts from it on the internet. I have to say—this is a personal view and I admit that I have not read the full report—that it struck me less as a legal, historical document than as an emotional polemic aimed at the British Government. Does the Minister intend publicising the report as soon as possible? It has already been partly leaked to the press and it might be helpful if we saw the full report.

Given that a year has now gone by, when is it likely that an answer will be given to the Irish Government about the report? Will the British Government's reply be placed in the public domain? If the British Government were to accede to the request of the Irish Government—if they recognise that the Irish Government have presented a case and the 26 Irish soldiers effectively get some form of pardon—would the British Government's opinion be that that would set a precedent across the board for other national groupings? After all, what about the Scots and the Welsh? Given the Minister's background, it may interest him to know that, of those found guilty and condemned to death during the first world war, 10 per cent. were from England, 10 per cent. were from Ireland, 12 per cent. were from Scotland and 14 per cent. were from Wales. An incredible 22 per cent. were from New Zealand. What do those statistics mean? I suspect, in isolation, not a lot, but one can see the potency behind different groups arguing for their specific cases.

There is a final point connected with Ireland. I recognise that this does not fall directly into the category of those executed in the first world war. Does the Minister know whether any formal request has ever been made by the Irish Government for formal pardons to be given to those 15 Irishmen convicted by British Army tribunals in 1916 and executed following the Easter rising? They were convicted and executed for a rebellion that, as far as I understand from reading the best, most recent account—Professor Charles Townshend's "Easter 1916: The Irish Rebellion"—was fully covered under military law at the time. I realise the sensitivity of the matter, but I think that we are now into this area.

The purpose of my debate, apart from the opportunity to put a series of questions to the Minister, is to allow colleagues who may have different views to contradict what I have said, perhaps to press strongly for a pardon or a partial pardon and to ask similar questions. I am still unpersuaded by the case for a pardon, but I have an open mind. If I could be persuaded, perhaps I would be. There is now an opportunity for the Minister to explain his Department's current position and whether it has changed since 1998, and to ensure that my questions and those of other hon. Members receive due attention.

10 am

Vera Baird (Redcar) (Lab): I repeat the congratulations that I have already offered to the hon. Member for Mid-Norfolk (Mr. Simpson) on having obtained the debate at what he rightly says is an important time, on the manner in which he has expressed his interest in it, and on the measured way in which he set out the position as he sees it. The broad sweep of the historian was very much in evidence, and I hope that the narrow focus of the law will not muck it all up.

I disagree with the hon. Gentleman on only one or two small things. One is his reaction on having the privilege of interviewing first world war soldiers to some of them saying, in effect, "I put up with it; I served well. They ran away, why shouldn't they have suffered punishment?", even if they did not necessarily say that the others should have been executed. One does not necessarily want the state to have that reaction. It is a similar argument to that of those who say that they accept that 60 per cent. of criminals are from poor backgrounds, and that they have had problems with their parents, but that a lot of people have had that and they do not go to the wrong. That is a natural human reaction, but the state has to consider the justice of the case of each individual who was killed. This is an issue of justice. That is why I, as somebody who no doubt perpetrated many injustices in my former career as a lawyer, have an interest in it.

I cannot go any further without speaking of my comrade-in-arms on this issue, my hon. Friend the Member for Thurrock (Andrew Mackinlay), who has a proud history of fighting on the subject. When I looked back—I had only a brief opportunity to do so—to prepare for the debate, I found that it is over a decade since he started to argue this case. He argues it with ferocity and diligence, and with a great deal of strength. He is very sorry not to be here for the debate. He is, as the hon. Member for Mid-Norfolk said, obliged to be on parliamentary duties elsewhere. My hon. Friend and I had a short conversation about the matter and if I had a message to pass on from him it would be that he has not changed his mind. That is pretty manifest in that as recently last December, on Second Reading of the Armed Forces Bill, he again put forward the case for an outright pardon.

Those who were executed were, by and large, executed for offences such as cowardice, desertion and sleeping at their posts. These days, such allegations would always be looked at through the prism of a better understanding of psychiatry and psychology and the impact on people of trauma than could possibly have existed then.

My attention was brought to the issue in 2001, shortly after I was elected to represent Redcar, by a Middlesbrough family who include an elderly lady who is, I think, the great-niece of a man who was shot at dawn for just such an offence. I had the privilege of meeting John Hipkin, who has for a very long time run a campaign called "Shot at Dawn". He is now well into his 70s, but is nevertheless present on every occasion on which he thinks he can have an influence and, like my hon. Friend the Member for Thurrock, he is very loyal to his cause.

I met the woman and came down to London to walk with "Shot at Dawn" in the Armistice day parade on 11 November 2002. I talked to her about why she was still troubled by what seemed like an old injury to a family, most of whom were now dead. She said that, when young, her relative—hon. Members will have to excuse

me for not remembering whether it was her aunt, her great-aunt or her mother—had been completely shunned by her contemporaries because her father, or uncle, had been executed as a traitor. The family were in disgrace; they were not to rear their heads and were not entitled to have an opinion or any share in the community on account of that event. It was clear that the relative had passed on to her descendent the recollection of that experience. I cannot possibly bring it to life, but most people with a grain of imagination will be able to work out what it must have been like for her.

The hon. Member for Mid-Norfolk spoke of "Oh! What a Lovely War". One of my earliest visits to London was as a teenager to see the film—I am not so old that I go back to the time of Joan Littlewood's production. It was a notable film and made the point that the first world war was, in a sense, a war of vaudeville patriotism. Patriotism was at a great emotional height then. People encouraged their young men to sign up as an act of gallantry. We have all seen the poster that says "Your Country Needs You." It would have been a great source of pride to people to be able to say, "My son is a soldier" or "My boyfriend is joining up." In that context, one can understand how it must have impacted on families to hear that those people had been shot at dawn, apparently for treacherous offences.

I accept that it is pretty unlikely that all 306 soldiers were simply suffering from trauma. There might well have been wrongdoing and a mixed bag of circumstances, but the fear that there has been injustice persists. Many, many people who heard of the events—I looked at some cuttings overnight—talked about those who had been shot and knew that they were not cowards and that they must have been traumatised.

There is an account of a village—Fulstow, near Louth in Lincolnshire, which is not on my patch—that has finally decided to mark Armistice day. Because Private Charles Kirman was shot at dawn for cowardice and the whole village would not put his name on the war memorial, they would not allow any reference to be made to the first world war in the village hall—which was built in memory of second world war veterans—and would not hold any kind of Armistice day event until it was agreed that his name should go on to the war memorial. Indeed, descendents of his mates who had been killed in action would not support the honouring of the names of their fathers or uncles until Private Kirman's name was honoured too. There are clearly some powerful cases that require a strong examination—and a stronger examination than that which has already been carried out.

I do not speak for "Shot at Dawn". I readily appreciate—the hon. Member for Mid-Norfolk has also made the point—that there are likely to be good and bad cases among this group of men. However, granted the lack of understanding of psychiatric matters; granted the haste in which the cases were held; granted that there was no appeal against verdicts that were brought about in the field at courts martial; and granted that it is asserted repeatedly by the campaign that even the right to appeal to the King for clemency was not an effective right, it is almost inevitable that injustices occurred. It is a painful sense of injustice to relatives and it is not right that we should tolerate them. I do not want to use emotive language, but they are something of a stain on our justice system.

Let me turn to what I know a bit about: the way in which the law generally deals with old cases that it considers to have been unjustly tried. Some years ago, I was involved in the Ashley King case in the Court of Appeal and that set down the parameters. The rule is that even if the law was correctly applied as it stood on the day on which the trial occurred, if the way in which we have moved on, reinterpreted justice and improved on things throws the light of injustice on how the law worked in the old days, we should view those old facts through the better prism of justice that has subsequently evolved. If we were to do that, which is merely the ordinary civil law way of going on, some of the surviving people would be relieved of their pain by understanding what happened. If they were to find that their forebears had behaved in the way alleged, in a way they would not be any worse off, as they have already suffered pain. On the other hand, there will be people who have wrongly suffered that pain and who deserve to have matters put right before their lives end.

I admire, respect and have a huge amount of time for the Secretary of State for Defence, who diligently carried out a review of these cases as well as he possibly could as recently as 1997, which ran into 1998. Of course, that has not stopped the campaign, put an end to the pain or stopped the air of secrecy that surrounds this whole area, and it never will as long as it is done by a member of the Government, however well disposed and well intentioned it is. It is a judicial rather than an Executive function to consider how cases were tried and whether they should be overturned. That is the huge flaw in the way in which the matter has been tackled so far. I wonder whether the right way forward is to see whether the Criminal Cases Review Commission is an appropriate body to deal with these matters.

The CCRC was set up in 1995 to take over from a Home Office department that had been, frankly, discredited because it was intended to look at miscarriages of justice that were alleged still to exist after final appeals had been exhausted, but it was perceived as being part of the Home Office and terribly close to the police and so not at all impartial. It did not refer many cases, and when it did it was many years later. The CCRC is a completely independent, non-departmental public body set up to review such cases. It reviews them on an application basis. When someone says that they are not guilty even though the Court of Appeal says that they are, and even if they have been to the House of Lords and had no satisfaction, the CCRC can take on and consider such cases or reject them; whichever it thinks fit. If it takes on a case and sends it back to the Court of Appeal, the case must be heard by a court to determine whether there was an injustice and whether the verdict should be overturned. It sounds cumbersome, but it produces reasonable justice in the end. I wonder if that is not the right tribunal to consider these cases at first instance.

I value highly what the Secretary of State said about there being scant evidence about what happened in some cases. That point was reflected in what the hon. Member for Mid-Norfolk said. However, there will have been rules about the way in which the courts martial should have been run. There are certain questions to ask in an appellant system. Do the facts justify the outcome? Would there be a psychiatric defence now and can we sense whether that is right? Were the procedures

[Vera Baird]

followed properly? Even if they were, were they just enough when we look at them through the prism of justice as it is now? Even in a case in which there is only a little bit of documentation, experts might discern something from it. If the CCRC were to consider all such cases, there might come a tipping point at which it became fairly clear that procedures were not being followed in the way in which campaigners have always alleged that they never were. We might then be in a position to look for a holistic pardon for the entire group.

My guess is that there is a reservation about whether the CCRC has the power to consider the decisions of old courts martial. If it does not, that is not necessarily an insurmountable problem. Perhaps it could consider these cases if someone from this House, or possibly a cross-party group, makes an application for it to do so. If there is a need for a minor change in the law so that it can review such cases, there is an omnibus, Christmas-tree Home Office Bill coming soon that could easily accommodate a short clause, which need not necessarily be controversial, to permit that change.

The hon. Member for Mid-Norfolk talked about the issue being raised in the other place recently. It was raised by my noble Friend Lord Dubs, who talked about New Zealand having passed an Act to permit such convictions to be overturned. Lord Drayson, speaking on behalf of my Government, I suppose, replied,

"the House will recognise that we have looked thoroughly for a legal solution to this matter, and we have not found such a legal solution to provide a pardon."—[*Official Report, House of Lords*, 9 January 2006; Vol. 677, c. 6.]

It sounds as though the political will is present in the Government to take the issue on a bit more. If there is no legal solution of the type that I have outlined, it is not a matter of major difficulty to bring one about by a short and simple change in the law. I urge the Government to reconsider this matter and to acknowledge the hard work put in by the Secretary of State and that this is a judicial issue, which should be tackled roughly in the way in which I suggest.

Hugh Bayley (in the Chair): I remind hon. Members that we will begin the winding-up speeches at 10.30 am.

10.16 am

Mr. Mike Hancock (Portsmouth, South) (LD): I appreciate that warning, Mr. Bayley.

I congratulate the hon. Member for Mid-Norfolk (Mr. Simpson) on his consistency on this issue—being present when it is debated and discussed—and on the excellent way in which he presented his point of view, although it is not one that I share. There is an issue that goes beyond what he explained about the traditions of natural justice in this country and what the overwhelming majority of people feel is a realistic approach in today's society. By any means, most of us agree that what happened was an appalling outcome in the circumstances. No stone should be left unturned; if a change in the law is required to give those men pardons, then that is what should happen.

I agree with virtually everything that the hon. and learned Member for Redcar (Vera Baird) said, except her comments about putting this matter to the Criminal Cases Review Commission. The problem is that there would not be consistency of evidence, so some cases would get a thorough going over, some of which might end up with a pardon being granted, but, sadly, that opportunity would not be present in many cases. We know the likely problems from previous examinations and from what the Secretary of State told us in 1998, when he had fastidiously gone through the documentation and considered the cases. I remember conversations we had in his office in which he said what an emotional rollercoaster he was on when he read the cases; he had a picture of his relatives who had served in the first world war on the bookcase in his office. He said, "I read these papers and looked at these pictures and could not fail to be emotionally involved in the situation." He also said that there was such scant information available in some instances that it was impossible to go one way or the other, which would be unfair to the cause and to the majority of the people involved.

Vera Baird: I am grateful to the hon. Gentleman for giving way; it is good to discuss points as they are raised. I am sure that what he says is the situation, but would any damage follow from the CCRC using its expertise to consider as exhaustively as possible all the cases that it could, and the Government having to make their mind up about whether to grant pardons in the remaining cases? That would be a quick way of getting through the issue and of offering some succour to people before they die.

Mr. Hancock: I would agree entirely with that if the end result was that the Government were willing to consider the cases that could not be given the sort of scrutiny that the CCRC would undoubtedly give them, and that the benefit of the doubt would then be given in those cases by the Government bringing forward a one-clause Bill to grant the pardons.

Twenty-odd years ago, when I was first elected to the House, I met some of the families of the people concerned, whom I met again in 1998. I also recollect members of my family telling me about their experiences in the first world war. One of the family members whom I spoke to some 20 years ago told me about the case of his father. He came from a small market town from which they all went off to war together. He was a 22-year-old with two children and with him went three of his brothers, one of whom had lied about his age and joined the Army at the age of 15, and who was killed within two weeks of being in France. Those were tragic circumstances.

It was a close-knit community and the overwhelming majority of the male population under 30 joined the Army. Those who came back did so with stories of what had happened and about the execution of the person with whom they had grown up, gone to school and gone to war. It was much like the situation in the village in Lincolnshire, but people talked. The family did not tell people what had happened, but all the other men who returned told their families.

The chap who I talked to told me what it was like to go to school with the other boys. I can remember it from after the second world war: I went to school and a boy in my class whose father had won the Victoria cross came into school with the VC in his pocket. The man

told me that boys would come to school with the medals that their fathers had received for serving in the first world war and that they all gave him a bad time, talking about his family and him. He explained in graphic detail what it was like for the family and how the stigma stayed with them. His mother had great difficulty facing the local community, but because the family had no means to move away they had to live with it. They lived with it for the rest of their lives.

We have an opportunity. I shall quote what the then Minister for the Armed Forces, the present Secretary of State, said about Armistice day in 1998. By ironic coincidence, he was speaking at 11 minutes past 11, as the hon. Member for Thurrock (Andrew Mackinlay) pointed out to the House at the time. The right hon. Gentleman said:

"For some of our soldiers and their families, however, there has been neither glory nor remembrance. Just over 300 of them died at the hands not of the enemy, but of firing squads from their own side. They were shot at dawn, stigmatised and condemned—a few as cowards, most as deserters. The nature of those deaths and the circumstances surrounding them have long been a matter of contention. Therefore, last May, I said that we would look again at their cases. The review has been a long and complicated process".—[*Official Report*, 24 July 1998; Vol. 316, c. 1372.]

He went on to say that because there was no compelling legal ability to deal with the problem, the situation would be much as it stands: the Government would regret that it happened, but there would be no chance of relieving the pain. That is why the hon. and learned Member for Redcar was so right to talk not about justice but about the pain that families and others have suffered through the injustice. We cannot put that right but we can by some measure adopt what the New Zealanders did. We should not try to judge each case on its merits, but say that in today's circumstances it would be inconceivable for such situations to have arisen and to have been dealt with in such a way.

I remember my grandfather saying that only enlisted men were shot, never officers. He said that it was a class thing. Officers who did not go to fight were merely sent home. Few of them ever stood any sort of trial and excuses were always found. I do not want to suggest that it was a class thing, but it is something that our generation—mine and yours, Mr. Bayley—can do something about.

None of us could possibly imagine what those young men went through—and many were very young. Some of those who were executed had been in and out of the front line for more than three years. Many had served with distinction; some had been put up for awards at some time during their career. Some, as the hon. Member for Mid-Norfolk said, had been involved in incidents that probably would have meant some punishment from the unit commander or under the regulations of the British Army. However, it is inconceivable that any of us could say hand on heart that we would not have reacted in a similar vein in such circumstances.

Some 20,000 people were convicted of some form of cowardice or desertion, but 300 paid the ultimate price. The circumstances that led to their being executed included the character of the commanding officer or brigade commander who ultimately made the decision, or the way in which the war was going at the time. As the hon. Gentleman said, examples had to be made. All circumstances were different at different times during the war, and those people were certainly in the wrong place at the wrong time. Circumstances compounded to make their situation even worse.

If the House is worth anything to our society in trying to deliver relief for the pain that the families have gone through, we surely have to respond in what most reasonable people in this country believe to be the right way. In my opinion, that can only be through a full pardon as a result of a change in our legal system. We cannot reconsider the cases. The Ministry of Defence and the Secretary of State, to their credit, went everywhere they could to find a way out for us all, but could not do so within the current framework. The matter will be resolved only in the manner suggested by the hon. and learned Lady, with the Government reacting, or by the Minister being courageous enough to give the benefit of the doubt to all 306 and to table legislation that would grant them a pardon. I urge him to do that sooner rather than later.

10.26 am

Bob Russell (Colchester) (LD): I shall be relatively brief, because we need to give the Minister as much time as possible to respond. First, I congratulate the hon. Member for Mid-Norfolk (Mr. Simpson) not only on securing the debate but on the measured and thoughtful way in which he spoke. I do not think that there is another Member in the House who has his breadth and depth of knowledge of historical matters. I also congratulate the hon. and learned Member for Redcar (Vera Baird) and my hon. Friend the Member for Portsmouth, South (Mr. Hancock) on their speeches.

We need to recognise that we are on the edge of history; we are on the last page of the last chapter of the first world war. There are 10 or a dozen amazing survivors from that great conflict; I believe that there are no survivors from Germany. In a relatively short time the final combatant will pass on, and it would be fitting if we could close that chapter and the book of those who fought by granting a pardon, at least as far as can be conceived, and following the good examples of the approaches taken by the Irish Republic, Canada and New Zealand.

The debate is of course deficient without the presence and contribution of the hon. Member for Thurrock (Andrew Mackinlay), who, as we have heard, has campaigned for 10 years or more to bring about justice. The early-day motion that he tabled in the first year or two that I was a Member of Parliament—in 1997 or 1998—attracted more signatures than any other early-day motion before or since. I was in the House on 24 July 1998 when the then Minister for the Armed Forces gave his statement and we debated it. It was the most moving debate that I have experienced in my eight or nine years in the House. It was clearly thought through by the then Minister but the conclusion was not the one for which we are still searching. I should point out that the debate will go on until people feel that justice has been done.

Clearly, the 306 people who were shot at dawn included many who it was quickly realised should not have been executed. Lessons were learned, because by the second world war there were no executions—certainly not on the scale and for the purposes for which

[Bob Russell]

an example had to be set, as if such an exercise were a sort of decimation, when one in 10 along the line was stabbed to death as in ancient history.

I am grateful to the hon. Member for Mid-Norfolk for drawing attention to "Oh! What a Lovely War" and "Blackadder Goes Forth". That satire really made an impact on people of my generation, because we could see not only the futility of war, but the stupidity of those who were responsible for such actions. As my hon. Friend the Member for Portsmouth, South said, not all officers led from the front. Of course, there were many brave officers, but there were those who did not get stuck in as the men at the front did.

I first became aware of the scale of the first world war when, as a scout in 1961, I did my hiker's badge. As a project, I recorded information on village war memorials. I realised quickly that the list of names in respect of the first world war was considerably longer than that for the second world war. Clearly, various lessons had been learned, not least the stupidity of sending men into a barrage of machine gun bullets. Cowardice, courts martial and so on were more measured and understood in the second world war. Medical knowledge was improving all the time and it is now even better than it was in the second world war.

There have been calls for a state funeral for the last person from the great war to pass on. I urge caution because through my Royal British Legion connections I am told that it does not necessarily know all the names of those who took part in the war. In the past six to nine months, one or two names have emerged of which it was not aware. Would the family want a state funeral? If they did agree to it, it is possible that someone else may emerge who had not wished it to be known that he was a survivor and a brave soldier from the first world war.

Will the Minister take serious note of what has been said and realise that, although we have moved on from 1998, the campaign for the pardon has not weakened? As we come to the final page of the final chapter, I urge the Government to find a way in which to give posthumous pardon to those 306 people.

10.33 am

Dr. Julian Lewis (New Forest, East) (Con): Twice as many British servicemen were killed in the first world war than in the second world war. What made what happened seem even worse was that the majority of those casualties were inflicted in a condensed geographical area. Whatever one's point of view about the issue in hand today, everyone would agree that no trauma affected the attitude of the British people towards war as much as the experience of world war one. Indeed, many would say that the lessons that were drawn from world war one had a pernicious effect in the 1920s and 1930s in making the country more disinclined than it should have been to take the measures that might have stopped the onset of world war two.

There is no doubt that this morning's debate has touched on great issues of war and courage, and war and injustice. The victor of Burma, Viscount Slim, observed that the same fighting man who could win the Victoria cross under some circumstances could desert his post under others; it all depended on whether his commanding officers knew how to handle the resting of their subordinates. Indeed, the experience of the bravest resistance agents who fell into the hands of the Gestapo in the second world war showed that there are issues of physical endurance that all but the very strongest minds cannot overcome if tried to the limit. Therefore, if people were insufficiently rested and if their psychological traumas failed to be recognised, even the bravest of individuals could have undertaken acts that would at the time of the first world war have been regarded as gross cowardice.

How do we deal with those events of the early 20th century in these years of the early 21st century and for whom are we proposing to undertake any steps that might be considered? Who is all this for? I was asking myself that when preparing for the debate and what I have heard this morning has helped me answer the question. Is it for the people themselves who were the victims? Is it for their families and others who knew them, or is it for the historical record? As the debate has continued, I have become more convinced that it is for the families and others who knew the people concerned. If we do not take that line, we shall get into the difficulties that my hon. Friend the Member for Mid-Norfolk (Mr. Simpson) so admirably outlined in his excellent contribution. I hesitate to follow his speech with my historical observations, because there are people at the highest reaches of the British armed forces who know what they know about British military history as a result of studying under my hon. Friend when he held his senior historical teaching position at Sandhurst.

The matter of past historical experience brings several examples to mind. Let us consider three of them. I refer first to the case of George Archer-Shee. He was a young lieutenant who was killed early in the first world war, leading his men on a raid. He should not have been there, because half a dozen years before the first world war he had been a naval cadet at Osborne and was wrongly accused of stealing a five shilling postal order from another cadet. That incident became the basis of the famous Terence Rattigan play "The Winslow Boy". George Archer-Shee won justice at that time, partly because his brother was a Member of Parliament and could enlist the services of Sir Edward Carson, one of the greatest barristers of the day, to fight the case, and partly because his father was determined to risk the entire family fortune or whatever it would take to clear the honour of his son's reputation.

However, even though justice was won for George, he lost. His naval career was ruined and, instead of being in the Royal Navy where he would almost certainly have survived the first world war, he immediately returned from abroad when the war was declared, volunteered, went to the western front and was killed early in his career fighting for the country that arguably had not treated him well as a cadet.

The next case concerns the Arctic convoy veterans of world war two with whom some of us have been involved, particularly the hon. Member for Portsmouth, South (Mr. Hancock), in fighting for recognition for a service medal for them, which was not awarded to mark their specific service in world war two. The third case is that of the Chinook pilots who were killed in a crash on the Mull of Kintyre, over which the argument carries on. There is much agreement that an injustice may have been done to those dead pilots.

How do we differentiate between those cases? That brings us back to the question of whether any family members or others close to the people concerned are still alive and feeling the pain of those perceived injustices. If we go further than that—this is where I part company with my Liberal Democrat colleagues, who are urging a collective solution—and say that we must give a collective pardon to everybody irrespective of the facts of the individual cases, I fear that we will open up a Pandora's box. That was hinted at by my hon. Friend the Member for Mid-Norfolk when he referred to the events of the Peninsula war and the Easter rising. It is a convenient political cop-out to be able to say that because we would not do something in this day and age, we as parliamentarians and politicians will pass judgment on what was done in a different day and age when different standards pertained.

If individual cases are to be considered, that should be done—if it is to be done at all—on the basis of whether there is any legal mechanism to enable people who have a direct interest in such cases to bring an action. Even then, this is a matter for lawyers and the courts; it is not a matter for politicians and Parliament. In that respect I go some way towards the position of the hon. and learned Member for Redcar (Vera Baird), who made a thoughtful contribution. We also face a problem of boundaries. If we make the wrong decision, we will open up an endless process of historical review, which will not do good service to the cause of political debate in this country.

Let me return to the question of who this is for. If it is for the people who were killed, it can only be so in some spiritual sense that would depend on one's religious viewpoint. If one believes that those people still have some sort of entity or existence, they do so in a dimension where our consideration of their cases makes little difference. If it is for the families, then the only basis on which anything could justifiably be proceeded with would be where there are still a small number of survivors who are directly affected by what happened in the individual case. However, if it is for the historical record, we have to be very careful indeed; we as politicians would be entering into a rewriting of that record, when the historical record ought to be written by historians.

Even in our day and age, there is still not entire agreement on the record of the first world war. A recently published book by a leading historian entitled "Forgotten Victory: The First World War—Myths and Realities" seeks to rehabilitate many of the leading figures of that war who have been so effectively satirised in the years in between. I think that it overstates its case, but those are matters that it is appropriate for historians to debate and settle.

In respect of our debate today, the line can be correctly drawn only at the point at which the people who were directly affected cease to be living in this world and wishing to bring an action. The strongest case that has been made in this debate for any sort of consideration has been the pain, the stigma and the shame that was inflicted on the families of those concerned. I maintain that, once those family members are no longer living, the correct approach is for justice to be done by historians, and that politicians meddle in this sensitive area at their peril.

10.45 am

The Parliamentary Under-Secretary of State for Defence (Mr. Don Touhig): I congratulate the hon. Member for Mid-Norfolk (Mr. Simpson) on securing this debate on the soldiers who were executed in the first world war. I wish to state at the outset that the Government did not believe that the review that my right hon. Friend the Secretary of State for Defence carried out in 1998 would end this issue, and this debate has demonstrated that.

The issue has been raised many times in this House and outside. It provokes powerful emotions, and there are strong and principled views on both sides of the debate. It is not solely a moral question, or a point of law, or an exercise in historical investigation. Rather, it is a complex debate with strong moral, legal and historical factors, every one of which is relevant, and every one of which is powerfully argued. I am glad to have had the opportunity to listen to the points raised, and to have this chance to explain the Government's position.

The previous Government considered these cases and decided that they were not able to take any action. The Labour party when in opposition promised a full and open investigation. We honoured that pledge when we came to office in 1997. The then Minister for the Armed Forces, my right hon. Friend the present Secretary of State, immediately set up a review into the whole subject of the executions and the possibility of recommending pardons. The summary of that review is in the Library.

The best view is of course that looking back—the view of "what if?" and "if only"—but we must not forget the circumstances in which the cases were brought. We must be very careful not to blame the members of the courts martial. The officers who conducted the trials were honourably and conscientiously doing their very best to discharge their responsibilities and their duties and to see that justice was done.

The review made a detailed consideration of shell shock—of both the way in which it was understood and treated at the time, and the way in which courts martial dealt with it as a possible defence or mitigation. All the issues were set in their historical context and all the case files held in the country were reviewed. As the hon. Member for Mid-Norfolk said, my right hon. Friend the Secretary of State reviewed more than 100 cases himself. The review sought advice from historians, lawyers and medical experts, and of course veterans and the people seeking the pardons played a vital part in the discussions that my right hon. Friend held.

It is important to make it clear how and why pardons are granted. A free pardon excuses a person from all penalties imposed at trial in recognition that that person was technically and morally innocent of the charges against them. A conditional pardon reduces the penalty to a lesser one. In order to make a recommendation to the sovereign for a pardon under the royal prerogative, the Secretary of State would need to be satisfied for a free pardon that each individual was technically and morally innocent of the offence, and for a conditional pardon there would have to be compelling grounds that a lesser sentence than the one imposed was more appropriate.

[Mr. Don Touhig]

The hon. Member for Mid-Norfolk is a distinguished historian, and I am sure that he would agree that anyone who has studied the records and eye-witness accounts, heard or read the poetry, looked at the photographs or talked to those who survived the trenches, will realise that some places came as close to hell on earth as anyone could possibly imagine, and that it was an awful experience for those involved.

That conclusion is borne out by the tremendous weight of evidence—there really is no doubt about it. Unfortunately, we cannot say the same about the evidence that survives from the courts martial that condemned the soldiers to death. There is no doubt that the records are very thin. I have the documents for the Harry Farr case; there are six and a half pages, and they are handwritten. Therefore, there is very little information about what was actually said at his court martial. Those records that have survived are—and were intended to be at the time—a summary rather than a full account of the proceedings and leave many questions unanswered.

At the time of the review, my right hon. Friend wished, as do many others, to treat together all those who were executed. However, in order to consider pardoning a group of people, there needs to be sufficient evidence to meet the test in each individual case. As that level of evidence is lacking in most—perhaps all—of the cases, consideration of a blanket pardon was believed during my right hon. Friend the Secretary of State's review not to be possible. The approach that I described, in which each case is treated individually, was considered to be proper in the context of possible statutory pardons as well as pardons under the royal prerogative.

Since my right hon. Friend's review, the New Zealand Government have passed an Act of Parliament establishing a form of statutory pardon for each of the five members of the New Zealand expeditionary force executed during the first world war. The stated aim of the Act was to remove, as far as practicable, the dishonour that the execution of the five soldiers brought on them and their families. The Act is relevant to our considerations. A number of Members in this House and the other place are pressing the Government to consider a similar Act of Parliament to pardon all those executed to whom we have referred in this debate. That would represent a major step, but it could not be undertaken without careful consideration of its far-reaching implications.

I am aware of the private Member's Bill promoted by my hon. Friend the Member for Thurrock (Andrew Mackinlay), which will be considered on Second Reading on 3 March. The Bill requires pardons to be granted to all those executed, possibly after consideration of each case by an international body of judges that would have to be appointed. However, when my hon. Friend presents his Bill, an important point to consider will be the fact that it does not state exactly what test would be applied in order to make a decision, and that is key to reaching any conclusions on the subject.

At the end of the detailed review of all the issues in 1998, my right hon. Friend concluded that it would not be just or compassionate to put the cases of those who were executed to the pardon test just to see most—quite possibly all—of them fail. He particularly did not wish to take a course of action that, although it might lead to pardons for a few of the men, would leave most without a pardon and thus still condemned.

Paul Farrelly (Newcastle-under-Lyme) (Lab): I am sorry that I could not be here at the beginning of the debate. I have listened to the Minister and the Opposition Front-Bench spokesman, the hon. Member for New Forest, East (Dr. Lewis), and I must say that the tenor of the remarks disturbs me.

My granddad, Tom King, was born in 1899. He was a captain's runner in the first world war, hopping between trenches, and it is amazing that he survived to return; indeed, he joined the Labour party when he did. I know, from the stories that he told me of the horrors that he faced in the trenches, that for him the most disorientating time of all was going on leave, because the Germans knew when he and his fellow soldiers were going and used to shell the trains, so they never knew where they stood. I heard from him how badly affected most, if not all, those young people were. It has been a surprise to me that, since 1997, my Labour Government, and my granddad's Labour party, have not been persuaded to take steps to make pardons possible for some of those soldiers suffering from shell shock.

Mr. Touhig: My very first experience as a councillor, before I came to this House, was of laying a wreath at the cenotaph. I stood next to the secretary of my local Labour party branch. He was one of four brothers who went to the first world war, and the names of three brothers are on the cenotaph. I fully understand the horrors and the consequences, but no one could say that my right hon. Friend the Secretary of State, when Minister for the Armed Forces, did not carry out the most exhaustive, determined examination of the issues with a desire to do something about the matter. As colleagues have explained, and as I seek to explain, there are difficulties about simply agreeing to a pardon in the way that my hon. Friend strongly advocates.

At the time of the review, my right hon. Friend felt strongly—particularly with respect to the families of the executed and those who still remembered them—that it was simply not right to take no further action, and so he made a statement to the House on 24 July 1998. He said that the House acknowledged and expressed deep regret for the loss of life and remembered all those who endured such terrible conditions, those who died at the hands of the enemy, those who were executed and those who did their awful duty of being part of the firing squads. He said that all those executed should be recognised as victims of a terrible war. The Government then asked that the names of the executed men be added to war memorials and books of remembrance throughout the country. That is public recognition and a sign of the lifting of the stigma of execution from the men and their families, and I am pleased that many communities around the country did precisely what was asked.

The men who were executed are commemorated in the national memorial arboretum, where a very fitting memorial was dedicated in June 2001. They are remembered among their fallen comrades, and the sacrifice of all their lives is honoured and acknowledged.

Although the Government felt that it was not right to put all cases to the pardon test only for most of them to fail, it was always open to individuals, particularly the families of the executed, to petition the sovereign and seek a pardon for a particular serviceman. If such a petition is received it is, of course, considered on its merits. The Secretary of State has to determine whether he can recommend that the sovereign grant a pardon, whether free or conditional, on the basis of the evidence available. That is what happened in the case of Private Harry Farr, who was executed in 1916. The rejection of the petition submitted by his daughter is now the subject of a judicial review. The courts have accepted that there are no arguable grounds to challenge the rejection of a free pardon, but the hearing was adjourned in October following the submission of new legal arguments about the possibility of a conditional pardon. Those points are still being considered.

My right hon. Friend the Secretary of State has asked me to take an overview of our considerations and to report to him directly when considerations are complete. I am sure that hon. Members will accept that it is difficult for me to say much more about the Farr case because of that. However, I emphasise that, as we said in court, there has been no pleasure for the Secretary of State in reaching any of his decisions in relation to the rejection of the petition on Private Farr. As I said, we have not yet reached a further conclusion on the new grounds submitted to us, but the Secretary of State and the Government—all of us—have the greatest sympathy for Private Farr's daughter and her family, who conducted the campaign on his behalf.

Another matter in which hon. Members will have an interest is the response to the report submitted to the Government by the Irish Foreign Minister in October 2004. It seeks pardon for 26 Irish soldiers executed during the first world war. We are considering our response to the Irish Government on that; we will, of course, make it public. Throughout this debate, and over many years, the Government have approached the cases that we are discussing with a sympathetic heart and an open mind—a point made by the hon. Member for Mid-Norfolk when he responded to the statement made in July 1998.

Mr. Hancock: Will the Minister give way?

Mr. Touhig: If the hon. Gentleman will forgive me, I am tight for time and there are a couple of points that I would like to make.

We regard the soldiers who were executed as victims, along with millions of others, of a cataclysmic and ghastly war.

The hon. Member for Mid-Norfolk asked me a number of questions, and I shall briefly respond to them. He asked whether any documents had come to light. No new documents have come to light in support of the case from any source whatever. No files have been found of those sentenced to death but reprieved; they would have been routinely destroyed, and we know that some were destroyed during the bombing in the last world war. The Government's legal view on the matter has not changed, but of course we must await the judgment in the Farr case before we can determine a reaction to it. As I said, we are considering the request from the Irish Government, and we will respond to it in due course.

My hon. and learned Friend the Member for Redcar (Vera Baird) made a moving comment about the stigma attached to families. We fully understand that, and it motivates us to try to be reasonable and do something. I do not agree with her that the Criminal Cases Review Commission is the way to deal with the matter; I do not think that that approach would solve the problem for us.

The hon. Member for Portsmouth, South (Mr. Hancock) made it quite clear that he believes, as do a number of colleagues, that a pardon is appropriate; I think that he made those remarks in 1998, too. He was supported in what he said by the hon. Member for Colchester (Bob Russell). The hon. Member for New Forest, East (Dr. Lewis), who spoke for the Opposition, posed a number of important questions that are still to be answered if we are to resolve the matter satisfactorily.

I said at the beginning of my reply that we want to resolve the matter. Many hon. Members have raised points that I want to consider. Like all hon. Members, I can only imagine the horrors that people went through in the trenches in the first world war; like all hon. Members, I recognise the painful consequences for the families concerned; and like all hon. Members, I have a desire to ease the pain and suffering that the families are experiencing. However, that has to be done legally if we are to do it properly, and if it is to mean anything at all.

Grandparents (Access to Grandchildren)

11 am

Mr. Stewart Jackson (Peterborough) (Con): This debate is about families in Britain today, in all their variety and complexity. It is also about human rights and the value that we place on people whose love for their family is unconditional and who have hitherto felt excluded from decisions about their own lives. Family life in this country is not just about the nuclear family; it is about the wider or extended family, as well. Unfortunately family policy and the workings of family law often ignore the role of the extended family, in which grandparents play a vital part, nurturing and protecting children and acting as carers, role models, links to the past of the family and bridges to the future.

There are 13 million grandparents in the United Kingdom, each with an average of 4.4 grandchildren. One in five children is looked after by a grandparent, 60 per cent. of child care is provided by grandparents and three quarters of the UK population has a family of three generations or more. The care undertaken by grandparents would have an equivalent day-care cost of £1 billion, yet grandparents are becoming the proxy victims of family break-up, feuds, separation and divorce. Each year divorce affects 150,000 children, two thirds of whom are under the age of 10. Some 200,000 non-custodial fathers have lost contact with their children. Given that custody is vastly disproportionately awarded to mothers, paternal grandparents are particularly affected, and are estranged from their own grandchildren through no fault of their own. Up to 1 million children are in that position.

The human cost of family breakdown falls on the extended family, too. I pay tribute to the right hon. Member for Birkenhead (Mr. Field), who has kept the issue at the top of the political agenda in the context of a study entitled "Britain's Pensioner Parents: the quandary of parenting your grandchildren", which was published in June 2005. I thank him for his continuing support for organisations such as Grandparents Plus, the Grandparents Association and the Family Rights Group. He has also kept the issue alive with early-day motion 601—"Grandparents who act as parents"—which I was privileged to sign with 54 other hon. Members last July.

The case for reform, both financial and legal, is compelling. It is a matter not only of arcane legal issues, but of human rights, natural justice, fairness and equity, as well as economic and practical good sense. It is also about respecting people whose love for their children's children can make estrangement so painful that some of them are suicidal as a result.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): My hon. Friend talked about human rights and legal issues. I should like to make a point on behalf of my constituents, Mr. and Mrs. Jennings. At a time in their life when their income is diminished—they are coming up to retirement—they have, through no fault of their own, found themselves sole carers for two very young grandchildren, both under the age of five. To their horror, what Mr. and Mrs. Jennings and other grandparents have found—the right hon. Member for Birkenhead (Mr. Field) has highlighted the issue—is that in taking on the official role of foster parents, they are not entitled to the same rights as foster parents who are not related to their foster children. They do not have rights to the same income, allowances or benefits as unrelated foster parents. As a result, they find themselves bringing up their grandchildren in greatly diminished circumstances—worse circumstances than if their grandchildren had gone to foster parents who were not members of the family. Does my hon. Friend agree that that issue needs to be addressed and answered by the Minister?

Mr. Jackson: I thank my hon. Friend for her intervention. Later in my speech, I shall make further reference to the points made by the right hon. Member for Birkenhead in his report about the financial burden of being de facto foster parents, often as a result of alcohol or narcotics abuse.

Whatever the intention behind the Children Act 1989, its practical ramifications have led to a de facto presumption against grandparents' access to their own grandchildren. Grandparents have very few legal rights. Section 8 of the Act forces them to go through two legal hurdles to secure legal access to their own flesh and blood. They have no automatic right to apply for a contact order, but must first obtain the permission of the court so to do. That is more difficult if the child is already fostered or adopted, and legally next to impossible if the parents are not married. Can one imagine the heartache of being separated from a grandchild who has been adopted, and, as a result of a prescriptive contact order, being allowed to send that grandchild a Christmas card only if the words "Nanny" or "Grandad" are not written on it? That is the action of a callous state machinery inflicted on people who are as much the victims of family disintegration and breakdown as their grandchildren.

When a child is taken into care, the local authority has a duty to promote contact with the family as long as that is not incompatible with the welfare of the child or children. Section 23(6) of the 1989 Act imposes a responsibility on the local authority in respect of children who are looked after so that the presumption of care lies with family and friends in the first instance, and only then with foster carers and adopters. However, that is clearly not happening in practice. Often social services departments do not regard grandparents as a priority; rightly, they do not wish to be seen to be offending foster parents or adopters. In fact, we are seeing less, not more, parity between non-family and family carers. As of 30 December 2005, foster carers can apply for a residence order or special guardianship order without seeking leave if a child has been living with them for 12 months, but family and friends cannot do that unless they are already registered as foster parents.

According to experienced family law solicitors and data from the Grandparents Association and other helplines, the legal costs of leave to apply for a contact order—not including the contact order itself—can run to between £250 and £1,000. Many grandparents lack the means to meet those obligations and the confidence to cope with the legal system. Some live in relative poverty and therefore forgo the proper legal representation that would assist them in a traumatic and emotional process. Even after going through such a

process, there is no guarantee that the contact order will not be breached. The experience in Scotland, whose Parliament has recently debated the Family Law (Scotland) Bill, suggests that parenting agreements and a grandparents charter are fine in principle if one thinks that the only way to overcome the problems is through mediation. However, only legislation—or the amendment of it—is appropriate to safeguard grandparents' rights and bring fairness and equality into this aspect of family law.

Let us consider the financial impact on grandparents who are struggling to fulfil their child care role as foster carers, especially in cases where the parents are absent. Under section 105 of the 1989 Act, a private arrangement for relatives to care for a child can be agreed with the consent of the parents, but invariably attracts no financial support from the local authority. The same applies when a local authority facilitates an informal placement of a child with family members: under regulation 38 of the Fostering Services Regulations 2002, grandparents can be financially unsupported for weeks or months. Even a residence order allowance is discretionary. Only when grandparents or other relatives are assessed as foster carers under section 23(2) of the 1989 Act will they attract a fostering allowance, and even then there is sometimes pressure from the local authority for them to apply for a special guardianship order, after which the financial help will cease.

In his report, the right hon. Member for Birkenhead presents eloquent testimony to the heroic efforts of the decent people in his constituency on the Wirral who have given up the prospect of a relatively comfortable, if not rich, retirement—or indeed a quiet retirement—to care for their grandchildren. The bulk of them receive barely £30 from the state for each grandchild that they look after. That is not taking into account any legal costs such as care orders. Generally, research shows that family carers are poorer—some live in poverty—and older and are more likely to be single parents than "stranger foster carers", which is an emotive term that I do not like, but it is used officially.

Tim Loughton (East Worthing and Shoreham) (Con): I am listening with great interest to what my hon. Friend has to say. Does he agree that despite the best endeavours of all those of us who were involved in the Adoption and Children Act 2002, which brought great changes to adoption and fostering services, still not enough priority is given to extended family members, particularly grandparents, in taking on the role of foster carers or the new role that they have under that Act? Does he not agree that it is preferable that we should look to extended family members to take over the children of a family that has broken down before having to look to foster carers or adoptive parents, who do not have the family connections? The reality now is that such an approach is not taken nearly enough.

Mr. Jackson: I thank my hon. Friend for his timely and helpful intervention. I agree wholeheartedly that anecdotal and empirical evidence shows that despite the good intentions underlying the Children Act 1989, social services, which are quite often under financial or time pressure and do not wish to alienate foster parents because they have difficulty in recruiting foster parents and adoptive parents, choose the path of least resistance, which often excludes extended family members.

What is to be done? I urge the Minister to examine the following modest but important proposals. First, the Government should remove the unnecessary and iniquitous requirement to obtain leave to apply before a contact order may be sought under section 8 of the 1989 Act. Such an action would not require primary legislation and could be enacted by secondary legislation.

Secondly, the Government should re-examine section 17 of the 1989 Act and issue regulations so that all children who cannot live with their parents and are cared for by family and friends should have a right to assessment. That will examine the financial aspects of grandparents' care for their grandchildren. Similarly, section 23 of the 1989 Act needs to be adhered to in practice, not just in theory. Above all, we need consistency across local authorities and other agencies on the issues of payments made under section 17 of the 1989 Act to family carers.

Thirdly, section 10 of the 1989 Act should be amended to provide parity between family and non-family carers—for example, by reducing the residence criterion for the former from three years out of five to one year out of three. That would still screen out unsuitable carers, but would maintain the strong bond between applicants and children.

All of those proposals can be contained within a new set of principles governing placements, which would inform placement decision making by local authorities, and enforce the requirement on courts, local authorities and others to give careful consideration to and to act on the principle that any non-family placement should proceed only if it has been demonstrated that care in the family network would not both promote and safeguard the child's welfare. That would correct the present legal imbalance.

In conclusion, the Government have an opportunity today to offer hope to those whose voices have not been heard—to those who are working for the state by proxy, sustained by selflessness and dedication, whose sole aim is to give their kin the very best start in life, sometimes at the cost of their own health and well-being. I trust that the Minister will grasp this opportunity and justify that hope.

11.15 am

The Parliamentary Under-Secretary of State for Education and Skills (Maria Eagle): I congratulate the hon. Member for Peterborough (Mr. Jackson) on obtaining this well timed debate—not that much time passes without a Bill or Act with "children" in the title coming before the House. In that sense such debates are always well timed.

I see the hon. Member for East Worthing and Shoreham (Tim Loughton) in his place. Legislation to deal with contact issues and some aspects of the way in which the courts deal with these matters will be introduced in the House soon. The debate is well timed in that sense, too.

I congratulate the hon. Member for Peterborough on the thoughtful way in which he presented his case. I shall say a little about the present position and try in the time available to me to respond to the points that he made.

[Maria Eagle]

The Government recognise and value the important role that grandparents play in their grandchildren's lives. Whether families are together, divorced or otherwise, grandparents play an essential part in the upbringing of any child lucky enough to have them. No one disputes that. We know that grandparents can make a vital emotional, and sometimes financial, contribution to the lives of their grandchildren.

Many grandparents are already involved in the care of their grandchildren—the hon. Gentleman quoted some statistics—and most children see their grandparents as important figures in their lives and enjoy the time that they spend with them, perhaps because with their grandparents they can get away with a little more than they would with their parents. That in itself can contribute to happy childhoods. Such elements are essential to the children's development and future lives. I want to make it clear that there is no dispute about the grandparents' importance in the lives of their grandchildren.

The hon. Gentleman suggested that the voices of grandparents are not heard. I understand the points that he made about how courts can appear. Many people, not just grandparents, feel that their voices are not heard when they have to deal with the courts. However, the Government do listen to the voices of grandparents and their organised groups—he referred to the Family Rights Group and the Grandparents Association. I have had the benefit of meeting many such groups and I always examine their contributions to the reports that are prepared by various forums in the House, whether as part of pre-legislative scrutiny or by Select Committees.

The Government listen to the organised grandparents' groups, which have made some of the points that the hon. Gentleman made. We have been known to fund grandparents' organisations to produce advice sheets and resource packs for local authorities that are engaged in work force training. The hon. Gentleman mentioned work force issues and the culture and approaches taken by some of the professions that traditionally deal with family breakdown and looked-after children.

I do not accept that the voices of grandparents are not heard by Government. I understand why many grandparents, because of their personal experience and that of others, might feel that their voices are not heard sufficiently or that their being heard has not resulted in all the aims of their various campaigns being achieved, but I do not accept that we do not listen. We do listen, and it is important that we do.

The hon. Gentleman asked about the requirement that grandparents must have the leave of the court to apply for a contact order. He suggested that the balance struck in the Children Act was wrong. I remind the House that at the centre of the 1989 Act—a landmark piece of legislation which remains at the heart of the way in which we deal with issues of safeguarding children and the lives of children—is the paramountcy principle. The interests of the child are paramount when making decisions on often difficult and emotive cases of family breakdown and on what should happen to children who, for various reasons, can no longer live with their parents.

We must always bear that important principle in mind—the interests of the child are paramount. I believe that absolutely. That principle is an important factor in our approach to all such matters and it has implications for the approach taken by the courts. The main implication of the principle is that, as it says on the tin, the needs and interests of the individual child is paramount in each set of circumstances and must remain so. Inevitably, that may conflict with other groups' interests. Fathers' groups have been campaigning—more vocally recently—and suggesting that family courts do not treat them fairly. They say that there should be changes to the way in which the Children Act should work, particularly in respect of the paramountcy principle.

The paramountcy principle must be paramount if it is to live up to its name. The interests of the child must be paramount. Although the principle does not negate the interests of grandparents, the courts must put the interests of the child first and foremost.

Mr. Stewart Jackson: I am grateful to the Minister, who in her reasonable and fair-minded way is answering my speech point by point. However, removing the requirement to seek leave would not necessarily breach the principle of the paramountcy of children's rights and their long-term welfare. It would simply represent a tidying-up exercise and an attempt to return some parity and fairness to a difficult situation that can be traumatic for grandparents.

Maria Eagle: I do not deny that grandparents can be adversely affected by the break-up of their children's families, or that that they can feel distressed and left out if, as a consequence of the break-up, they start to lose access to their grandchildren. The 1989 Act recognises that, even if there is parental opposition, it could be in the interests of a child to maintain contact with their grandparents. No one has a veto. The parent does not have a veto. Subject to the paramountcy principle, the court will take into account the importance of grandparents and other relatives to the lives of children.

Tim Loughton: This issue is a hoary old chestnut, and if the Minister and I come up against each other during consideration of a new children and adoption Bill, we shall deal with the subject in detail. However, will she acknowledge that the paramountcy of the welfare of the child—a principle to which we all adhere—is not compromised by access to non-resident parents and grandparents? In the right circumstances, access to a loving family member, be it grandparent or father, should contribute to a child's welfare. Those ideas are not mutually exclusive. This has been a bone of contention between us before. Does the Minister now acknowledge that that is right?

Maria Eagle: As we discuss these matters in general terms, it is not possible to say whether that is right. In some circumstances, the paramountcy of the child's interest could be compromised by access for grandparents, other relatives or non-resident parents. The role of the court is to take the law as Parliament sets it down and to apply it to individual cases. As an ex-lawyer, I am wary of putting myself in the place of the

judge. We lay down the general principles and the courts will in good faith apply them to individual cases as they arise.

The Government are not convinced that the safeguard of requiring leave to apply should be removed. We must do what we can to avoid involving children in unnecessary court proceedings, especially adversarial court proceedings, which can be distressing and bewildering for adults, let alone children. Such proceedings are costly, too. Removing the requirement would immediately bring in four more parties to start court proceedings. I am not saying that that would happen in every case, but it could, and the court must have a way to screen cases if, knowing all the circumstances, it feels that proceedings are unnecessary. Without the court having an initial opportunity to consider whether there would be any likely benefit to the child, it is difficult to understand how it could do that in each individual case.

This is an important matter and we will have an opportunity in the not-too-distant future to explore it in more detail. I suspect that the hon. Member for East Worthing and Shoreham and I will engage in debate in another forum. However, it would not be fair of me to suggest today that the Government are convinced of the need for change.

The hon. Gentleman will remember that during the passage of the Adoption and Children Bill, a commitment was made to consider what changes to guidance and secondary legislation would be necessary to ensure that the application for leave process did not turn into a huge barrier. The process is meant to be not a costly, horrendous and huge barrier, but a safeguard to ensure paramountcy of the child's interests. The Department for Education and Skills is considering the issue, and I expect consideration to be completed sometime this year. I know that that is rather vague.

Mr. Stewart Jackson: I am grateful for the Minister's patience—I know that time is short. May I press her on the two specific issues, which I mentioned at the end of my remarks, relating to the review that she has announced today? Will that review consider section 17 of the Children Act 1989, which deals with the right to assessment and section 23, which provides the presumption in favour of family members?

Maria Eagle: I fear that the hon. Gentleman has misheard me, or perhaps I did not speak clearly enough. The review to which I referred was provided for during the passage of the Adoption and Children Bill in 2002, as the hon. Member for East Worthing and Shoreham will recall. It was to consider whether the perceived barrier that the obligation to apply for leave represents could be minimised as much as possible. Let me make it clear that I am not announcing a review today. There are quite enough ongoing reviews of that area of law without the hon. Member for Peterborough thinking that I am announcing another one. However, we will have further opportunities to consider that issue and others relating to how to make contact work and making it easier.

The new Bill, which will be introduced fairly soon, will cover contact for grandparents. Sometimes the reason why grandparents cannot see their grandchildren is that parents do not comply with the contact order. The new legislation will assist grandparents by giving the courts new and wider powers, rather than just the sledgehammer of imprisonment, to ensure that when the court has ordered contact and it is in the interests of the child—that is what the order means—it goes ahead. The new legislation will be of great benefit to many grandparents who have contact orders to see their grandchildren but cannot do so, particularly when the court is reluctant to resort to imprisonment. It is difficult to argue that imprisonment of the resident parent is in the best interests of the child.

We know that there are difficulties and I hope that the new Bill will address them satisfactorily. I am sure that we shall have a chance to discuss the issues in more detail during the passage of that legislation. We are short of time, so I conclude by congratulating the hon. Member for Peterborough again.

11.30 am

Sitting suspended until half-past Two o'clock.

Palestinian Territories (Israeli Policy)

2.30 pm

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Mr. Bayley, I should like to thank Mr. Speaker for choosing this subject for debate and for appointing me leader of the Inter-Parliamentary Union delegation to the Palestinian territories—the first ever such delegation—from which this debate arises. I thank my colleagues who were with me on that delegation, and I thank the IPU staff, Mr. Courtenay and his colleagues, for the remarkable care that they took in organising the visit.

I have been for very many years, and from long before he became Prime Minister, a critic of the policies of Ariel Sharon. I think it appropriate for all of us to express our deep sympathy to his family for the ordeal through which Mr. Sharon is going. Nobody, whatever their opposition to his policies, would have wished on him such dreadful suffering as he is now undergoing. It must also be said, however, that whatever the trauma through which Mr. Sharon and his family are going at present, it does not detract from the baleful effect of the policies pursued by the Israeli Government during the period of the second intifada, which began in 2000, and which was triggered by Mr. Sharon's visit to the Haram-esh-Sharif, which my colleagues and I visited when we were in the Palestinian territories.

Those territories are one of the smallest areas in the world, yet that tiny Palestinian territory must be one of the most militarised in the world. There are Israeli troops and checkpoints all over the Palestinian territories; there are more than 600 fixed checkpoints. Between mid-November and 3 January, there were no fewer than 824 flying checkpoints in that territory. My colleagues and I encountered those checkpoints everywhere that we went.

We were involved, through no pro ocation of our own, in several disagreeable incidents relating to the way in which Israeli troops either prevented us from moving, or harangued us, or from preventing us from trying to speak to Palestinians when we were paying our visit. As I pointed out to my honourable colleagues, although those incidents were disagreeable, the fact is that we were going home at the end of our visit, whereas the Palestinians had to live with much worse every day of their lives.

I have visited that area and those territories more times than I can count. Not so long ago, I was able to drive uninterrupted, from Natanya—where recently a terrorist bomb incident took place—right through to Cairo, without any obstruction. When I attended a conference in Ramallah, not many years ago, I was able, at the end of the conference, to hire a Palestinian taxi and drive right through to Aqaba in Jordan, again without being interrupted or prevented in any way whatever. To imagine that that might be possible for anybody, including an overseas visitor, today is absolutely chimerical. It is almost impossible to move about freely in those territories.

The latest information we have is that during the past few weeks, between 13 and 29 main roads in the Palestinian territories have been closed by Israeli troops, and the average number of roads closed in those territories every single day is 20. At every point of the way where one goes, there are the fixed checkpoints and flying checkpoints. Although we were delayed on occasion for 45 minutes simply trying to get into one town or another, the Palestinians can be delayed for hours. Although we were delayed simply while paying a visit, they are delayed or prevented altogether from getting to their jobs and to hospitals, schools and universities. Normal life in those territories is absolutely impossible.

I have visited Bethlehem many times. When we were there, Manger square was empty except for a small celebration of Palestine national day, and the church of the nativity, which used to be so crowded that one could scarcely move in it, had just two groups of visitors. At Christmas, when the number of visitors to Bethlehem used to be enormous, there was only a fraction of the number of visitors who used to go to worship in the church of the nativity. In any case, just as we were there, a new obstruction was erected by the Israeli authorities that makes access to Bethlehem difficult, if not impossible. That town's livelihood is being strangled, because it depends so much on pilgrims and visitors.

Dr. Brian Iddon (Bolton, South-East) (Lab): I met the mayor of Bethlehem just before Christmas in this place, and he told me that the Israelis had built the separation wall through the middle of one of Bethlehem's cemeteries. Will my right hon. Friend join me in condemning that action?

Sir Gerald Kaufman: Certainly. The obstructions, which are obstructions to worship among other things, in Bethlehem and other towns and cities are extraordinary and outrageous. When we were in Hebron, for example, a barrier was such that people within seconds of a mosque had to do a circuitous walk of 25 minutes to go and pray at that mosque; that is, of course, if they were allowed to move at all. The Israelis are making a huge fuss at the moment about ejecting a handful of foreign agitators who are assisting people who have settled illegally in the old city of Hebron. The centre of Hebron, which I used to visit and where I used to buy food and shop for the famous Hebron glass, is now totally deserted. It is a ghost city because of the walls, huts, turnstiles and gates through which people have to go if they are to get into Hebron, and the fact is that they do not get in.

When a group of Palestinians was showing us the situation, we arrived at a junction through which two busloads of illegal Jewish settlers had just passed with no obstruction whatever. We were met by Israeli troops, who pointed their guns at us. When I explained to them who we were and what we were seeking to do, they sought authority from an officer over the telephone and then told us, "You can pass; the Arabs cannot." Of course, we did not proceed.

Huw Irranca-Davies (Ogmore) (Lab): I applaud my right hon. Friend for initiating this important debate. What he says about the suffering in the Palestinian territories is undoubtedly true. I visited Hebron with the Labour middle east council about 18 months ago—I thank the council for that opportunity—and the grotesque realities of what is happening there show the very worst aspects of what he is talking about.

Does my right hon. Friend also appreciate what I believe to be true; that what is happening in Hebron is not indicative of the moderate opinion of the Israeli majority and that, frankly, we should be putting pressure on people to support changes in Israeli politics to ensure that such things do not happen?

Sir Gerald Kaufman: I would like to think that my hon. Friend is right; certainly hundreds of thousands of Israelis, if not many more, would be filled with revulsion at what is going on in the Palestinian territories if they were to see it for themselves. When I first visited the Palestinian territories and for many years afterwards, Israeli tourists would visit the towns and cities; but no Israeli in his or her right mind would go into Palestinian territories now because their lives would be in danger. The only Israelis who see what is going on now are the troops, including reserve troops. I am sure that there are vast numbers of decent Israelis who, if they saw what was going on, would be physically sickened by it.

Frank Cook (Stockton, North) (Lab): The very change in climate to which my right hon. Friend refers—that Israelis could visit those areas at one time but can no longer do so in safety—is surely indicative of the fact that a solution to the problem is running further and further away as a direct result of the measures that have been taken over the years.

Sir Gerald Kaufman: I hope to refer to the point to which my hon. Friend draws our attention before I conclude. It is a fact that access to the towns through checkpoints makes things very difficult for Israelis. I had my doubts about doing so, but we were advised that it would be easier for us to move around the territories in a minibus that had Israeli licence plates. When we approached Tulkarm, however, the troops stopped us at the gates and told us that we could not go any further because we were in a vehicle with Israeli licence plates. They told us that we would have to get out and take taxis, but although one was extremely abusive, they subsequently backed down and allowed us to proceed.

Mr. David Burrowes (Enfield, Southgate) (Con): Will the right hon. Gentleman give way?

Sir Gerald Kaufman: I will readily give way, but there is a very good attendance at this debate and I do not want to take up too much time, because others wish to make a contribution.

Mr. Burrowes: I am grateful to the right hon. Gentleman for his generosity in giving way. I have a particular interest, having returned last Friday from a visit to Israel hosted by the Conservative Friends of Israel. The point that the right hon. Gentleman makes about security barriers and mobility for Israelis and Palestinians is well made. However, those barriers are in place not for the convenience of one side or the other. Indeed, they are inconvenient and, as one nears Jerusalem, they seem grotesque and ugly. Nevertheless, although they have reduced mobility they have also reduced terrorism, perhaps to the tune of 90 per cent. The reality is that 761 Israeli citizens have died as a result of terrorist activities, so the barriers are indeed a safety measure; they give no one any pleasure, but they are necessary because of the situation.

Sir Gerald Kaufman: They have not stopped a number of terrorist attacks on Israeli citizens in their own cities. They did not stop the recent attack on Israeli that killed five people in Natanya. In crude realpolitik terms, I suppose that the Israeli measures could be justified if they worked, but there is no indication that they do. What is more, as my hon. Friend the Member for Stockton, North (Frank Cook) said, the prospect for the future is dread and dire, as I shall try to explain.

Several hon. Members *rose—*

Sir Gerald Kaufman: I am grateful for hon. Members' interest but, as I say, there is good attendance today, a considerable number of hon. Members wish to speak and I do not want to take up a disproportionate amount of the time. I hope that hon. Members will forgive me if I do not give way, at this point at any rate.

As I was saying, we went to Tulkarm to see the wall. The wall is not a barrier within the old green line. It would be ugly if it were, but it could be justified. However, it goes deep into Palestinian territory. It has divided Jerusalem and locked 55,000 Palestinian Jerusalemites out of Jerusalem. It has cut the west bank in two. Whereas what I personally regard as the melodramatic charade of the removal of the settlers from Gaza has taken place, removing 8,000 settlers, last year there were more than 9,000 illegal settlers in the west bank. Some 450,000 Israeli settlers are illegally settled there and the Israeli Government have no intention of removing them.

In Tulkarm we saw one of the most futile and obscene sights that I have seen even in that territory, which was called the back-to-back procedure. Palestinians wishing to drive goods along were made to unload their goods from the vans. The goods were transferred over a fence to other vans. That was absolutely futile given that the Israeli soldiers who tried to prevent us from talking to the van drivers did not even inspect the goods that were transferred. If there were any bombs or explosives in the goods, they could have continued to be there as they were moved.

Land has been confiscated. We happened by chance to meet a Palestinian who, from a hilltop, showed us one set of olive groves that had been confiscated from him without compensation by the Israelis and another set that was theoretically still owned by him but to which he would not be allowed access to for so long that he would not be able to tend the groves. Eighty per cent. of the wall—or the barrier, fence or whatever one calls it, as it is all those things—is inside Palestinian territory; 10 per cent. of west bank territory is being confiscated by the building of the wall. The checkpoints and the other obstructions mean that the rest of the tiny territory is being split up into tiny, ungovernable cantons.

What is the result? The result is poverty on a scale that is comparable to some of the worst third world poverty in Africa, and made more obscene by the fact that it is minutes away from people living at first world standards in illegal settlements on the basis of subsidies from the Israeli Government. There is poverty, malnutrition and

[Sir Gerald Kaufman]

deep discontent. Nobody in this room, in this House or, I hope, in this country would in any way condone terrorist attacks on Israeli citizens. As Israelis themselves have said, the festering hatred that is being built up among Palestinians as a result of the way that they are being treated inevitably breeds terrorists.

The situation is worse than that. The wall locks the Palestinians out, but it also locks the Israelis in. My parents came to this country from eastern European ghettos; the Israelis have now created their own ghetto in the Holy Land, because they dare not move beyond the wall, just as the Palestinians are not allowed to move beyond it.

The Palestinian elections take place next week, and they are extremely important. If Hamas does well, as it may well do, the responsibility for that will lie with the Israeli Government for nourishing the roots of Hamas. The sad thing is that Hamas and Likud and Kadima need each other. Each can point to the other. Israelis can say, "We've got to do what we're doing because Hamas and Islamic Jihad are so dangerous"; Hamas and Islamic Jihad can say, "We've got no alternative because the Israelis are oppressing us." Because of that, we must exert far more pressure on the Israeli Government. The idea of reciprocal measures—the idea that one of the most powerful military organisations in the world is comparable with the rag, tag and bobtail Palestine security forces and that one movement depends on the other—is absurd.

I do not condone any extremism among the Palestinians, nor do I condone the corruption that we all know has existed. Years ago, I pleaded with Mr. Arafat to accept the Camp David proposals. I am not saying that the Palestinians have behaved entirely sensibly and moderately, but the fact is that persecution and oppression breed recalcitrant behaviour, and that is what we are witnessing today.

Some of my hon. Friends and I went to see the Prime Minister about this matter last week. Let us be clear about it; let us set aside the human rights issues that are involved and just look at the fact that until the Palestinian issue is solved, the middle east will be a powderkeg. All extremist movements, as well as good and moderate Arab opinion throughout the region, will not allow settlements to take place until the Palestinians have the right to their own land, which the Israeli Government have, on paper at least, accepted. Our Government have a great deal of influence in the region, and I look to them to take even more action than they have already taken to try to bring a solution to what is one of the most tragic situations in the world.

Hugh Bayley (in the Chair): I must tell hon. Members that, assuming we have no further Divisions, I will start the wind-ups at 3.40 pm, which is in 37 minutes' time. There are 18 Back Benchers in the Chamber, so speakers will have about two minutes each. Members will make themselves more popular with their colleagues if they keep their remarks brief.

3.4 pm

Mr. Julian Brazier (Canterbury) (Con): I shall be extremely brief. I congratulate the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman) on making a remarkable and moving speech. Unlike him, I have never had the privilege of visiting either Israel or the occupied territories, but I have often visited other parts of the Arab world.

I wish to say two things. First, I will provide a further piece of evidence in support of the compelling speech I have just heard. Recently, the ambassador of one of the most moderate, decent, reasonable and pro-western Arab countries—I shall not name it—said something to me during a private conversation. It is a country I know extremely well and have visited many times, and where there is total religious freedom. He said to me, "Julian, you cannot imagine the sheer hatred that is overtaking our young people because of what is going on in the occupied territory. This is a sickness that is spreading right across the whole of our region."

My second point is that my father was in almost the last unit to leave Palestine in 1948, before the effective ethnic cleansing took place that pushed the Palestinians into the 26 per cent. of the country that is now nominally theirs. We all know the indescribable background to 1948—the deaths of 6 million Jewish people in the concentration camps and the generations of persecution before that, not least the murder of 300,000 Jews in the Ukraine only a generation or so earlier. However, it cannot be in the interests of anybody, whichever side of the ethnic divide in that part of the world, for this to go on. Men such as Moshe Dayan spoke of how they would act when they had won their victory, and our recent former colleague Winston Churchill said that peace must be our opportunity. When one has won the war, that is the opportunity to show a bit of leniency, to realise that one has to live with the others as neighbours.

Many of us have a long-term interest in that part of the world. I have a large number of friends in the Lebanon and have been there on many occasions—some of them rather uncomfortable. It is in the interests of people on both sides of the divide that we make the peace process work. However, in this case, as the right hon. Gentleman said, the stronger party has to move first.

3.7 pm

Richard Burden (Birmingham, Northfield) (Lab): I, too, congratulate my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) on having secured today's debate and on what has aptly been described as a moving and powerful speech. I do not want to repeat his words, other than to endorse what he said about Ariel Sharon. Whatever criticisms I and others might have of Mr. Sharon's record over the years, none of us would wish on any human being the kind of suffering that he and his family are going through at the moment.

My right hon. Friend gave a powerful account of the impact of closures and movement restrictions, the wall and so on. I shall not repeat that, but would refer hon. Members on both sides of the House to the work of the Open Bethlehem project. That gives a graphic description of what is happening, not only highlighting the impact of the closures, but offering a message of hope about the fact that Bethlehem has to survive and that we all have a responsibility to do all that we can to ensure that it is open to the outside world.

I should like to raise two issues. If I go on for too long on the first, I shall drop the second, because I know that many other hon. Members want to speak. The first is the

Palestinian elections next week. I am fortunate in being a member of the team of observers from the UK Parliament going there, and I should like to thank the Foreign Office and the Inter-Parliamentary Union for enabling that delegation to go ahead. I was there last year when the Palestinian presidential elections took place. Some of the lessons of that experience should concern us all in the run-up to next week's elections.

First, democracy is as important for Palestinians as it is for anybody else. They have the same right to exercise democratic choice as anybody else. Last year, I received two impressions of the way in which Palestinians reacted to their elections. One was that they had tremendous pride in the fact that they were breaking the caricatures that too many people paint of them and that they were holding elections. However, the other was a sense that they were not sure that anything was going to change. They seemed to wonder whether, given that they were able to exercise democracy only by the grace and favour of an occupying power, nothing particular would change afterwards. I found that second feeling most prevalent in east Jerusalem. That was partly because of the way in which the people were treated in those elections. It is good to hear that Israel is allowing Palestinians in east Jerusalem to vote next week. However, I have to say that we will all be looking for more co-operation with the democratic process than was seen in East Jerusalem last year.

Last year, the occupying authorities allowed only about 6,000 of the 120,000 Arab East Jerusalemites to vote in the city, the area known as J1. The rest were forced to travel outside to the area known as J2, sometimes having to run the gauntlet of Israeli checkpoints in order to exercise their democratic rights. The voting procedure in the city was chaotic; people were forced to vote in post offices, alongside people trying to post letters. The choice of post offices was not accidental. The image was that the voters were guests in their own city, and that they were absentee voters casting postal votes for an election about somewhere else—the west bank. The voting was on the level, but in the post offices, the slot in the ballot boxes was not on the top of the box but on its side, so that it looked as though voters were posting a letter, not casting a ballot.

We look for a better performance than that next week. I know that my hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey) will say more about Jerusalem if she catches your eye, Mr. Bayley, and I ask hon. Members to pay attention to what she says. Jerusalem is a matter for final status negotiations. In the meantime, it is occupied under international law. Israel has no right to pre-empt international law. The international community and, indeed, all of us have a responsibility to make sure that Palestinian democratic rights are respected next week.

I certainly endorse what my right hon. Friend said about how Hamas came to be as prominent as it is. Partly, it is as a result of the Palestinian Authority's failings—corruption and so on—which are very much to do with the kind of policies that Israel has pursued in recent years. I ask hon. Members to look seriously at the article in *The Guardian* today by Chris McGreal. If Hamas does well in next week's election, as is likely, it will present everyone in the international community, but particularly in Israel, with some hard choices.

If hon. Members read the article, they will find that there are changes and debates going on in Hamas. That does not alter the fact that it has been responsible for some utterly appalling attacks over the years, and may be responsible for attacks in future. However, if we are to achieve political change among Palestinians, and are to get into a situation in which the broad mass of Palestinians wish to recognise Israel and to live side by side with it—as I believe the majority of Palestinians do—it will involve understanding the changes in political Islam and encouraging the voices of change within it, rather than writing off those involved as an undifferentiated whole, made up of terrorists. The article in *The Guardian* makes that point well.

My last point about Hamas is that we should not confuse terrorism with refusal to recognise the state of Israel. There are Palestinian groups that recognise the state of Israel that are involved in terrorism, and there are Palestinians who do not recognise the state of Israel who are entirely non-violent. Although I want every Palestinian to recognise the state of Israel, I also want every Israeli to recognise that Palestinians have no fewer rights than they do. If we do not say that it is a precondition for participation in the Israeli political process that every single Israeli political party should recognise that there should be a state of Palestine, it makes absolutely no sense and is unjust to say that every single political party in Palestine should have to recognise the state of Israel to participate in the elections. As I say, I want there to be mutual recognition, but the way to achieve that is to be even-handed, not to load on one side conditions that we would not, and should not, impose on the other.

3.14 pm

Mr. David Gauke (South-West Hertfordshire) (Con): First, I should say that I visited Israel and Jerusalem last week, along with my hon. Friend the Member for Enfield, Southgate (Mr. Burrowes), courtesy of Conservative Friends of Israel.

I wish merely to make two, brief comments. First, let us not doubt the enormous difficulties faced by the Palestinians; the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman) made a passionate and moving speech, highlighting that point. However, we must not forget that since the second intifada began, more than 1,000 Israelis have been killed as a consequence of terrorism. Given that Israel's population is a tenth of the size of ours, it is not surprising that that has had an enormous impact on Israeli society. Let us consider the impact that the 7 July bombings had on our country. It was an enormous tragedy and about 50 people died, but it was one instance and relatively small compared with what Israel has had to suffer.

In my visit last week, we travelled up to the Lebanese border. In doing so, we stopped off for a coffee. As we went into a supermarket area of shops, the level of security that was in place was striking. Israelis live with that all the time, because they live constantly with the threat of terrorism. That is not to condone everything that the Israeli Government have done and every action taken by Israelis, but we must bear in mind the extraordinary circumstances in which Israel finds itself and the extraordinary threat of terrorism that it faces.

[Mr. David Gauke]

My second point is about the security barrier. There is no doubt that it is horrendous, ugly and disruptive and places enormous burdens on the Palestinian people. However, it has been effective in reducing the number of deaths. I will give some statistics. In the 34 months from the beginning of the intifada until August 2003, when the first part of the barrier was put in place, there were 73 terrorist attacks in Israel and 293 people were murdered. In the following 11 months—from August 2003 until the end of June 2004—there were three terrorist attacks and 26 people were murdered.

I will give the number of casualties in each year. In 2003, 214 Israelis were killed. In 2004, the figure was 117. In 2005, 45 Israelis were killed. In saying that, I am not supporting every aspect of the security fence and the particular locations in which it is placed—we should acknowledge that the Israeli Supreme Court has forced 30 changes to the position of the fence—but it has saved lives. We met politicians of many persuasions in Israel, but there is widespread support in broad principle for the fence, because it saves Israeli lives. This House should not be too critical of a country that tries its hardest to do precisely that, because it is the responsibility of every Government.

3.17 pm

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): I will not repeat points that other hon. Members have made. I commend the opening speech by my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) and that of my hon. Friend the Member for Birmingham, Northfield (Richard Burden).

I will simply respond to the hon. Member for South-West Hertfordshire (Mr. Gauke) by saying that nobody suggests that Israel does not have a responsibility to protect the security of its citizens. Every sovereign state has such a responsibility. In protecting its citizens, it should remain within international law and should be mindful of the rights of others, particularly the Palestinians.

The impression that I have gained from my travels in the region—both in Israel and in Palestine—is that this Israeli Government's policies take no account of the Palestinians' rights or of their well-being. The Israeli Government respond only to Israeli citizens' security concerns and Israeli interests, whether or not those Israeli citizens are within the international borders of Israel or are illegally expropriating other people's land on the west bank.

I want to discuss the concerted attack on Palestinian institutions and civil society, and the naked attempt in Jerusalem to push out any Palestinian institution, to obstruct any such institution and to alter the demography of east Jerusalem by reducing the number of Arabs and increasing the number of Jews. The concerted attack on institutions in east Jerusalem is longstanding; at its most extreme, Orient house was closed down immediately following the death of Faisal Husseini and all the records that lay within were confiscated. They were the only records of Palestinian property rights in east Jerusalem.

The process continued. At every opportunity, the Israeli Government confiscated the computer hard discs of Palestinian non-governmental organisations and humanitarian organisations. That was done in order to compile a massive register, as far as I can tell, of every Palestinian, how they are related to each other, who they know and with whom they are connected.

In Gaza, the Israelis control who is registered as a Palestinian; so much for Gaza's apparent sovereignty. The economic life of Arab east Jerusalem is being deliberately strangled by the Israelis; they are demolishing houses and making businesses unviable by cutting them off from the hinterland that would otherwise support them. Employment and income levels in east Jerusalem have gone down, but the taxes that the Israelis impose have gone up. That is a deliberate economic attempt to squeeze east Jerusalem Arabs out of their city and alter the demography to the advantage of the Israelis.

My final point is about the family reunification law, introduced through the Knesset. It violates international law and is wholly discriminatory. It bars family reunification for Israelis if they marry a Palestinian woman under 25 or a Palestinian man under 35. An Israeli can marry a person of any other nationality and bring their husband or wife into Israel, but if they marry a Palestinian in those age ranges they may not; they have to go to live with them in the Palestinian territories.

That is a nakedly discriminatory law whose only purpose is to discriminate, primarily against Israeli citizens of Palestinian origin—largely citizens of the Galilee and those towns with Palestinian-Israeli citizens; 20 per cent. of Israeli citizens are Arab citizens—and against Jerusalem Arabs. That law says to such people that if they choose to marry a Palestinian from the west bank, or one who may live in Jerusalem but does not have a Jerusalem ID, they must go to live outside Jerusalem.

As I say, that violates international law. It is being challenged by Israeli human rights groups in the Israeli courts, but our Government should be making it absolutely clear to the Israelis that they must abide by international law, and that that sort of law should never have gone through the Knesset. It should have been blocked. It is a disgrace to Israel and its credentials as a liberal democracy that it ever conceived of such a law, let alone passed it.

3.22 pm

Michael Fabricant (Lichfield) (Con): For 13 years or so, I have been friends with the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman), whom I congratulate on securing this debate. We disagree on only two things; the future of the BBC and the subject of this debate.

One of the sadnesses of this type of debate is that it always ends up rather polarised. People always try to apportion blame and assign a monopoly of guilt or virtue to one side or the other. True life, of course, is far more complicated than that.

I am certainly not here to condone the fence per se or its route, but we have to set on record why the fence has been built. Hon. Members on both sides of the Chamber have already spoken about the need and right of a sovereign state to defend its own people. Whether we accept the fence as a good idea or not, it was interesting to hear the right hon. Gentleman say that in Hebron

there are walls, huts, gates and turnstiles; he was right. He also talked about the difficulty in moving freely; he was right.

However, in the 1980s, when I worked for the BBC in Belfast, one had to go through precisely the same sort of procedure if one wanted to shop in Royal avenue. The fences, gates, huts and turnstiles were put there not because of some ill-intentioned regime in London, but to protect the citizenry. In fairness, we have to accept that the motivation for erecting the fence was not to try to destroy the Palestinian economy, as has been claimed, but to try to protect Israel's citizenry.

Roger Berry (Kingswood) (Lab): Will the hon. Gentleman give way?

Michael Fabricant: I shall not, because others have not given way and others want to speak as well.

It is fair to examine and explore the gravity of the offences being committed against the Israeli people at the moment. My hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) has said that more than 1,000 Israelis have been killed; in fact, 1,084 have been killed since the beginning of the Palestinian intifada. In 2005, when there was supposed to be a period of peace, 45 Israelis were killed—of whom only eight were members of the Israeli defence force and 37 were civilians—and 406 were wounded. Twenty-three of the 45 killings were caused in seven suicide attacks. In 2005 alone, there were 199 bomb attacks, 848 mortar attacks, 377 Kassam missile attacks and 1,133 shooting attacks.

Of course, I appreciate that there is anger among young Palestinians and accept that there have been injustices, but apportioning blame against the state of Israel for erecting the fence and not acknowledging that it is there because someone has to move first and say that the attacks will end simply is not being realistic about the middle east, let alone Israel and the occupied territories. Several hon. Members have spoken about the possible illegality of what Israel has done and that claims are being made against the Israeli Supreme Court. That is so, but let us at least recognise that Israel has a Supreme Court, which can and does override the Government and the army, and that Israel has been a democracy since 1948. If only some Arab countries were the same. Thank God that, due to our intervention, Iraq is heading in that direction. I hope that Iraq will be successful in that, too.

I do not defend the route of the fence, and I am sure that there will be cases of injustice. When answering an intervention, the right hon. Gentleman rightly said that the fence has not prevented a number of terrorist attacks. He has spoken about attacks in Natanya, a town that I know well on the Israeli coast. How many more Natanyas would there have been were it not for the fence? I remind hon. Members that resolution 242 said that all land disputes should be settled by a negotiated peace. Bombs, rockets and suicide attacks are not negotiation. Israel has every right—indeed it has a duty—to protect its citizens.

3.28 pm

Mr. David Winnick (Walsall, North) (Lab): No one participating in the debate disputes the right of Israel to exist and to defend itself. That is not the issue. This shows my age, but I took the view in 1948, when I was quite young, which seems a long time ago, that in all the circumstances it was right for the international community—it was the international community—to bring Israel into existence. Nearly 2,000 years of Jews being demonised, persecuted, tortured and murdered laid the basis for what the Nazis did, which has already been referred to. This was the systematic extermination of 6 million because of their race; it was nothing to do with religion. All of that justified Israel coming into existence, but the price that the Palestinians paid for that should not be forgotten. If we understand why Israel came into existence, surely we have an equal responsibility to understand the Palestinian case. If we were Palestinians living at that time, I doubt whether we would have taken any other attitude than that taken by them.

I mention the long history of anti-Semitism. All of us have a responsibility—especially, perhaps, without being misunderstood, those who take a particularly strong view on the middle east, opposite to Israel, so to speak—to dissociate ourselves in every way possible from some of the poisonous anti-Semitism that we have seen in Europe for centuries and which is now surfacing, surprisingly, in countries such as Egypt, for example, through such documents as the "Protocols of the Elders of Zion", a notorious tsarist forgery that states that the Jews will dominate the world. I do not know when that domination is going to start; maybe in 2020 or 2021. I have not been given the exact date. Moreover, we have seen the sheer obscenity—there is no other way to describe it—of the Iranian President organising a conference on what is described as "holocaust denial". There is a responsibility in that regard.

I want to bring us away from the idea that what happened last year in Gaza was the start of a process whereby Israel intends to withdraw from the occupied territories. I accept nothing of the kind. Whether the removals from Gaza were stage-managed or not, it was never the intention of Sharon or his Government that that withdrawal—which, however unilateral, we all welcome—would start the process of withdrawal from all the occupied territories, something we all want to see.

I have a note from the Library about settler occupation in the west bank from 1972 to 2004. All the settlements are illegal and exist in defiance of the international community; the very community that brought Israel into existence in 1948. In 1972 there were 800 such settlements; by 1990 there were 78,600; by 2000 there were 192,976. At the end of 2004 the figure was 234,487. That demonstrates that over the years, Israel has been determined to build such settlements in defiance of international opinion. That is totally unacceptable.

I endorse everything that my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) said about the daily misery and humiliation that Palestinians face. If Jews were facing that sort of tragedy and being treated in that way, would we not be raising our voice? I hope so. I would be doing so, as would my right hon. Friend and the hon. Member for Lichfield (Michael Fabricant). Have we therefore not a responsibility to raise our voice loudly and clearly about the way in which the Palestinians are being treated? We should make no apology for doing so. I see the hon. Member for Lichfield smiling. He well knows the history

[Mr. David Winnick]

of anti-Semitism and he should be concerned about the way in which Palestinians are being treated, as described by my right hon. Friend the Member for Manchester, Gorton and my hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey). We must be evenly balanced; for heaven's sake, it is no good taking a one-sided attitude.

We know that the quartet exists. I accept that the British Government wish to see a fair solution, though I do not know whether that is the view of every hon. Member. The fair solution is a Palestinian state no less independent and viable than Israel itself. The one country that can put sufficient pressure on Israel is the United States, which has the muscle and the influence. I am dismayed that in the last few years, under President Bush, there has been no wish to use that influence to bring about the right and just solution.

I do not believe that if the issue were to be settled it would mean the end of international terrorism. That would be a very naive view. Bin Laden and his murderous fanatics would find many other reasons, as they do now. It would, however, take so much poison out of the middle east. It would not only be right in itself but would help to stabilise the position in the region. That is why I hope that the British Government will try to persuade the American Government to do what is right.

3.34 pm

Tom Levitt (High Peak) (Lab): For the record, the other members of the delegation to which my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) referred were my hon. Friend the Member for Kingswood (Roger Berry) and me, as well as two colleagues from another place. It was my first time in the middle east; I particularly wanted to go there because I have some general sympathy with the Palestinian cause—although I do not have a lot of knowledge on the subject—and an interest in what the Department for International Development is doing there. I went there and speak today in a personal capacity, not as a representative of DFID.

I thought that occupation was a static process, but what we saw was much more active; the occupation not only moves on but gets worse. Particularly in Hebron, we saw how illegal settlements were being linked together by new security measures. We saw how the economy of that town was being destroyed by the policy of allowing traffic in and out of the city for only six hours a day; we had to leave the town illegally by driving a minibus across fields. The issue was summed up for me when I was shown a Palestinian medical centre in Hebron that had been taken over two weeks earlier by Israeli forces and was now an Israeli army post. Local Palestinians no longer had an available medical centre.

Judging from everything that we saw, I felt that Israeli policy in the Palestinian territories was absolutely clear. First, it was to hold on to economic control of the Jericho valley; secondly, to resettle Gaza settlers in the west bank; thirdly, to protect other settlers and encourage them to come in illegally, settlers not just from Israel but from fundamentalist Christian groups around the world. Fences would immediately be put around those illegal settlements, military posts would be put in to guard them and new roads would be built for them and barred to Palestinians. Settlers will also get to vote in the Israeli elections in March, although many of them never lived in Israel previously. One can imagine which way they are likely to vote.

The next tactic is clearly to take all of Jerusalem, the key city for three of the world's major religions, into Israel and then extend it eastward through the Ma'ale Adumim development, dividing the west bank into two. With 10 per cent. of the west bank already behind the wall, some of the most fertile and economically productive land and most productive water sources have effectively been taken into Israel. That is clearly what is happening. The tactic is being used for economic destruction in the west bank. In Tulkarm, where there is a no-go area of about 100 m alongside the wall, thousands of square yards of greenhouses had been destroyed; not to build the wall, but to maintain that no-go area.

The remaining part of the west bank, which consists of less than 50 per cent. of what should be the west bank under the 1948 agreements, is criss-crossed by roads that act as barriers. When those roads are policed so that Palestinian vehicles may not use them, they are barriers to communication and not agents of it. If one adds to that the 600 permanent roadblocks, one sees not only that those circumstances make the Palestinian economy virtually unworkable, but that they will thwart the Palestinian people's democratic aspirations as well.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): Will the hon. Gentleman give way?

Tom Levitt: I am going to sit down in just a moment, if my hon. Friend will forgive me.

The next few days will be crucial. If an election in the Palestinian territories does not take place a week from today that can be seen to be credible and that returns a Government capable of doing something—bearing in mind that the entire Palestinian Authority's budget each year is about the same as what the Israelis are spending on building the wall—that election will be of very little value. If anything, it could polarise the issue even more if, as others have said, Hamas takes more than a foothold in the democratic process.

We are in very difficult times. I do not believe that the international community has done enough to ensure that next Wednesday's election will be credible. In the Israeli elections that follow, I hope that the 70 per cent. of Israelis who support withdrawal will vote for it. I hope that we can get something out of the situation, but I came back from my visit to the Palestinian territories much more depressed about it than when I went.

Hugh Bayley (in the Chair): We now have to move on to the winding-up speeches. It is pleasing to see that so many hon. Members have attended the debate, and I apologise to those whom I have not been able to call.

3.40 pm

Mr. Nick Clegg (Sheffield, Hallam) (LD): In keeping with other hon. Members, I will try to make my observations and comments brief. So much has been said about this fraught and difficult issue that is of great

value and derived from far greater insight, experience and expertise than I possess. I shall just supplement what has been said with four observations.

First, I visited the region in late November with the hon. Member for Bristol, East (Kerry McCarthy), and went to areas such as the west bank, Jerusalem, Tel Aviv, Ramallah and Hebron when the political drama in Israel was unfolding; the day after I left, Ariel Sharon announced the establishment of his new political party, Kadima. It was obvious to me, as a first-time visitor to the region, that something terrifically significant was happening in Israeli politics. Since then, I have been asking myself a question that has been made more acute by Mr. Sharon's tragic stroke; does Kadima represent a new shift in political trade in Israel, or is it, as is alleged by some, nothing more than a sleight of hand by Sharon's supporters who are trying to pursue an agenda that has not changed over the years, but in a more politically acceptable manner?

I shall state my provisional view as a question, as the answer is dependent on the events of the months to come. However, my hunch is that Kadima is a more significant development in Israeli politics than suggested by some. The notion that the party is merely a Machiavellian sleight of hand, with the same agenda of brutal unilateralism as was pursued before, stretches credulity, not least because the party has gathered around it the centre ground of Israeli political opinion. Kadima seems to have broken a taboo; it has explicitly accepted that a Palestinian state should be established on the basis of land for peace.

I have an overarching question about where that development will take the peace process. Will it still rely on a unilateral decision by Israel about the terms of the negotiated land for peace settlement? We then come back to the age-old question of whether unilateralism works in a region where one side feels so aggrieved by the other.

My second observation, which has been made before, is about Hamas. No doubt other hon. Members have read about the intriguing signs that Hamas has softened its stance on the status and existence of Israel; it has even indicated that it would be prepared to negotiate with Israel. If that is the case, it would appear to be a glimmer of hope in the context of continuing and profound concern about the military and terrorist activities sponsored by Hamas.

However, the response of the international community to what looks like an almost inevitable increase in Hamas representation after the elections on 25 January needs to be delicate, sensitive and intelligent in order to extract the best from those elections; otherwise they may be used merely as an excuse to accelerate a continuing spiral of antagonism. I would be grateful to hear the Government's thinking on the issue; it must be quite advanced given that the election is only a week away. How will they act—both alone and in the context of the European Union—when confronted by a precipitate decline in the political power of an increasingly illegitimate Fatah movement—to be frank, it appears corrupt at times—and the rise of the increasingly popular Hamas movement.

My third and penultimate observation is that when visiting the region with the hon. Member for Bristol, East, I was naturally struck, like many visitors, by the existence of the wall. Yet I had simply not appreciated, until making our visit, that the most insidious and destructive effects on the everyday livelihoods and fortunes of Palestinians in the west bank are, obviously, though the closure regime, but also through various invisible controls. The permits to retain one's home, if one has been studying abroad for two years, are often withdrawn unilaterally. The licences required merely to move from east Jerusalem form a Byzantine, complex system; the permits needed may be yellow, blue or orange. That is in order to visit families or to work in parts of the west bank or east Jerusalem.

I still simply cannot understand why reducing the west bank to a socially and economically dysfunctional state is in Israel's own interest. That is neither a political nor a polemical statement; it is a logical one. You cannot make peace with chaos, nor with grinding poverty. You cannot make peace where people cannot meet their families, nor travel to work where moving even a few metres or kilometres is made impossible. I literally find incredible the suggestion that such a degree of dysfunctionality somehow serves the wider, legitimate security objectives of the Israeli state.

My fourth and final point in this fairly arbitrary list of observations is said with a continued sense of regret; that the EU did not choose to publish, shortly before Christmas, the report drafted by its own diplomats on the ground in east Jerusalem about conditions there. It reminded me just how inconsistent, weak and politically vague the EU's role in the region appears to have been, and for far too long.

There are glimmers of hope. It is encouraging that European Union observers, principally Italian and led by an Italian general, are overseeing the implementation of the Rafah border agreement. By financing projects in the west bank and elsewhere, the EU is doing much extremely good work, not least to develop the capacity of the Palestinian police forces to operate effectively. However, in the absence of clear leadership from Washington on the issue, it is incumbent on the British Government—and, certainly, on all other Governments in the EU—to try to come to a more coherent, collective political view, however difficult that is.

The European Union is the economic giant in the neighbourhood. It has enormous leverage; would that it wished to use it more coherently. I am keen to know whether the Minister agrees with that analysis. What does he feel the British Government could do to develop a more coherent and organised EU role in the region?

3.48 pm

Mr. Keith Simpson (Mid-Norfolk) (Con): I begin by congratulating the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman) on his ability to acquire this debate. As he has proved during it and many others held in the House, his knowledge of the area is deep. He speaks with great passion but also with great feeling, and I congratulate him on becoming leader of the IPU delegation to Palestine.

Our debate has produced a number of speeches articulated with enormous passion. All too often, we come to debates in the Chamber or Westminster Hall to find so many people reading out briefs of one kind or another and taking up party positions. Nearly everyone who has spoken did so with great passion. Interestingly,

[Mr. Keith Simpson]

on the whole they had fixed or relatively fixed positions. Let us be quite clear; this is a divisive subject. It is probably only the Minister and, in theory, the Front Bench spokesmen who have to try to straddle it who take an objective view. The people who live in the area, whether they are Israelis or Palestinians, have passionate and deeply held views.

The subject is so divisive that when I was first appointed Conservative Front-Bench spokesman on the middle east, people's first words were not to congratulate me—someone commiserated and said that I could have got Europe—but to ask, "Are you pro-Arab or pro-Israeli?" That is how divisive the subject is. I hope that I am pro-British and that I can take an objective and constructive view.

I will not list the contributions to the debate like a laundry list, but what came through from them was that Britain still has a role to play. We have a responsibility because we were a great power there 80 or 90 years ago and because of some of the things that happened as a direct consequence of successive British Governments, Liberal—when we had Liberal Governments—Conservative, and Labour. We look to the Minister to tell us what the British Government will try to do to resolve the issue.

The right hon. Member for Manchester, Gorton rightly sent Mr. Sharon his commiserations. Part of me is filled with gloom, first, because whatever his many faults—Mr. Sharon is not known as "the bulldozer" for nothing—he is a strange combination of a very brutal, hard-nosed soldier and politician with quite a subtle man who, in his fourth decade, could recognise the changes that had to take place. With his incapacity, I wonder what will now happen to Israeli policy.

Secondly, I am filled with gloom by what appears to be the chaos and confusion in the Palestinian territories, the political divisions and the fact that today the EU has suspended £25 million of aid because of financial irregularities in the Palestinian territories. Somebody might say that is indeed an irony coming from the EU. Israelis and Palestinians may frequently be overcome by gloom but if they want to come to a constructive conclusion they have to keep working at it.

My party and the other two political parties represented in the debate believe that Israel has a right to exist, just as there is a right to a Palestinian state. All hon. Members agree on that, but the problem is how to achieve it, because there are vastly different definitions between Israel and Palestine on what each state should consist of, and the overlap is absolutely enormous.

I listened to what the right hon. Gentleman and other hon. Members said. There is no doubt in my mind, given my background, and the mention made of Northern Ireland, that with the best will in the world the most sophisticated counter-insurgency and counter-terror measures never, ever work on their own and frequently can be counter-productive, whether they are put in place by democratic countries such as ours or by the most fiercely totalitarian regimes. There is a danger that while trying to protect your own citizens you will provide recruits for the future.

However, I do not resile from the fact that large numbers of those actively involved in politics in Palestine wish to destroy the state of Israel and kill Israeli citizens, but there has to be a political rather than a military solution.

Finally, I want to ask the Minister two or three brief questions and I hope that he will have time to give an opinion. Can the Minister assure us that the Government are doing everything possible to address some of the issues identified by hon. Members today that are frustrating the peace process? Have the British Government tacitly accepted the de-Palestinisation of east Jerusalem, cited by the UN and, as is likely, by their own consulate in Jerusalem? What discussions have been taking place about Jerusalem's future status? Has thought been given to the implications that that will have for the future of peace negotiations? What are the Government doing to encourage economic regeneration in the west bank? Finally, what is the Minister's assessment of progress made in dismantling settlements built since March 2001?

3.55 pm

The Minister for the Middle East (Dr. Kim Howells): I join other hon. Members in thanking my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) for bringing this issue to the House for discussion. He has been my guide in many areas. I shall be frivolous for a moment and say that he has especially been my guide in cinema and in the American musical over the years, but he has also been my guide on this subject, and the House listens to his words with very great and special respect. I am not quite as old as him, but we were both brought up to believe that there was every possibility that the dream of people living alongside one another in the Holy Land would be realised. Over the years, it has irked my right hon. Friend as much as it has irked all of us in this Chamber to see that that has not happened and that the bitterness has continued.

Let me say before I come on to Palestine that this is a difficult time in Israeli politics. I echo the words of my right hon. Friend and others by saying how saddened I was to hear of Prime Minister Sharon's illness. We wish him a speedy recovery. He certainly turned Israeli politics upside down in his determined efforts to withdraw Israeli settlers and defence forces from Gaza and parts of the west bank. Few people could have predicted just two years ago that Ariel Sharon would have instigated and led so unilateralist a movement, because that is what I think it is. It is a move against the religious right and the expansionists in Israeli politics.

It is possible that Sharon's other, in my view, unilateralist policy—the building of the barrier, the wall, the fence; call it what you will—allowed him, by being seen as strengthening Israel's physical defences, enough political slack in Israel to disengage from Gaza. Disengagement has been the right policy for Israel. Although not part of the road map, it has made an effective contribution and it is important that the parties and the international community continue to build on that opportunity. We must try to understand how we might do that.

On a recent visit to Israel and Palestine, I was encouraged by signs that there are influential elements in Israeli society who understand clearly that what Israel

does not need, as the hon. Member for Sheffield, Hallam (Mr. Clegg) pointed out, is an economic basket-case on its borders. What possible benefit could that bring to anyone? That is why the agreement on movement and access, reached between Israel and the Palestinians on 15 November, was a significant step and should go some way towards ensuring that Israel's disengagement from Gaza at least gives the Palestinian people a chance to mount an economic revival.

The EU, under the UK presidency, launched, with a very short lead time, the EU border assistance mission at the Gaza-Egypt border, enabling the Rafah crossing to open on 25 November. Thousands of Palestinians have since used that crossing. It is vital that the Palestinians and the Egyptians make a success of Rafah and try to replicate its lessons elsewhere; for example, for the Gaza seaport and airport and perhaps for crossing points in the west bank.

However, as we have heard, although some developments since Israeli disengagement have been encouraging and have given us cause for optimism, many other Israelis policies in the occupied territories have not. As my right hon. Friend has told us, restrictions on freedom of movement, and the occasional disproportionate use of force—sometimes very disproportionate—by the Israelis remain real matters for concern. As has been said, the world is particularly concerned about the hardship that the route of the barrier is causing in the west bank and, especially, Jerusalem. That route threatens the possibility of the creation of a two-state solution and has led to the tragic saga of which we have heard so much this afternoon.

According to the United Nations office for the co-ordination of humanitarian affairs, from which I was lucky enough to receive a briefing in Jerusalem, Israel's closure regime is the primary cause of poverty and economic depression in the west bank. Closures restrict Palestinian access to medical personnel; make it difficult for children to travel to school; hinder ordinary Palestinians on their way to work—I saw that on a number of occasions—and impede trade and economic development. We remain extremely concerned about the humanitarian and economic consequences of closures, both internally and on the borders. The imposition of curfews and tight access controls is also, as we have heard, having a very detrimental effect on the quality of life in those Palestinian areas. We continue to call on the Government of Israel to do all that it can to ease movement restrictions.

We have also seconded a senior army officer to lead a team to help UNOCHA, and the mission seeks to work with the IDF to try to reduce the number of obstacles to Palestinian freedom of movement.

Roger Berry: Does my hon. Friend agree that the fact that, in the past five years, the income per head in the Palestinian territories has fallen by 50 per cent. and the number of people living in poverty has risen from 20 per cent. to 61 per cent.—according to DFID figures—suggests that we should act with great urgency to remove the barriers to economic activity and human life?

Dr. Howells: I agree entirely with my hon. Friend. The eastern shore of the Mediterranean should not be a poor part of the world. I have said before that I am not one of those who feel that the situation cannot be remedied, or that there cannot be a viable economy in Gaza and the west bank. Why should there not be? Israel has proved that it can be done, and many projects have taken place in Gaza, some of which I have seen, that demonstrate that it is possible to have a vibrant economy there. I agree that the issue is urgent. Call me old fashioned, but it seems to me that if there is a vibrant economy there, we will see less resentment and fewer problems. That is something that we have to work hard to achieve.

Michael Fabricant: The Minister is very generous in giving way. Does he not also accept, given all the points that he has made, that one cannot just remove the barrier, even though it is causing huge difficulties for Palestinians and subjecting them to a lower economic growth rate? That would result in even more killings in Israel.

Dr. Howells: I would certainly agree that there has been a palpable reduction in the number of deaths and murders by suicide bombers in Israel. There is also a sense inside Israel that people feel safer than they did previously. However, that does not make the route of the barrier right. That is the whole point, and that is why we continue to protest to the Israeli Government.

I am very glad to see that the Israeli courts often agree with us about the route of the barrier, and that non-governmental organisations and Palestinians have been pursuing that route through the Israeli courts to try to stop the incorporation of Palestinian land and the absurd instances that I saw in east Jerusalem of people being prevented from going to their places of work when they lived minutes, away from them, so that they suddenly faced a journey of an hour, if they could get there at all. That is absolutely crazy.

My right hon. Friend the Member for Manchester, Gorton made an interesting point. I wrote down his comments; he said that "persecution and oppression breed recalcitrant behaviour" and that terrorists are feeding off the festering resentment generated by the detrimental effects on Palestinian lives of repressive Israeli measures in the occupied territories. That is not the Israel that we dreamt of, nor is it the Israel of the people I met when I was last in that country a few months ago. I went to a kibbutz and people communicated to me their regret that this situation had come about.

The point has also been made that Israel has an absolute duty to protect its own citizens. Although that is not an excuse for routing the barrier as it has been, it should be said that the Palestinian Authority must get a grip on security. I heard last week that it had released one of the people who had kidnapped a British aid worker. That will not do. The road map has a number of duties attached to it; one of them is that the Palestinian Authority gets a grip on security in the west bank and Gaza, and it is clearly not doing that.

The Palestinian Authority is not short of money. The Government are giving a lot of money to the Palestinians; they gave it in the past and they will give it in the future. Members know my views about the corruption that was the curse of the Arafat regime. A lot

[Dr. Howells]

of money was filched off into bank accounts in Zurich and God knows where else, instead of going into rebuilding Palestinian communities. To say that is not in any way to excuse the measures that the Israelis have taken and that my right hon. Friend gave examples of, but we must bear it in mind.

There are duties on both sides. It must be ensured that the immediate answer to people's desperate situations is not thought to be to praise suicide bombers. I believe that mullahs and imams should stand up and say that suicide bombers go straight to hell, but all too often they keep their heads down and do not say such things, and in some places they talk about them as being great heroes; as exceptions. They are not exceptions. They are blowing young Palestinian men and women to pieces with their poison, and they are blowing young Israelis to pieces with their poison as well.

I was glad to hear the hon. Member for Mid-Norfolk (Mr. Simpson) say that we have to straddle both sides. My party colleagues believe that, too. Everybody in this House believes it. We would not be here otherwise. We believe in democracy, and we believe that there is a way out of this situation. The way out is for us to press very hard for the road map. I cannot think of another way out. People tell me, "Well, we must revise it." How many times have these plans been revised? How many times have we heard Israelis and Palestinians say, "You do that; we'll do this"?

I can understand why Sharon and the movement in Israel involving Giladi and others have decided to become unilateralists, but will it result in a two-state solution? Will it result in a viable Palestinian state? It will do so only if both sides understand that murder and oppression feed resentment and terrorism.

That is the conclusion that we must draw. The Government understand that, and we will do our utmost to press all sides—the quartet, the Israelis and the Palestinians—to get together and to find a solution to this most pressing and historic of problems.

Education Funding (Staffordshire)

4.10 pm

Mr. David Kidney (Stafford) (Lab): It is a delight to see you in the Chair, Mr. Bayley. I am also very pleased that my right hon. Friend the Minister for Schools, whom I hold in high regard, is to reply to the debate.

There is great interest in Staffordshire in this debate. The hon. Members for Lichfield (Michael Fabricant) and for Stone (Mr. Cash) are present, as are my hon. Friends the Members for Burton (Mrs. Dean), for Newcastle-under-Lyme (Paul Farrelly) and for Tamworth (Mr. Jenkins). Education funding is an extremely important subject for our constituents.

I bring good news about educational achievement from Staffordshire and from my Stafford constituency. The results achieved by seven-year-old pupils at key stage 1, 11-year-old pupils at key stage 2 and 14-year-old pupils at key stage 3 are above the national average in an area where average household incomes are only about 80 per cent. of the national average. The results of 16-year-old students at key stage 4 are below average, but last year they achieved their best improvement for seven years and their best GCSE results ever.

Inspectors have praised our targeted approach. With better funding, we would be able to target more resources to raise the achievements of looked-after children and children from economically deprived backgrounds—*[Interruption.]*

Hugh Bayley (in the Chair): Order. May I say to those in the Public Gallery that we can hear what they are saying? I apologise to the hon. Member for Stafford (Mr. Kidney).

Mr. Kidney: Thank you, Mr. Bayley. I would just like to mention that my hon. Friend the Member for Cannock Chase (Dr. Wright) has also joined us for this debate.

In our area the staying-on rate for 16-year-old students is also above average and our A-level results are at or above the average. If I sound as though I take a propriety interest in our schools, it is because I really care about them. I regularly visit schools in my constituency: last Friday, for example, I was at St. Patrick's Roman Catholic primary school, whose pupils and staff work hard for their enthusiastic new head teacher, Mrs. Goodison, and where there is a warm and positive learning environment. I am also proud of the Stafford collegiate, which brings together all the town's secondary schools, a purposely developed sixth-form centre and the college of further education. The result is a wonderfully broad range of courses for 16-year-old students to choose from, which no doubt helps to explain the good staying-on rate. We are currently working on developing the Government's 14-to-19 agenda, including our ability to offer apprenticeships to 14-year-olds.

My own latest project is an attempt to partner individual secondary schools with individual local employers. That is in addition to the excellent work that the schools and employers have already done with Staffordshire Partnership, but I foresee additional benefits for schools and local businesses from that additional partnership working—for example, more

mentors for students in their schools and improved recruitment and retention for employers in their businesses.

Mr. William Cash (Stone) (Con): The hon. Member for Stafford (Mr. Kidney) is my successor in that seat, and I am glad to hear such a good report to give of the constituency. My constituency also has some excellent schools, but St. Mildred's in Whiston, St. John's in Alton and Draycott Manor school have all closed. Those closures, which have caused my constituents serious concern, are directly related to the failure of school funding in my constituency.

Mr. Kidney: Staffordshire local education authority sets a very good example in managing surplus places to get the best value for money, and I am sorry to hear of the problems that my honourable neighbour has experienced.

We have done well in Staffordshire, but much more remains to be done. One fifth of 11-year-olds still cannot read and write at the level expected for their age, and more than two fifths of 16-year-old students are not achieving five good A to C-grade GSCE passes.

Mrs. Janet Dean (Burton) (Lab): Will my hon. Friend comment on the response of one head teacher in my constituency to the Government's recent education White Paper? The head teacher supports the Prime Minister's comment about fair funding following the pupil, but suggests:

"If our standards are to be compared with schools in other parts of the country we need that equality of funding."

Mr. Kidney: I hear exactly the same message from head teachers. The view is the same nationally.

There are still weaknesses in rates of achievement that harm students and our economic performance as a nation. That is why we have a new White Paper, "Higher Standards, Better Schools for All".

Paul Farrelly (Newcastle-under-Lyme) (Lab): I am sure that my hon. Friend will make this point later. He is obviously aware of a somewhat controversial White Paper that is all about standards—at least, we hope that the legislation will be. Staffordshire schools already do well, as he says, but does he not agree that they would do much better if there was fair funding? I have in mind the £5,211 per pupil that will go to Kensington and Chelsea in the coming year, 2006–07, as opposed to the £3,381 per pupil that will go to Staffordshire. The difference is nearly £2,000 a head.

Mr. Kidney: I will deal with that directly. We in Staffordshire want to join with the Government and contribute significantly to an overall increase in standards of achievement. If only our education service had something approaching the average level of funding from the Government to pay for that effort. Instead, we consistently receive a level of funding that falls further behind the best-funded local authorities. If Staffordshire received resources that were more like those received by the better-funded authorities, it could have more teachers, support staff, computing back-up, textbooks, tools and equipment, and we could then swiftly raise standards still further.

We in Staffordshire have not simply felt sorry for ourselves; we have tried to overcome the obstacles that the low funding presents. Staffordshire local education authority has consistently added to the funding of the education service from its own resources. Few LEAs are doing that this year. That is surely a sign of Staffordshire's tenacity in doing everything in its own power to raise standards in its schools.

The other positive action that Staffordshire LEA has taken is to support the campaigning organisation F40. Staffordshire is not alone: a number of LEAs languish at the bottom of the league table for central Government funding year after year, and that is why F40 was started.

Michael Fabricant (Lichfield) (Con): Does my hon. Friend—I say that advisedly—at least admit that with the new funding formula Staffordshire is doing a little better than before? It was previously fifth from bottom and is now 18th from bottom out of 149 LEAs, excluding the Isles of Scilly, in England.

Mr. Kidney: I praise the hon. Gentleman for helping in the campaign with the information that he unearths in parliamentary questions and answers. F40 presses for fairer education funding, and I declare a pertinent interest in it, because last year I was elected to chair it. The Minister knows all about F40. The organisation has responded energetically to the Department's various consultations on funding and lobbied for changes that will benefit the poorer LEAs. Some aspects of the changes to funding that the Department made three years ago reflected and addressed concerns that we had raised.

A delegation from F40 met the Minister last year, and I thank her for her willingness to engage with us and to discuss the problems that we believe exist and how they can be resolved. We were pleased by some of the Government's recent decisions on the dedicated schools grant, which is to start from this April. The two-year settlement, with advance notice for schools of the 2007–08 figures, is helpful for planning budgets and spending decisions. Future settlements will be even more helpful, as they will give notice of the next three years' funding.

I warmly welcome the Government's decision to establish the baseline for the dedicated schools grant based on what local authorities were spending in 2005–06. Schools in areas such as Staffordshire, which has a strong recent record of commitment to education, are not now facing an immediate reduction in resources. In fact, Staffordshire schools will have an extra £10 million—an increase of almost 3 per cent.—to spend as a result of that decision. The guaranteed minimum increase in per pupil funding is also welcome, although obviously it builds on the historical levels of funding for local authorities, which I hope I have demonstrated are an unfair base from which to start.

As we look forward beyond the next two years, there are aspects of the current funding system that continue to disadvantage areas such as Staffordshire. The Government rightly adjust funding to reflect the additional challenge that schools face in overcoming deprivation, which affects the ability of pupils to learn. The adjustment is calculated according to where pupils live, whether or not that is also where they go to school.

[Mr. Kidney]

In places where there is considerable cross-border travel to school, the schools that are faced with the challenge of deprivation are not receiving the additional funding given for deprivation. With the advent of local area statistics, it is now possible for schools to know precisely how many pupils they have on roll from the areas that attract the additional funding.

The Government also adjust the funding for additional cost pressures. Staffordshire gets no additional money through that factor and resents the level of funding that goes to those areas that benefit from it. After all, the main expense of any school is teachers' salaries, which are paid according to a national scale. Will the Minister confirm that the Department will continue to reflect on the justification for those adjustments, their levels and their practical application?

Dr. Tony Wright (Cannock Chase) (Lab): I agree that it is right that funding should follow deprivation. One of the problems in Staffordshire is that it has been hard for schools in deprived areas to get the funding they need because of the way in which the county as a whole is funded. Does my hon. Friend agree that as well as increasing across-the-board funding we should ensure that schools in the tougher areas of Staffordshire get more direct funding?

Mr. Kidney: Indeed I do. My hon. Friend does not have to look too far from his constituency to Walsall and Wolverhampton, where the local authorities are getting larger sums for deprivation than his area does, even though teachers in his local schools face similar challenges as a result of deprivation.

The Government also add an amount to the formula for rural factors—for example, an education service in a rural area has extra costs, not least in transport. However, that factor seems to attract much smaller sums than the other two factors that I have mentioned. As long as we have those other factors we should certainly have as significant an amount of funding for rurality.

The Minister knows that the F40 group has devised a system to account for education spending that allows for accurate and instant evaluation of different policy options and spending priorities. There is no longer any excuse for guesstimates and assumptions in the Department's funding system. I thank my right hon. Friend the Minister for Schools for offering to arrange for her officials to meet members of the F40 group to discuss the new system.

My right hon. Friend should also be thanked for drawing together the various additional funds into one standards fund and for ending the requirement for matched funding from LEAs. The recent announcement on personalised learning is an early measure from the White Paper. I hope that the additional resources for the personalisation of learning are soon incorporated in the mainstream formula. The proposal to use prior attainment data can be only a short-term measure; otherwise there will be almost a perverse incentive not to improve standards.

Whichever way one looks at the figures, Staffordshire does badly. The Minister's written answer to the hon. Member for Lichfield on 15 December last year, at column 2200W of *Hansard*, showed that Staffordshire's funding per pupil under the new dedicated schools grant for 2006–07 will be £3,381. As the hon. Gentleman rightly said, that puts Staffordshire 18th from bottom of the league table of funding for the 150 English LEAs. Staffordshire's funding per pupil is £197 less than the mean of £3,578 and £382 less than the average of £3,763. If we restrict the comparison to the shire counties, of which there are 34, Staffordshire receives £63 per pupil less than the average, which on its own makes a £7.5 million difference to the local authority's funding for its schools.

At LEA level, the Government say that the national settlement for local authorities will provide a 6.8 per cent. increase in 2006–07, but in Staffordshire the increase will be 6.5 per cent. Staffordshire is losing out in every way. If that were the result occasionally, no doubt Staffordshire could ride out the lean years, but the fact is that Staffordshire loses out every year. I looked back to the figure for funding per pupil in Staffordshire in 1997–98 and it was £2,640. That was the total spending per pupil, including all revenue grants. That year, the average was £2,940 for an English authority so Staffordshire was getting £300 less than that.

When presenting a legitimate complaint about the system for distributing the Government's money it is easy to lapse into a completely negative whinge. I note, however, that the Government I support have raised the average funding per pupil from that £2,940 in 1997 to £4,110 this year—an increase of more than £1,100 per pupil. The Minister knows the arguments well. In fairness, she and her Department have engaged constructively in attempts to mitigate the harshness that the Department's formula visits on areas such as Staffordshire. Sadly, although changes have been made with the sincere intent of making the funding system fairer, they have not halted the slide towards greater disparity. In fairness to the Department, the new White Paper makes a welcome commitment to

"a system of fair admissions, fair funding and clear accountability."

That quote is from the Prime Minister's foreword to the White Paper.

A system of fair funding for Staffordshire would provide adequate resources compared with other authorities, taking into account the total resources available, to enable us to do better than we are already doing. I regularly meet people engaged in education in my constituency, including local authority staff, teachers, other school staff, governors, parents and, most importantly, students. I detect an appetite to go further to achieve more.

Staffordshire will continue to support the F40 campaign. We will be represented at its conference in Nottingham on 11 March and we will continue to contribute to the debate on school funding, including through the new direct schools grant which has been established from this year. I look forward to an open debate on the future of the dedicated schools grant formula from 2008 onwards. We shall take part in the comprehensive review of education spending that the Department and the Treasury are to conduct shortly. The new formula should ensure that priority is given to a basic entitlement for every child, built on sound evidence on costs.

Will the Minister give a clear signal to Staffordshire's broad and enthusiastic education community that there is official recognition that Staffordshire has performed extraordinarily well with limited resources—I would say unfairly limited resources—and deserves credit for its achievements to date? I ask also that the Government commend Staffordshire's schools and its authority for their performance. We want our schools to do even better in future. While recognising that such improvements cannot be delivered on a shoestring, will the Minister hold out the prospect that Staffordshire will receive fairer funding in the coming years? We support the Government's agenda of higher standards and better schools for all; we just cannot go on delivering more with less.

4.26 pm

The Minister for Schools (Jacqui Smith): I congratulate my hon. Friend the Member for Stafford (Mr. Kidney), not only on securing this debate, but on the persistent and committed way in which he campaigns for increased funding for his authority. I also welcome the commitment shown by the other hon. Members representing Staffordshire constituencies who are here today.

I should like to put on record, as my hon. Friend has asked, my gratitude and respect for the work of teachers and pupils within the authority in Staffordshire, who have been responsible for significant improvements in the quality of education in the county. Those achievements reflect the hard work of teachers and other staff across the county. Staffordshire now has 10 per cent. more teachers than in January 1998 and 80 per cent. more support staff. They are certainly working effectively.

Turning to education funding, it is worth reflecting on the increases in funding for Staffordshire since the Labour Government came to power. Since 1997–98, total revenue funding in Staffordshire has increased in real terms by £1,040 per pupil—almost 40 per cent. In the other important area, school capital, which tends not to be the subject of fair funding representations but which is important for ensuring that the environment within which children are learning is as we would expect it to be, spending on school buildings in Staffordshire has also increased dramatically, from £3.7 million in 1996–97 to more than £29 million this year—a sevenfold increase.

Despite that, there are concerns about the level of funding in Staffordshire, particularly when compared with other areas of the country. My hon. Friend has made representations to me on a number of occasions. I wish to discuss the county's position in what I suppose we might call the funding league tables, and the reasons why Staffordshire does not always have access to some specific grant funding—although I note that my hon. Friend acknowledges the way in which the new funding arrangements will bring together those sources in the school development grant.

Some have argued that levels of funding per pupil should be more or less the same for authorities across the country. That would be the only way to ensure that no authority was below the average. However, I do not believe that there should be a uniform rate of support, and I do not think that my hon. Friend was arguing in favour of that. Let me explain why.

Michael Fabricant: Will the Minister give way?

Jacqui Smith: I will, if the hon. Gentleman realises that I will not necessarily get through everything if I do.

Michael Fabricant: Does not the Minister also accept that there is a problem of transparency? The problem is not just the difference in funding between shire counties, let alone the gamut of education authorities. There is also the problem of people not understanding why the differences occur or how the calculations are made.

Jacqui Smith: I hope to be able to address that when I deal with the reforms that we have made to the distribution method.

Mr. Cash: The issue that seriously teases us is whether there is like for like. That is one of the crucial issues on which I have campaigned for nearly 20 years.

Jacqui Smith: I was about to say that it is because of differences in children and structures that there is differential funding for authorities. Our aim is to give all pupils an equal opportunity in life, and, as my hon. Friend the Member for Stafford acknowledges, pupils from more deprived backgrounds are likely to have additional educational needs and to require additional help if they are to have an equal chance to succeed. That is why the current—or old—formula funding system gives funding additional to the basic entitlement to authorities with a higher number of pupils from deprived backgrounds. Staffordshire has fewer pupils from deprived backgrounds than many other authorities, and that is a key reason for the difference.

However, as my hon. Friend said, although additional educational need is the main reason why Staffordshire receives less funding per pupil, the current formula funding arrangements also give extra funding to sparsely populated authorities such as Staffordshire, which benefits to a certain extent from sparsity funding—I heard his request that it should be a larger portion. There is also extra funding for authorities in high-cost areas. I do not accept the contention that there are similar employment costs in all parts of the country because of the national pay system. The evidence of the differential and higher costs in some parts of the country are the justification for the area cost adjustment, which, as my hon. Friend said, is one of the additions that Staffordshire does not receive under the existing formula.

I understand the concerns of individual schools such as those highlighted by the hon. Member for Stone (Mr. Cash). I hope that he will be reassured by Staffordshire council's latest provisional out-turn figures, which show that net school balances in the county stood at more than £27 million at the end of the financial year 2004–05. There was £7 million more in school balances in Staffordshire at the end of 2004–05 than at the end of 2003–04, which represents an increase of 35 per cent.. The national average increase was 16 per cent.

That deals with the current situation. As my hon. Friend the Member for Stafford said, the Government are making some important changes to school funding

[Jacqui Smith]

arrangements from the beginning of April this year. They are designed to ensure that the money intended for schools in every area of the country reaches them, and to give head teachers and governors stability and certainty about their funding so that they can make better plans. We shall ensure more stability for schools through multi-year budgets. As my hon. Friend knows, the dedicated schools grant is a new ring-fenced grant from the Department for Education and Skills to each local authority. It will cover funding for schools and other provision for pupils.

As my hon. Friend recognised, we consulted widely on the new school funding arrangements, including our proposals for distributing the DSG among authorities, in the spring last year. Schools and authorities in areas such as Staffordshire that spend more than their formula funding allocation told us of their concerns about the proposals. They were worried that, over time, their relative funding levels would be reduced. Staffordshire was one of the authorities that made that case. We listened carefully to those concerns, and in summer last year we consulted on a modified method for distributing the DSG that will put stability at the heart of local authority funding allocations. A majority of the people who responded to the new consultation supported the modified method, and that is what we shall use to distribute the DSG in 2006–07 and 2007–08.

Given the cry for greater transparency, let me describe how the DSG distribution will work. We shall take each authority's existing level of spending on the schools budget as the starting point, give every authority an increase of at least 5 per cent. per pupil over its current spending in each year, and then distribute the remaining grant according to the Government's priorities for education. Our priorities include personalised learning at key stage 3 and in primary schools and the provision of more practical learning options for pupils at key stage 4. That will enable precisely the sort of exciting work in the 14-to-19 age group to which my hon. Friend referred. The priorities also include covering the full-year cost of implementing time for planning, preparation and assessment in primary schools—that is the final stage of our work force reforms under the national agreement—and meeting the cost of increasing entitlement to free early years provision from 33 to 38 weeks.

Although we have earmarked sums for those priorities in every authority's allocation of dedicated schools grant for each year, decisions on the distribution of funding between schools continues to be a matter for local authorities in consultation with their schools forums. As my hon. Friend the Member for Cannock Chase (Dr. Wright) made clear, it is at that level that authorities should take into consideration the challenges of deprivation when distributing resources within a given authority.

What does the school funding settlement mean for Staffordshire schools? The county can expect an increase in dedicated schools grant of 6.5 per cent. on top of current spending per pupil in 2006–07, with a further increase for 2007–08 of 6.4 per cent. per pupil. That is an increase of more than 13 per cent. per pupil over those two years. We have heard what that amounts to in terms of guaranteed funding per pupil. The settlement gives the authority and its schools unprecedented predictability by providing guaranteed per-pupil funding for two years. That should give Staffordshire schools the confidence to plan ahead more effectively than ever before, making sure that their financial planning really supports the school improvements that my hon. Friend the Member for Stafford said they were so keen to ensure.

I believe that we have ensured a good settlement for Staffordshire schools and schools across the country, but as my hon. Friend says, and as I am willing to make clear today, from 2008–09 we are introducing three-year allocations of dedicated schools grant and three-year budgets for schools. Before that, we intend to review the operation of a number of aspects of the new school funding arrangements, including dedicated schools grant distribution. As my hon. Friend conceded, the new distribution arrangements for 2006–07 and 2007–08 already create some benefits for Staffordshire, but we want to review the arrangements in two years' time to make sure that the operation is going as we believe it should. We will want to consider what lessons can be learned from those first two years and will want to work up proposals for the distribution of DSG in the longer term.

Later this term, we will announce the terms of reference for the review and say how we propose to involve all local authorities and other stakeholders, including the F40 group of authorities. My hon. Friend is national chair of that group and works very hard for it.

Mr. Brian Jenkins (Tamworth) (Lab): Is my right hon. Friend saying, and can I tell parents in my constituency, that the young family who move from Sutton Coldfield—that area of high deprivation—to the leafy suburb of Fazeley in Tamworth, Staffordshire, will have exactly the same money spent on their child's education as will be spent on a child in the west midlands? Will the funding now be the same?

Jacqui Smith: No, it will not, for the reasons that I outlined earlier. I do not believe that the amount should be the same from county to county, regardless of levels of deprivation, costs or sparsity, and I do not believe that my hon. Friend honestly believes that either. However, it is of course important that the challenges of deprivation are recognised, not only in national distribution, but in local distribution, too.

I was grateful to my hon. Friend the Member for Stafford for bringing a delegation from the F40 group to see me last June. At our meeting, my hon. Friend and his colleagues made a helpful presentation on the funding model that the group supports, which my hon. Friend outlined. My officials recently invited the F40 group to an early meeting with them so that they can consider the F40 model and activity-led funding in some detail.

I thank my hon. Friend and other hon. Members for raising the subject of school funding in Staffordshire. I know that my hon. Friends, at least, recognise that there has been a considerable increase in funding for schools in Staffordshire over the past eight years, although they rightly challenge us to make sure that Staffordshire receives a fair share funding and resources that will enable it to carry on the good work that my hon. Friend

outlined. I look forward to my Department's detailed report on the forthcoming meeting with the group, and I have no doubt that Staffordshire and the F40, ably led by my hon. Friend, will continue to make representations on fair funding. I shall continue to listen to them.

Case of Teresa Daniels

4.40 pm

John Bercow (Buckingham) (Con): In the time available to me, I should like briefly to summarise the chronological sequence of events in this case, to comment on the trial and appeals process, to describe the mitigating factors and to pose a series of relevant questions to the Minister of State.

On 12 June 1997, Teresa Daniels—hereafter referred to as Terry—was arrested at Las Palmas airport in Tenerife in the company of her companion Antonio Benavides, who was in possession of 3.8 kg of cocaine. On 17 June, five days later, Terry was released on bail. Shortly afterward, she suffered a near-fatal brain haemorrhage, but fortunately, as a result of early and effective medical intervention, she was saved and restored to health.

On 2 September 1997, Terry attended a court hearing that lasted one and a half hours, at which she was asked five questions and then told that she was free to go. More than six months later, on 27 March 1998, Terry Daniels was sentenced to 10 years' imprisonment for drug trafficking—precisely the same sentence as was imposed on her co-defendant Mr. Benavides. He had previous criminal convictions; she did not. As I have mentioned, he had cocaine in his possession at the time of the arrest; she had none.

Terry's lawyer requested that she be given conditional liberty, which was granted to her. After a series of legal skirmishes, the first appeal by Terry's lawyers was heard on 12 November 1999. It was heard on the basis of written pleadings and dismissed in her absence. A copy of the judgment was never sent to her and her sentence of 10 years' imprisonment was confirmed. In January 2000, Terry lodged a second appeal and in February 2000, she travelled to the United Kingdom to have a medical check-up and it transpired that she needed to have a series of operations. In March 2000, in response to correspondence from me, the Spanish ambassador sent me a letter with a report from the Spanish directorate general of penitentiary institutions that stated that Terry had been released on 17 June 1997 "without further admissions".

In May 2002, more than two years later, an international search and arrest warrant was issued, and in June 2003, a formal request for extradition was made. In August 2005, the Home Office—in the person of the Home Secretary, the right hon. Member for Norwich, South (Mr. Clarke)—agreed to her extradition and Terry was extradited in October 2005. Now she is in Topas prison in Salamanca near Madrid.

I said that I wanted to comment on the trial and the appeals process, and I shall do so in two very specific respects. One might be characterised as a comment on form and the other manifestly relates to substance. As far as the form is concerned, no translator was available during the trial. I must emphasise that, because I believe passionately that Terry has been ill treated. Terry did not understand and therefore could not effectively participate in the proceedings. She did not receive a copy of the judgment and, yes, such was the level of misunderstanding and lack of information that she thought that she was a witness at the hearing and not a defendant.

[John Bercow]

On the matter of substance I make the point to the Minister of State that the evidence upon which Terry was convicted and then sentenced was scanty indeed. I do not think that I exaggerate when I say that it consisted overwhelmingly of the interpretation of an entry in her diary which referred to an expected payment. The interpretation put upon it was that she was recording an expectation of payment as a result of engagement in drug trafficking. In fact, as she explained, she was referring to a payment that was to come to her as a result of a personal injury claim. The official translation of the content of the diary was judged to be inadmissible, apparently on the grounds that it was out of time. It seems certain to me that Terry's human rights under the European convention were breached in two respects: by the failure to admit the official translation of the diary, which would have lent weight to her pleading, and by the theft of her diary.

I shall now discuss the mitigating factors in Terry's case, which I genuinely believe should be seriously and thoughtfully taken into account by the Minister. I referred a few moments ago to the reference in the letter that I received from the Spanish ambassador and the accompanying report to the phrase "without further admissions". It was surely not unreasonable of Terry Daniels to believe, when she had sight of that document, that the phrase "without further admissions" suggested that the case had been closed. That certainly was her view: she thought that the case had been dropped.

There are several other mitigating factors. Seven and a half years elapsed between Terry's original conviction and the start of her imprisonment. The Spanish authorities made little effort to detain her until Thames Valley police notified Interpol of her whereabouts. She has suffered from desperately bad health—I referred to her near-fatal brain haemorrhage, and she now suffers regular bouts of depression. In addition, in the course of this appalling, harrowing and seemingly interminable saga, she has lost her father; he died of cancer slightly less than five years ago.

It is inevitable that if Terry stays in prison for any length of time after such protracted delays and despite the real anxieties about the fairness of the trial, she will have a greatly reduced possibility of having a family. She is already in her early 30s and I believe that that is a relevant consideration in this case. In addition, the prison conditions that she is now experiencing are poor. It is difficult for her to communicate as she does not speak Spanish, and many of the people around her do not speak English or do not choose to communicate with her in her mother tongue.

On top of all that Terry endures separation from her remaining family. I ask the Minister to try to put himself in her position and to see the merit of my case That separation is a huge burden. Pat Daniels, her mother, is a magnificent woman, a supportive mother and a hard-working individual, but she could not by any stretch of the imagination be described as a person of means and it costs approximately £1,000 every time she goes to visit her daughter. All in all, the cumulative impact of the nature of the trial, the unsatisfactory character of the appeals process, the ongoing delay, the continued uncertainty and the absence of any obvious light at the end of the tunnel is putting an intolerable strain on Terry.

That leads me to my series of questions and challenges to the Minister. He knows that I hold him in the highest esteem—he is an immensely capable and intelligent Minister—so I hope that he will not take amiss what I am about to say as the prelude to my three questions. I, like many other hon. Members, have conducted a number of Adjournment debates over the years. It is not uncommon—in fact, it might be said to be a regular characteristic—to find substantial parts of ministerial speeches devoted to congratulating the hon. Member who has secured the debate and to repeating a considerable number of the difficult circumstances that the hon. Member has just spent some minutes describing. I say to the right hon. Gentleman that my ego is quite big enough, I do not require it to be inflated any further, and I am certain that he is familiar with the case, upon which there has been a great deal of correspondence. I would therefore be very grateful if he were to focus specifically on the questions that I am now about to ask.

I am immensely grateful to the Foreign Office for the visits by consular staff, and for the advice that they have proffered, but I wish to put the following question to the Minister. First, given that Terry seeks a pardon, will Her Majesty's Government support her request for it? Secondly, without prejudice to the first question and the Government's attitude to it, will the Minister expedite the application for Terry's transfer to the United Kingdom? Thirdly, if the transfer is successful, will the Government allow Terry to serve her sentence, or that part of it that she is still obliged to serve, in a low-security prison on the grounds that, manifestly, she poses no threat to public order or security?

I immensely appreciate my good fortune in being able to bring these matters to the attention of the Minister this afternoon. It is not my responsibility, so I shall not take it upon myself to say whether Terry Daniels is innocent or guilty. For my part, I believe that she is an honourable and decent person. It is, however, my responsibility to judge whether she has a reasonable case with which it is proper to trouble the Minister. I believe that she has.

Terry has been supported throughout her case by Fair Trials Abroad, an admirable organisation to whose distinguished director, Stephen Jakobi, and his indefatigable work on this case I pay the warmest possible tribute. She has been badly treated. I do not want her case to be forgotten. It should not go by the board. Pat Daniels has done her best to champion Terry's cause while trying to work for a living and to hold the family together in some way. Terry is in no position to act for herself, but she knows that this debate has been secured. If she is to have a chance to rebuild her family life, to consider the possibility of being able to start a family herself, and to build a constructive and happy future, I believe that she requires the assistance of the British Government. I am sure that the Minister is not only intelligent and competent, but decent and humane, and I look forward to his reply with interest and anticipation.

4.54 pm

The Minister for Europe (Mr. Douglas Alexander): Unusually, Mr. Bayley, before responding may I seek your guidance on whether, given the slightly late start of this debate, I shall have the full 15 minutes in which to respond to the points raised by the hon. Gentleman? If I shall, I shall direct my remarks in one way, but if we are more constrained by time, not least given the very specific—

Hugh Bayley (in the Chair): I can clarify for the right hon. Gentleman's benefit that the debate will conclude at ten minutes past 5.

Mr. Alexander: I am grateful for that clarification, Mr. Bayley. Given that assurance, hope to be able to answer the specific questions that have been put to me.

I assure the hon. Member for Buckingham (John Bercow) that it is due neither to a desire for obfuscation nor to a desire to adhere to protocol that I congratulate him on his eloquent description of the case that he has raised today. I hope to be able to reply directly to his points. However, it is important—not least on the ground of completeness—that I should take the opportunity to place in context the case that we are discussing in relation to the wider UK-Spain relations, which are relevant to this case, and to place on record our understanding of how we arrived at this point.

Before I discuss relations between the UK and Spain and address the specific points that have been put to me, it is important to note the close ties that the United Kingdom enjoys with Spain. Relations between the two countries are strong and deep. An estimated 677,000 Britons have chosen to make Spain their home: theirs is one of the largest British expatriate communities anywhere in the world. As one would expect, there is close co-operation on issues of justice and home affairs. The UK and Spain work together to improve Europe's response to common challenges such as immigration, and we have agreed fast-track extradition procedures between our two states. There is also extensive and valuable co-operation on health matters.

Let me now give a summary of the case before us today. As I said, the hon. Gentleman spoke eloquently about the background to Ms Daniels' case and the events surrounding her trial, extradition and imprisonment in Spain. As he knows, our consular staff in London and Spain have been following Ms Daniels' case closely and have been providing her and her family with all appropriate consular assistance. I assure the House and the hon. Gentleman that that assistance will continue.

The UK has important international obligations in matters of extradition, which it takes seriously. In Ms Daniels' case, the position at all material times was that she had already been convicted in Spain of serious drugs offences. She has sought unsuccessfully to appeal in Spain against a 10-year sentence. By the time the conviction was made final in January 2000, however, she had left the country. Not surprisingly, Spain's request for extradition followed. Pursuant to it, she was arrested in this country in June 2003. Bow Street magistrates committed her in June 2004, and an ensuing appeal to the High Court was dismissed in January 2005. It then fell to my right hon. Friend the Home Secretary to reach a final decision on Ms Daniels' surrender. In representations made against such an outcome, her UK solicitors relied in part upon the alleged lack of evidence against her. The solicitors contended, for example, that the Spanish evidence was not strong and relied almost entirely on entries in Ms Daniels' personal diaries, which the hon. Gentleman mentioned.

Spain's request for Ms Daniels' extradition as a convicted person withstood judicial challenge here before Bow Street magistrates and the High Court. It is not and cannot be the proper function of the Home Secretary to delve into the safety of a conviction arrived at in the independent courts of another European Union country any more than it would be right, I submit, for Spanish authorities to appear to impugn the integrity of a conviction arrived at in our courts. The Home Secretary considered the whole case fairly and properly in the round, including the representations that were made to him on evidential, health and other grounds, some of which we have heard today. For reasons fully set out in a letter of 23 August 2005 to Ms Daniels' legal representatives, my right hon. Friend concluded that those considerations did not outweigh the case for surrender. It was open to Ms Daniels to apply for judicial review of that decision, but she elected not to do so. Her surrender to Spain was effected on 22 October 2005, in conformity with our international obligations.

The hon. Gentleman asks that the Government consider obtaining clemency for Ms Daniels. The Foreign and Commonwealth Office will consider supporting a prisoner's plea for clemency in certain circumstances. Our policy is outlined in an answer given to my hon. Friend the Member for Blackpool, North and Fleetwood (Mrs. Humble) on 2 May 2001. With your permission, Mr. Bayley, I will take this opportunity to outline our policy for the benefit of all hon. Members. The answer given states:

> "Our objective is to support pleas for clemency in deserving cases, while respecting the sovereign right of foreign Governments to sentence prisoners according to their own laws."

It continues:

> "We will . . . consider supporting clemency pleas from British nationals imprisoned overseas in the following cases: in compelling compassionate circumstances, such as where a prisoner is chronically ill or dying (particularly when prison conditions overseas are poor) or when a close family member is chronically ill or dying; where continued incarceration is likely to endanger life or is likely to reduce life expectancy significantly; in cases of minors imprisoned overseas; as a last resort, in cases where we have prima facie evidence of a denial or miscarriage of justice, where we have made representations, but where those representations have failed to secure a remedy. In these cases, our reasons for supporting a plea would not normally be mentioned explicitly in the plea itself.
>
> We will also take the prisoner's family circumstances into account when considering whether to support a plea for clemency. We will examine all pleas on a case-by-case basis."—[*Official Report, House of Commons,* 2 May 2001; Vol. 367, c. 629W.]

To answer the hon. Gentleman's first question, we would certainly consider any request from Ms Daniels to support a plea for clemency if those criteria were met. Ms Daniels should make her clemency plea to the Spanish authorities through a lawyer.

Implicit in that question was the possibility of remission. The hon. Gentleman asked whether Ms Daniels could be considered for possible remission of her sentence. There is provision under Spanish law for

[Mr. Alexander]

the early release of prisoners who are terminally ill or dying. I would advise Ms Daniels to investigate the Spanish procedures for granting remission and to obtain local legal advice on whether she could be eligible.

On the second specific question, I understand that Ms Daniels applied on 14 December 2005 to be transferred home to the United Kingdom to serve the rest of her sentence under the 1983 convention on the transfer of sentenced persons. Letters have been sent to the prison governor and Her Majesty's Prison Service transfer section by our consular staff with the information that she wishes to apply for transfer of sentence. As for how long it might take for such a transfer of sentence to the United Kingdom to be effected, prisoner transfers between the United Kingdom and Spain take place under the European convention on the transfer of sentenced persons. Any transfers from Spain to the United Kingdom must be agreed by the Spanish and British authorities as well as the individual involved. The time taken to consider and arrange a transfer varies from case to case, so it is difficult to give a precise answer. Our experience in previous cases suggests it can take two years or longer from application to transfer.

I listened to the specific point made by the hon. Gentleman about the nature of the establishment to which Ms Daniels would be returned in the United Kingdom. I am not clear at this juncture about the exact procedure by which that would be determined, but I or one of my colleagues in the Home Office will write to him about that.

For the record, I should outline the consular assistance that we have provided to Ms Daniels and her family. Consular staff were informed of Ms Daniels's arrival in Spain on 21 October 2005 following her extradition from the UK to Spain to complete her sentence. Our proconsul visited her in Madrid prison on 25 October. Ms Daniels said that she was anxious to be transferred to Las Palmas prison in the Canary islands where she had originally been imprisoned. Our proconsul maintained contact with the prison authorities, checking whether Ms Daniels would be transferred to another prison. We informed her on 7 November that she was to be transferred to Topas prison, Salamanca, near Madrid, and unfortunately not to Las Palmas prison as she had hoped. The honourable Gentleman will understand that it is for the Spanish authorities to place prisoners as they see fit, just as it is for Her Majesty's Prison Service in the United Kingdom to decide where to put detainees.

Ms Daniels saw the prison doctor and the social worker on her arrival at Madrid prison. With Ms Daniels's agreement, our consular staff arranged for copies of her United Kingdom medical records to be made available to the prison authorities in Spain. We also provided a short summary of the records in Spanish. A member of our consular staff again visited Ms Daniels when she was moved to Topas prison on 23 November 2005.

John Bercow: It is my view that there has been a miscarriage of justice, not least because of the character of the trial and appeal process that I described. I am sorry if the Government do not agree or are not prepared to contest the issue with the Spanish authorities. However, does the Minister consider it a relevant factor in the case that such a huge amount of time elapsed between Terry's original sentencing and the start of the sentence?

Mr. Alexander: Let me say with the greatest respect to the hon. Gentleman that I hoped that I had addressed his point earlier. I explained that on the basis of the extradition request—a direct consequence of Ms Daniels being back in the United Kingdom—a number of legal steps were taken between the original sentencing and her incarceration in Spain. If that offers no comfort to the hon. Gentleman, I hope that it at least explains the length of the intervening period when, as I described, proceedings were brought before Bow Street magistrates and then the High Court. Ultimately, there was a decision by the Home Secretary based on the specific points that I have outlined.

John Bercow: May I put on the record the fact that Terry Daniels has never made any secret of her address in Abbotts Way, Wingrave, Aylesbury, Buckinghamshire? There was no problem of finding her, so that, at least, can be cast aside as a consideration in this matter.

Mr. Alexander: I made no such suggestion. I was making it clear that Ms Daniels was involved in a series of legal proceedings here in the United Kingdom. An additional factor that should to be borne in mind is that cases in Spain can take a long time to come to court.

In conclusion, let me say briefly that all of us involved in consular work appreciate that imprisoning any person in a foreign prison places enormous strain on the families involved, as it does on the individual detained. For the welfare of the prisoner and to ease the concerns of family members, consular staff take their duty of care to our prisoners in foreign prisons most seriously.

At this juncture, I too pay tribute to the work of Stephen Jakobi and Fair Trials Abroad. I know of the vital work that he and his organisation have taken on in a number of cases. However, I emphasise that we will maintain a close interest in Ms Daniels' welfare, while continuing to provide her and her family with all appropriate consular assistance.

Question put and agreed to.

Adjourned accordingly at seven minutes past Five o'clock.

Westminster Hall

Thursday 19 January 2006

[SIR JOHN BUTTERFILL *in the Chair*]

Antisocial Behaviour

[Relevant documents: Fifth Report from the Home Affairs Committee, Session 2004–05, HC 80, and the Government's response thereto, Cm 6588.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Gillian Merron.]*

2.30 pm

Mr. John Denham (Southampton, Itchen) (Lab): I am grateful for the opportunity to lead this debate on the fifth report of the Select Committee on Home Affairs, which was published just before the general election last spring, because it addresses an issue of great concern and because this is the first opportunity to discuss at any length in the Chamber the Government's respect agenda and the proposals that they announced last week.

One criticism of the Government's respect action plan is that not much in it is new, but those who have read the report, which the Committee unanimously supported last year, have said that the Government's proposed action is line with the report's conclusions.

The Committee's overall conclusion is that the necessary legislative powers to tackle most aspects of antisocial behaviour are largely in place, that the challenge is to ensure that they are used effectively in every part of the country and that there is no need for a raft of new initiatives or totally new approaches. In that sense, although some elements of the respect action plan are new, the general approach, which is to get things done properly at local level, seems to be right.

I shall run through some of the main themes that emerged during our work, rather than discuss the detail of the antisocial behaviour powers. One of the most obvious conclusions, and one that might sound strange, although I do not suppose that the hon. Members present will challenge it, is that antisocial behaviour is a genuine problem. Neither politicians nor the media have invented it. That might sound like a banal and obvious thing to say, but a constant note was struck throughout our inquiry by a minority of those giving evidence, who denied that antisocial behaviour is a significant problem. From time to time it was suggested that antisocial behaviour has always been there, that it is no different now and that politicians who talk about antisocial behaviour are simply creating a myth to justify some authoritarian powers.

David Taylor (North-West Leicestershire) (Lab/Co-op): I am grateful to my right hon. Friend for giving way on that point. This is, without doubt, an excellent report, particularly the section entitled "Neighbours from hell", which begins at paragraph 54. Sadly, the Prime Minister's respect agenda seems to have painted social housing tenants as either victims or villains, which probably stigmatises millions of people and panders to negative stereotypes. Speaking as someone who spent half their life on a council estate, I feel particularly passionate about that.

Does my right hon. Friend agree that affordable housing tenants and antisocial behaviour do not necessarily go hand in hand in the way that the respect agenda and some parts of the popular press sometimes imply?

Mr. Denham: I entirely agree, with one caveat: all the evidence is that antisocial behaviour and the fear of it are greatest in the most deprived communities in the country. There is inevitably some correlation between some social housing and deprivation, so it would not be entirely surprising if there were more victims of antisocial behaviour in those areas. I totally agree, however, that the stereotype is sometimes that antisocial behaviour is entirely created by tenants. That is entirely wrong.

There are, of course, very different types of antisocial behaviour. The sheer expense of drink, for example, means that much of the city centre binge drinking that goes on is done by people who have relatively well paid jobs, who probably rent or buy houses in the private sector and who may be socially very different from many people living on local authority estates.

The point that my hon. Friend makes is important and touches on a point that may be relevant later in the debate. The Committee concluded that all the necessary powers are in place to deal with antisocial people who live in owner-occupied housing and that no new powers are necessary. It will be interesting to see whether other hon. Members agree.

David Wright (Telford) (Lab): Does my right hon. Friend agree that investment in the public realm on estates is incredibly important and that it should be made in partnership with powers to deal with antisocial behaviour? Investment in the public realm might include removing graffiti quickly and designing neighbourhoods to discourage crime and antisocial behaviour, and it is incredibly important. We need a partnership between agencies, local authorities and the police to ensure that we design out crime and invest in and maintain our public realm. People often feel let down by local authorities and will react to the environment in which they live. If the local authority does not care about their neighbourhood, and local agencies do not invest in it, people will perhaps feel inclined to think that antisocial behaviour is acceptable.

Mr. Denham: Yes, of course it is right that local authorities and other agencies need to pay proper attention to creating and maintaining a good environment and to not allowing the idea to gain ground that those out there who are committing vandalism, doing graffiti or whatever are winning in local areas. I shall not go into much detail about that, although when I talk about alcohol and antisocial behaviour I shall certainly mention some design and planning issues that seem to have been neglected in the debate on binge drinking.

As I was saying, there was a strand throughout our inquiry that questioned whether antisocial behaviour exists as a phenomenon. We are convinced that it exists, but we feel that measures of antisocial behaviour do not always grasp the fact—it is known to most of us, as Members of Parliament—that continually suffering due to a string of individually minor events can have a

[Mr. Denham]

devastating effect on the lives of individuals and families. The description of antisocial behaviour can sometimes be trivialised in parts of the media, just as it is sometimes sensationalised in others.

There is a more serious consequence of the debate on whether antisocial behaviour really exists. The view that it does not exist, that it is not terribly important or that it has always been there, much as it is now, is held by people who were significant witnesses and by significant people who submitted evidence. They come from some of the very agencies that need to be involved in the fight against antisocial behaviour. It would be wrong of me to damn whole professions and say, "They are all like that", but it would also be wrong to pretend that there are not strong strands in social services and the youth service, as well as persistent strands in parts of education in particular, that question the rationale behind the Government's drive against antisocial behaviour. People are not convinced that there is a major problem, and one issue that I want to draw out is the extent to which changing attitudes in those agencies and professions will be critical to Government success in delivering on their respect action plan.

When we wrote our report, we were cautious about assessing whether the Government are making progress on antisocial behaviour. There were welcome early indications from the British crime survey that fear of antisocial behaviour had reduced, and I believe that that trend has continued. I welcome the figures in the respect action plan suggesting that the trend has accelerated in the areas that the Government have targeted over the past year. Perhaps the good news is that we are beginning to learn what works when it comes to dealing with antisocial behaviour, and the challenge is to ensure that best practice spreads to as many different places as possible.

A second theme that ran throughout the inquiry also relates to perceptions of antisocial behaviour. Again, there can be tensions between local communities that suffer from such behaviour and the professional agencies that are engaged in those communities. We argue strongly that a process involving consultation, local decision-making and, perhaps, the new trigger mechanisms that the Government are discussing for the police would enable people living in a local area to define antisocial behaviour problems in that area and the standards by which they want to live. Nothing is more destructive than the tension that arises when the local community says, "This problem is intolerable", only to have somebody from the police, the council or another agency say, "We don't think it's that bad", before driving home to wherever they happen to live. It is therefore important to allow local communities to set standards at local level. When this idea is suggested, however, there is always a fear that local communities will somehow be irrationally punitive, but our experience as members of the Committee, as well as during our inquiry, is that people in local communities often have the most balanced view of which problems are caused by people's unreasonable behaviour and which are caused because there is nothing for the kids to do. A lot of otherwise decent kids are getting into trouble. Getting local communities more involved is an important part of the strategy.

I return to the non-players, as we more or less describe them in recommendation 13 of the report. One challenge for the Government is to ensure that groups such as social services, education, adolescent mental health services and youth services are full players in antisocial behaviour strategies. I do not underestimate the problems, even when the basic argument that antisocial behaviour is a problem has been won.

I recognise that the Government have put money into social services, particularly to deal with support for dysfunctional families, but there is a real issue, which was honestly expressed by the Association of Directors of Social Services. If people are working in a job where the real driver is to avoid a repetition of a Victoria Climbié-type case, having the management strength to divert resources to dealing with dysfunctional families that are causing a nuisance but not threatening a child's life represents a difficult choice for professionals to make. The Government will need to ensure that they have the right mechanisms in place to achieve the setting of those priorities.

Ann Coffey (Stockport) (Lab): Does my right hon. Friend agree that there has, over the years, always been a tension in social services departments, which have had to choose between spending money on people who are their responsibility and in their care, and spending it on preventing problems with children and working with families? Does he agree that children's trusts, which are coming on board, as well as the creation of young persons' directorates, provide an opportunity to involve not only social services, but all the agencies locally, in that preventive agenda? There should not be tension or conflict. This is an opportunity to bring together preventive work and spend money on children at the most needy end.

Mr. Denham: I agree with my hon. Friend that this is a huge opportunity, but it will happen only if, at quite a low operational level of individual decision-making managers, individual members of staff have the confidence to say, "We need to be doing the preventive work alongside the work that we do for the most serious cases."

I would like to go a bit beyond the conclusion of our report, although what I have to say is in tune with it. To give another example of a problem, there has been quite a lot of publicity in the past few weeks about whether the massive investment in dealing with truancy has worked. The logic of our report is that although a lot of money has gone into the education system for behavioural improvements and dealing with truancy, the bulk has probably been spent by schools in a short-term way—perhaps on extra classroom assistants, for example, to provide some separate provision for the most disruptive pupils. I suspect that little of that money has been invested jointly with social services money to target the dysfunctional families that those young people come from. The money has been used to buy short-term gain and peace and quiet, but has not contributed to the long-term tackling of fundamental problems.

When I started to draft the report, my feeling was that we would end up calling for a large amount of extra money to go into the system to tackle the problems of dysfunctional families and some longer-term preventive problems. However, the more we went through the

report as a Committee, the more we felt that a lot of money has gone to schools and social services through the regeneration budget, the new deal for communities and so on. A lot of money is out there in the places where most of the problem-causing families exist and the challenge is to focus it directly on the people who often give rise to a series of problems. Although I welcome the extra targeted money announced for social services last week, that broad conclusion drives home.

I do not want to minimise the problems facing the Government in making these changes at local level. New institutional arrangements, such as children's trusts, will certainly help. We have highlighted yet again the extent to which fears about data sharing at local level provide a practical obstacle to different agencies working together. It is time for the Government to legislate so that there can be real confidence locally that individual agencies will not run into trouble if they share information from the police and from education and social services. When the problems are caused by the same young children or parents, it is crazy to have the same organisations running around and for nobody to be able to pool the information effectively. Measures are in the pipeline, but we need to go further.

Mr. Edward Garnier (Harborough) (Con): I am grateful to the right hon. Gentleman for giving way. Can I confirm something? I hope I correctly understood what he said. He said at the outset that there is already enough legislation to deal with this sort of thing, but did he also say just now that we need not more legislation to bring these people together, but a management and a structure to produce a strategic plan of action to deal with this vast array of penny-packet problems? Are we not getting such a collective strategy from the various agencies?

Mr. Denham: The hon. and learned Gentleman has correctly picked up on a slight contradiction between two things I said. I congratulate him on listening; that is very nice, as one never knows on these occasions whether anyone will be listening at all. He has captured exactly the broad thrust of what I was saying: the main issues are managerial, not legislative. The major powers that are needed for agencies to tackle antisocial behaviour are in place, and the challenge is now largely managerial.

A few legislative issues are worth looking at. One is that, in practice, there is great confusion between the data protection legislation and the various bits of data-sharing legislation. We found a lot of evidence that, when in doubt, agencies at local level decide not to share information, because that seems to be safer than sharing information. That is an area where some change would be useful.

These comments are about the broad approach. It follows from what I have said that we are disappointed that the witnesses and the evidence we received tended to polarise between the enforcers and the preventers. We received large bodies of evidence from people who talked about effective enforcement action against antisocial behaviour, and from organisations that talked about the need for early intervention and prevention. In respect of that, we have made what I hope is the most obvious comment, which is reflected in the respect action plan: successful antisocial strategies will involve prevention and enforcement. If a Committee such as mine were to look into this issue in three years' time, it would be good if more witnesses presented balanced evidence, because we received evidence that tended to be one sided, one way or the other.

Let me make a few points about the overall approach. We could not find any evidence that there is excessive use throughout the country of punitive powers such as antisocial behaviour orders. On the contrary, measured against the incidence of antisocial behaviour, there appears to us to be too little use of them, rather than too much. There is a popular impression that people can hardly step outside their front door these days without having an ASBO slapped on them, but that is completely wrong. *[Interruption.]* Even in Manchester. I will say a little more about Manchester shortly, because we were very impressed by the evidence its council gave to the Committee. It is important to get this message about such powers across.

If anything, we feel that some measures are used too late in the cycle of offending. It was interesting to discover how many young people who had received ASBOs had quite serious offending histories before the ASBO was issued. Given the purpose of ASBOs, that suggests to us that the ASBO had been left too long and that turning to it earlier might have been better.

We were impressed by the evidence we received from Manchester city council, which made a perfectly reasonable point: housing injunctions and many types of ASBO require the individual to do no more than what a decent, ordinary person would do anyway. Used early enough, ASBOs are preventive rather than prescriptive.

It is clear that if things are left too long, the ASBO might have to go further and, for example, ban somebody from a certain area. Our view is that there are cases for using these powers earlier. That ought to make it possible to use some less severe measures, such as housing injunctions and demoted tenancies, before reaching the point of talking about evicting a family and all that goes with it in terms of rehousing them and making further provision.

Mr. Nick Hurd (Ruislip-Northwood) (Con): I am grateful to the right hon. Gentleman for giving way, and I congratulate him and the Committee on the report, which addresses what is a significant and relatively recent phenomenon in my constituency.

Recommendation 32 covers ASBO breach rates that run at about 40 per cent. What evidence did the Committee take on the impact of sentencing outcomes? To illustrate my point, I refer to a local example in which a shopkeeper in the village of Harefield had his shop windows kicked in throughout the year. A police officer worked extremely hard to process the ASBO and breach of ASBO procedure, after which a sentencer from outside the community imposed a £100 fine. The criminal immediately contacted the police sergeant and laughed down the telephone. Does the right hon. Gentleman understand local worries about the remoteness and appropriateness of such sentencing?

Mr. Denham: I entirely understand the frustration felt in those circumstances. There is still an educative job to be done with some sections of the ASBO procedure. We heard of places in which good efforts have been made to

[Mr. Denham]

educate magistrates and others at local level, so that they understand what the history is likely to be before an offender appears in front of them with respect to an ASBO or an ASBO breach. It is still clear to us that there are other parts of the criminal justice system where sentencers do not understand the significance of someone coming forward with such an offence, although I am sure that that is improving month by month.

Such sentencing problems are not new, as there were similar problems when football banning orders were introduced. It took a long time for several magistrates to understand how the law was meant to operate. I am sure that we will get there, but it is important to highlight frustrating cases as examples of what goes wrong.

Ann Coffey: Before my right hon. Friend moves on from housing injunctions, I want to say how effective it has been to publish the number of ASBOs that have been applied for by each local authority. That gives people living in an area a perspective on what their local council is doing.

I notice from the report that the Committee is keen on publishing the number of housing injunctions. In the light of the evidence given to the Committee, does my right hon. Friend consider publishing that information, as well as the number of ASBOs applied for, an effective measure for local residents, which would enable them to see that their councils were using such powers?

Mr. Denham: It is useful to publish that information. I was about to refer to problems at local level, and my local authority, Southampton, has a good record in dealing with antisocial behaviour—it has been highlighted in previous Government reports. In a recent constituency case, the housing department, having decided not to pursue possession orders, took no other measure. I am not a lawyer but, at first sight, it seemed that either a demoted tenancy or a housing injunction would be justifiable, given the evidence presented, even if the possession order was unlikely to succeed. The failure to take such action leaves neighbours feeling badly let down.

We are still some way from the time when there will be an automatic response from front-line agencies in considering the whole range of powers that might be used in a case and in ensuring that they use an effective power. There may still be a tendency for them to say, "We have always tried to evict people like these, but if we cannot evict them we will not do anything." Publishing information about how the powers could be used would be useful.

Alcohol and antisocial behaviour are also covered in the report. We welcome the Government's announcement that measures will be taken to establish, if necessary, statutory local schemes to deal with city centre binge drinking. If the regulatory impact assessment is to be relied on, my view is that the amount that the Government are assuming would be raised by the statutory scheme—perhaps £60,000 to £80,000 per year for a major city—seems pretty small in relation to policing and other costs. None the less, we welcome the Government's acceptance of the principle that the pubs and clubs that give rise to the problem should, if necessary, be forced to pay towards the cost of clearing up and policing. The Committee will want to return to that issue to see how things are working.

The more fundamental point that I want to stress is that we are strongly persuaded as a Committee that the problem with city centre binge drinking is not individual behaviour, but simply the large concentration of drinking establishments, and there being almost no other activity than drinking, in small geographical areas. Such establishments are segregated by age, and if the 25-year-olds do not drink with the 18-year-olds—or the 16-year-olds, if we are honest—and so on, there will be binge drinking, no matter what the enforcement or licensing measures.

Just as it has taken about 15 years to create those alcohol-saturated areas in towns and city centres, we need to accept that it will take 15 or 20 years of planning in the other direction to get back to a more balanced use of city centres. Although the Committee welcomes much of the Licensing Act 2003 and the idea of alcohol disorder zones, our conclusion is that we have planned, or unplanned, our way into the current use of our city centres. We will need positive planning in the other direction if we are to be able to reclaim our city centre streets, but that point did not receive as much emphasis in the Government's overall alcohol disorder strategy as I and the Committee would have liked.

I shall leave my remarks there. I look forward with great interest to the debate and the Minister's response.

2.56 pm

Tony Baldry (Banbury) (Con): As always, the Home Affairs Committee has produced an excellent report.

I hope that I am not alone in rather regretting the layout of this Room. One of the advantages of Westminster Hall was that the seating was laid out in the shape of a horseshoe. When we debated Select Committee reports, particularly when they were unanimous, that layout enabled the House to focus on what united us and on how we could find common ground, rather than on what divided us. This report was unanimous, so by definition there was a lot of common ground.

I do not intend to repeat anything the right hon. Member for Southampton, Itchen (Mr. Denham) said, but will make some brief points of my own. Any hon. Member who is in any way active in their constituency will know that antisocial behaviour takes place and very often creates totally disproportionate distress to those affected. Youngsters going down a street setting mobile wheelie bins on fire might think that quite fun, but it is very frightening and distressing for elderly people.

In the past few days, we have heard a lot about the respect agenda, and understandably the tabloid papers have focused on the punitive measures. As with any system, one clearly requires punitive measures, such as antisocial behaviour orders. However, we also need to have some regard to how we help families that have difficulties with parenting. I am not entirely sure—sometimes there is confusion—about which agency should lead on this issue, particularly in rural or semi-rural areas, where county councils provide social services, and district councils, now through housing associations, provide housing.

If one is to expect county councils and social services to help more with families that the right hon. Gentleman described as dysfunctional—families with difficulties—children's social services have to have a reasonably high priority. We have to recognise that social services budgets in the local government settlement must have a fair allocation. In Oxfordshire, we have a particular problem with the Supporting People budget, which is putting pressure on other areas.

On parenting, when I look back at those two university students, I sometimes think it a miracle that any of us bring up children. Parenting is a difficult thing, so we should be a little less hasty to condemn families who may have problems, because they may have them for all sorts of reasons.

In trying to keep youngsters out of the criminal justice system, we ought to look at pupil referral units and who runs them. I fully understand that head teachers should have the power to exclude pupils, but such pupils then go to the pupil referral units and are not there for much time, or they are meant to work at home. It always strikes me as bizarre that we exclude pupils from school and expect them to go home and behave. Perhaps if head teachers had a greater say over what happens in the pupil referral units, we might get those youngsters out of those units—perhaps into other schools, college or something more constructive. There seems to be a tendency, which is no one's fault, of writing such people off.

There do not seem to be very many schemes for helping mediation in neighbour disputes. As I am sure the hon. and learned Member for Redcar (Vera Baird) will know from her experience at the Bar and as I certainly know from mine, some of the most vitriolic litigation comes from neighbour disputes over small issues. Going through the panoply of law is often not the way to do it, and maybe we should find better ways of resolving neighbour disputes at a local level.

I also have a particular concern. Often, new estates are appallingly designed. I represent one of the fastest-growing parts of the country; Banbury and Bicester are two of the fastest-growing towns. What happens with estate design? Let me describe the process. Planning permission is given for a load of fields to be built on. The Office of the Deputy Prime Minister is now calling in cases where the housing density is not great enough, so the idea of gardens or recreational space goes by the board. The developers set aside land for a pub, a doctors' surgery and shops and the private sector comes and deals with that. Land is set aside for the school and the county council, as the education authority, deals with that. They may, if the area is lucky, set aside land for a community centre, but no community centre will be built as no one has a responsibility to build one. There is no recreational land other than the school playing field, which can be used only when the school is operational.

In one new housing estate in Bicester, for example, there is nowhere for the youngsters to go and play. It is hardly surprising that they get into difficulties. There was quite a lot of vandalism and antisocial behaviour on the estate so the town council asked all the youngsters what they wanted. Not surprisingly, they said, "We'd like somewhere to hang out. We'd just like somewhere we can meet our mates, where we're not hassled by people." The town council then got round to building a simple shelter. Nothing more complicated; it is not rocket science. Of course, understandably, residents who live near the shelter are concerned about litter and noise, but if that estate had been designed with some reference to providing and ensuring some recreational space for young people—

3.2 pm

Sitting suspended for a Division in the House.

3.17 pm

On resuming—

Tony Baldry: When estates are being designed, we cannot assume that if we build lots of houses we will, automatically, overnight, create a community.

We should increasingly think about "i" before "e"—that is, investment and infrastructure before expansion. In the south-east, the Government are certainly investing considerable amounts of money in new towns such as Crawley and Milton Keynes, and in seaside towns, such as Hastings, that need refurbishment. However, if they expect areas such as Banbury, Bicester and Didcot in Oxfordshire to take a large share of new housing, there has also got to be investment in their infrastructure so that they can provide recreational opportunities for young people.

We have been promised—as, I suspect, has every other part of the country—new and more police community support officers. It would be good to have them, and to know that they will become a permanently funded part of the Thames Valley police, or whatever its successor might be. There is some concern on the part of the police authority that, as has happened in the case of many Government projects, police community support officers will have funding for two or three years but that it will soon get lost in the general police authority budget. Then there will be a risk that a choice has to be made between established police constables and community support officers. That would be rather self-defeating.

Many communities, whether they are housing estates in towns such as Bicester and Banbury or villages, want the reassurance of seeing uniformed people out on the streets. I remember in my youth—it was not that long ago—regularly seeing police officers cycling or walking through villages. Indeed, at one stage a sergeant and two constables covered Bloxham, the village in which I live, and several other villages. Of course, policing has changed. However, people who live on housing estates and in villages still want to see that cover. Can we therefore have community support officers as speedily as possible, and can we ensure that they do not get lost somewhere down the line in the police budget?

A parish in my constituency has become confused and believes that it will have to fund community support officers. When the Minister winds up, will he reassure the Chamber that the community support officers will be funded from the grants in aid for police authorities, and that local communities will not be expected to fund them themselves? Otherwise, we could get into an invidious position in which rich parishes would be able to afford community support officers, and poorer parishes, with perhaps fewer high precepts, would not.

[Tony Baldry]

Antisocial behaviour orders and potential breaches of those orders require a magistrates court system that works. I would just like to flag up the bizarre situation in north Oxfordshire, as I have the opportunity to do so. The situation may be untypical, but last week the Crown Prosecution Service abandoned no fewer than three contested trials in the magistrates court on one day, simply because it did not have sufficient prosecutors.

Perversely, the local superintendent of police tells me that the detection rates of the Thames Valley police are increasing faster than the CPS can advise them on whether they should charge people or bring prosecutions. If someone pleads not guilty, there are no prosecutors to try them. Eventually, the magistrates become fed up with cases being adjourned again and again, and in due course under the concept of natural justice dismiss them for want of prosecution.

That is not fair on anyone. It is not fair on the victims, because they may well not receive compensation orders, and it is not fair on the community. Nor is it fair on those who are charged, because there may well be quite a lot of publicity in the local newspaper about the fact that they have been charged, and they never really receive the opportunity to clear their name, if that is what would have happened in a contested trial if they had been found not guilty. The Law Officers who are responsible for the CPS need to ensure that the CPS has adequate numbers of prosecutors to keep up with charging people who are arrested, with giving advice and with bringing prosecutions.

That takes me to my final point. Who in the criminal justice system takes the lead on ASBOs and acceptable behaviour contracts? Is it the police, the local authority, the district council responsible for housing or the probation service? A constituency such as mine, which is semi-rural, is different from cities that have single departments and a single local authority.

It is not that anyone is failing to do their job properly, but I am sometimes worried that there is a lack of overall grip and that no one is saying, "We have issued this number of ASBOs. Why is there is a problem on that estate, and how can we deal with this?" I accept that district councils and the police are working more closely together, but points of concern remain. Where does the probation service step in? Where are the concepts of restorative justice? The geography of all this can become quite complicated, which makes it difficult for communities to know to whom they should turn if things are going wrong. Should they turn to the local authority to let it know that the ASBOs are not working, or should they turn to the police? We need a clearer understanding of who should lead on this, and who is the point of reference.

The Home Affairs Committee has done a good service to the House. If one read the tabloids, one would assume that everything was going wrong. There are difficulties, but communities generally want to tackle them, and we need both prevention and enforcement, and for all the different bits of the machinery of justice and the machinery of government to work well. If that can happen, communities can be more harmonious and can be safer and happier places for people to live in. I suspect that the issues that unite the House are far greater than the issues that may sometimes divide us.

3.24 pm

Mrs. Janet Dean (Burton) (Lab): I am grateful for the opportunity to take part in today's debate.

The Committee's inquiry focused on three areas of antisocial behaviour: the antisocial behaviour of young people, neighbour nuisance and alcohol-related disorder. There are many causes of antisocial behaviour, and we considered whether the current definitions of antisocial behaviour are too wide. We concluded, however, that they should not be changed.

Any persistent antisocial behaviour can be devastating for those affected by it. One issue that we considered is whether much antisocial behaviour by young people is a matter of a lack of tolerance or of intergenerational conflict. We concluded that, for the most part, that simply is not true. Even the most seemingly innocent activity, such as persistently kicking a football at a house wall, can cause distress to the person living in that house. Sometimes the sheer number of young people grouped together can be threatening to older people. There needs to be greater understanding between the generations, but there also needs to be appropriate action to tackle antisocial behaviour in whatever form it takes.

It is also important to remember that antisocial behaviour is not just about young people behaving badly. I share the welcome by the National Children's Bureau for the clear Government statement in the respect action plan that tackling disrespect is not a youth issue any more than antisocial behaviour is. More than half of antisocial behaviour orders are issued to adults. The respect drive will address antisocial adults and families, as well as antisocial young people.

We should also remember that the vast majority of young people behave well and are a credit to their families and communities. The respect action plan points out that young people should be proud of themselves. For example, 45 per cent. of 16 to 24-year-olds participate at least once a month in informal volunteering, which is the highest level for any age group. The action plan recognises that constructive and purposeful activities have enormous benefits for young people. They can encourage and enable children and young people to contribute to their communities and can help to divert them from antisocial behaviour.

In the Green Paper "Youth Matters", the Government set out their commitment to ensure that all young people have access to activities that they find interesting and exciting in their local area. That should include a full range of cultural, art, sport, environmental and community-based activities. It is right that we should increase the opportunities for all our young people, while at the same time targeting disadvantaged young people through more activities such as sport.

We must also continue to tackle the problem of the minority who act antisocially, making the lives of many in our communities a misery. The Committee welcomes the introduction of ASBOs and the development of acceptable behaviour contracts. I have spoken to my local police, and I can say that ABCs, especially if used in conjunction with meetings with the young people and their families, are proving very effective. About 50 have been issued, only seven of which needed to lead on to ASBOs.

There is also clear recognition that there is a need to introduce other measures to prevent the need for ASBOs and to support them if they become necessary. The Committee supports that view, and paragraph 170 of the report states:

"We welcome the introduction of individual support orders (ISOs); these usefully complement the aims of ASBOs in preventing ASB. We note, however, that take-up of these is not matching expectations."

I am therefore glad that the Government response to recommendation 20 states:

"We and the YJB are keen to see ISOs used effectively within local strategies on anti-social behaviour and will be working with YOTs to ensure that this intervention is used to its full potential."

The Committee also welcomes the introduction of parenting orders, stating at paragraph 159:

"We note the observation by Barnardo's that in many cases parents have been seeking help with their children's behaviour for some time, but assistance is rarely given. Whilst funding has been made available for all parenting classes attached to ASBOs, there is more limited provision for parenting classes as an earlier preventative tool."

I am pleased that the Government's respect action plan contains recognition of the need to support families and a commitment to improve parenting provision nationally through children's centres, extended schools and measures to improve the capacity of the work force through the national parenting academy.

As other hon. Members have said, being a parent is probably one of the most difficult jobs, and we need to increase the support that is available in our communities. The development of children's centres and the involvement of organisations such as Home-Start, which works with local families in my constituency, are crucial in helping to support families.

In welcoming parenting orders, the Committee also recognises that a coercive approach is sometimes necessary and can ultimately be of great benefit to the parents concerned. Indeed, I believe that parenting orders can empower parents. We were concerned that parenting orders were not being used sufficiently, and I am pleased that the Government have said that they will legislate to expand their use.

One concern that has been expressed by the British Council of Disabled People is that ASBOs are being issued to young people with disabilities such as Asperger's and Tourette syndrome. I would be grateful if the Minister commented on that. Families of children suffering from those conditions are particularly in need of support, not punishment.

Turning to alcohol-related disorder, the Committee concluded that there is no clear-cut evidence as to whether more flexible licensing hours will make the problem better or worse. It clearly existed before the introduction of the new licensing laws, which caused such great media concern. However, having spoken to the police in my constituency, I know that there has been no change in the number of incidents caused by alcohol abuse since the new licensing laws came in, although such incidents now tend to be more spread out, necessitating a review of shift patterns. It is clear that we should continue to tackle binge drinking and alcohol-related disorder.

The Committee welcomes the introduction of new powers to target individuals, including fixed penalty notices, which have allowed the police to deal better with drunken and disorderly behaviour. We also welcome efforts to tackle the sale of alcohol to those under age. I represent the brewing town of Burton upon Trent, now also known, of course, for its heroic football team. [HON. MEMBERS: "Hear, hear."] I recognise the efforts that the alcohol industry is making to try to tackle alcohol abuse. Measures include voluntary unit labelling on all cans and bottles, and the "Take it Easy" campaign of messages on drink containers, paper cups and also—through Carling's work with the National Union of Students—on-campus cash machines. We need to use many strategies to tackle antisocial behaviour and to ensure that we encourage people to respect each other, their communities and, perhaps most of all, themselves.

3.32 pm

Mr. Richard Benyon (Newbury) (Con): I do not intend to trouble the time keepers much in this debate, as I want to make just a few quick points. Let me say to the hon. Member for Burton (Mrs. Dean) that, as a supporter for 35 years of Reading, which is about to join the premier league, that she should remain optimistic about her local football team. She will undoubtedly enjoy such excitement in the future.

I commend the report, although I say that as a member of the Committee who was not on it when the document was written. I was a lowly parliamentary candidate at the time. The report is interesting and adds much to the debate.

I want to talk about antisocial neighbours—an issue that is covered extensively in the report. Hon. Members will know the experience: our hearts sink when people come to our surgeries and we can tell before they even open their mouth that they have come to talk about antisocial neighbours. That is a deeply depressing part of our work, because as MPs we are unable to do much to address the problem, even though it is the first thing that our constituents think about in the morning, the last thing they think about at night and something that dominates their day in between. Things often start out as a petty problem, but they can become very serious. Only half a mile from where I live, just over the border in the Wokingham constituency, somebody was tragically murdered in the denouement of an antisocial neighbourhood issue.

This is a serious problem, involving immense health and mental health issues that we all have to face. There is no doubt—I agree with the opening remarks of the right hon. Member for Southampton, Itchen (Mr. Denham)—that there is adequate legislation to deal with the problems covered by the report, but many local authorities and registered social landlords are reluctant to use the powers that they have been given by this and previous Governments to address the problem. How many people come to our surgeries with diaries cataloguing years of misery, their ashen faces telling a story? For them, this process has become a way to administer the continuance of a problem rather than a serious attempt to end it. I look forward to hearing from the Minister how the Government will carry forward the important section in the report on that issue.

I am interested by what the report says about mediation in antisocial neighbour issues. We all know from our constituencies that there is mediation and

[Mr. Richard Benyon]

mediation—some is excellent and some not so effective. That is not necessarily because of the form of the mediation service; it can be because there is not equivalent will on both sides of the dispute to resolve the issue.

I commend the fantastic work of a mediation service in my constituency, Resolve, which is part of Mediation UK. I notice from the report that the Peterborough mediation service, from which a representative came and gave evidence, is very similar. It is part of a national organisation with a local perspective, and it does fantastic work. However, I was alarmed to read that only just over half of England and Wales is covered by mediation services. The Government need to address that. The right hon. Member for Southampton, Itchen talked about managing the problem. We need to look at whether effective schemes are working locally, and to show best practice to other local authorities and give leadership on these issues.

Following on from what my hon. Friend the Member for Banbury (Tony Baldry) said, we should encourage local authorities and registered social landlords, through the Government, to consider the suitability of certain families and tenants to live in certain parts of their built estate. Like my hon. Friend, I represent a rural constituency that contains large urban areas. Although we have a good housing association and a well-managed single list with the local authority, I see too many families living in rural communities for whom that must be a rather terrifying experience, because they are used to urban living. Often, such problems can lead to neighbourhood disputes. In a current case, a young family have been put, by a social landlord based miles away, in a block of flats with a lot of middle-aged and elderly residents, which is completely unsuitable. That has led to a serious problem, which I am attempting to deal with.

I shall discuss one other aspect that emerged in the report, which is covered by the departmental response: the lack of data in relation to whether many of the laudable measures that have been introduced in recent years are working. The departmental response and the Minister's evidence to the Committee accept that there is a lack of data on how effective some of the measures being implemented are. I urge the Minister to consider the situation. It seems crazy to bother to introduce legislation without considering its effectiveness and how it is implemented.

When dealing with issues such as neighbours and antisocial behaviour, the partnership approach seems to work best. I pay great tribute to the safer communities partnership in west Berkshire, which seems to be tackling many of these areas, and the police reassurance scheme, for which we have been a pilot project. It is important that registered social landlords, local authorities, police, citizens advice bureaux, mediation services, mental health organisations, GPs and the range of people who deal with such problems on their own, individual basis talk to each other. We want the Government to help to drive that forward.

I again commend the Committee on the report and look forward to the Minister's response.

3.39 pm

Graham Stringer (Manchester, Blackley) (Lab): I start by disagreeing with the hon. Member for Banbury (Tony Baldry), who is just leaving his place, but not on a serious note—I do not want to disturb him too much. I spent much of the first 19 years of my public/political life on Manchester city council in a horseshoe-shaped chamber and in some of the most acrimonious and difficult debates in which I have ever taken part. I have never been one of those people who believes that the shape of the Chamber changes the nature of the debate.

On the serious matter of the report before us, I have read it, and I am in awe of the people who produced it. It is an excellent report and I regret only that I did not read it until this debate was announced. I wish that I had read all the information in it when it was published, because that information punctures a lot of the myths, straightforward lies and misunderstandings about how ASBOs have been operating and what their benefits are. It destroys many of the myths believed by a number of people about the disbenefits.

We recognise the increasing problem of antisocial behaviour in many of our neighbourhoods. It is often associated with the inner city and poor areas, but I note from the hon. Members here today that it is not confined to those; almost every constituency in the country suffers similar antisocial behaviour problems.

Mr. Peter Bone (Wellingborough) (Con): The area that I am talking about is not particularly well-off. About an hour before this debate started, I was contacted again by a business that had suffered from antisocial behaviour: graffiti, vandalism and a break-in. The person said that the simple answer was not ASBOs but more police on the beat catching criminals and deterring crime. I should like the hon. Gentleman's views on that opinion.

Graham Stringer: The hon. Gentleman makes an interesting point. I was going to come to it later, but I shall come to it now. ASBOs in Manchester and other areas have been successful in dealing with antisocial behaviour, but one of the reasons why ASBOs and the 1998 legislation were necessary was that in some cases the agencies that should have been dealing with antisocial behaviour, including the police, had walked away from some of those problems. They had re-prioritised their work. I shall come back to that point when I get to licensing.

I agree that more police and other agencies should be dealing directly with the problem before the need arises for an antisocial behaviour order. In the present situation, however, those antisocial behaviour orders have protected many thousands of the people whom I represent in north Manchester. I mean thousands; I am not exaggerating. ASBOs have made those people's lives a lot easier, because although some of the antisocial behaviour described is trivial, though annoying—kicking a ball against the wall or playing loud music can make people's lives miserable—some of it is much more intense, frightening and awful than that.

I should have thought that there would be all-party consensus on such issues, but there is not, although there seems to be in this Chamber. There is an alliance between *The Economist*—I suppose that I understand

where it is coming from, given its history—and some lawyers' groups from both the extreme right and the extreme left, characterised by ASBOwatch and others, I would think. As my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) said, parts of some of the professions believe that their role is to stop ASBOs and to be on the side of the perpetrators rather than the victims. Politically—this is particularly important in Manchester and elsewhere—the Liberal Democrats do not support ASBOs overall.

Martin Horwood (Cheltenham) (LD): Will the hon. Gentleman give way?

Graham Stringer: I shall in a minute, when I have finished. I hope that I may provoke the hon. Gentleman a bit more before I do.

I look forward to seeing the hon. Member for North Southwark and Bermondsey (Simon Hughes) campaign round the country for the leadership of the Liberal Democrats. He has my wholehearted support. People should know that the would-be leader of the Liberal Democrat party opposed the legislation that gave the police the power to disperse groups of youths; that he opposed fixed penalties for drunkenness; that other spokespeople for his party believe that criminals should have the same freedom as their victims; and that prison is a waste of time when dealing with many such problems. I look forward to the Liberal Democrat leadership race publicity.

Sir John Butterfill (in the Chair): Order. The hon. Gentleman is making a fascinating speech, but he is getting a little away from the subject. We are not debating the policies of the Liberal Democrats.

Graham Stringer: I apologise, Sir John. I shall give way to the hon. Gentleman.

Martin Horwood: I am grateful to the hon. Gentleman for giving way. I shall pass on his kind comments to my hon. Friend the Member for North Southwark and Bermondsey (Simon Hughes). I am sure that he will be deeply encouraged by the hon. Gentleman's support, although it may not do him much good in the leadership contest. The hon. Gentleman seems to be labouring under a misapprehension. It is Liberal Democrat policy to support the appropriate use of antisocial behaviour orders.

Graham Stringer: I do not want to provoke you, Sir John, but some of the evidence in the Committee's report shows that councils controlled by the Liberal Democrats rarely use antisocial behaviour orders.

I shall go through some of the myths and the answers given in the report, because it is worth putting them on record. The report goes through the arguments against the often-used allegation that antisocial behaviour orders criminalise juveniles, and that they use a lower threshold of evidence than would be required for a criminal conviction. Paragraph 184 makes it clear that that is not the case.

One of the other accusations made against ASBOs is that, because 35 per cent. of them are breached, they are not effective. Martin Lee, an official who works for Manchester city council, has enthusiastically and effectively been responsible for protecting many in my constituency and elsewhere in Manchester. He said in evidence to the Committee that if 35 per cent. of orders are breached, almost two thirds are successful and that, as a result, many people's lives are better.

Although 35 per cent. of orders are breached, the nature of the ASBO means that even if a person goes back to the neighbourhood and makes someone else's life misery, the courts immediately have recourse to the order to take action. Although the ASBO will have been breached, it does not mean that protection is ended; it means that the next level of protection for the community is put in place.

Another accusation is that ASBOs are often brought maliciously. Evidence to the Home Affairs Committee shows that that is limited. Manchester city council gave evidence that, of the 4,500 ASBOs for which it was responsible, only 10 had been brought maliciously. I have heard evidence in my advice bureau that the perpetrators sometimes come forward and get their retaliation in first. It can take time to sort that out, but it is sorted in the end. It is no different from anything else in the criminal justice system—bad people often lie and try to get in first, but it is a relatively small problem.

Those who work in the probation service, social services and other services often say that the problem is caused by a clash of lifestyles or a lack of tolerance shown by the elderly. That is rather insulting to people who suffer such problems, and they deserve the protection that the public services can give.

My hon. Friend the Member for Burton (Mrs. Dean) said that there have been cases in which people with Asperger's or other conditions have had inappropriate ASBOs made against them or in which the wrong conditions have been attributed to people. To deal with the latter point first, such cases are relatively rare. Let us look in detail at one of the examples in the report. A young man had been banned from going into a motor car because he committed offences in motor cars, which meant that he could not get support from elsewhere, a car ride away. That is unfortunate and may have been inappropriate—perhaps the condition should have been more specific—but when it comes to the balance between helping somebody who has made somebody's life miserable and stopping them from doing so, I would vote for stopping the behaviour and delaying the support. Such cases are not always as simple and straightforward as they seem.

People have come to my advice bureau and said that someone with an ASBO had Tourette syndrome. Like any hon. Member would be, I was concerned; it seemed inappropriate. Such cases make the law press and local newspapers, but when I followed the case through there was no medical evidence whatsoever that the young man had Tourette's. When we consider the complaints and criticisms, many are unfounded.

I have two points about the myths and arguments about the subject which are worth dealing with. First, some people have complained that the publicity given to individuals who are in receipt of an ASBO is wrong if young people are named. That criticism, when we sit back and analyse it, is wrong. A 15-year-old in my constituency took a chainsaw to cut down a camera that was trying to provide some surveillance and protection

[Graham Stringer]

for people, drove a car into another car and set houses on fire. He was a serious problem. At the time that he received the ASBO he was in prison for something even more serious. When he comes out of prison he will be banned from the area. In case that young man breaches his ASBO, people on the estate need to know who he is and what he looks like so that they can report it. I am in favour of naming and shaming. I am in favour of people knowing who has an ASBO so that the community can get proper protection.

It is often said in a well-meaning way that some of the young thugs use an ASBO as a badge of honour and are proud to receive it. It makes them appear tough among their peers and gives them status that they otherwise would not have. There is an element of truth in that. However, if the ASBO is appropriate, I do not see that that is any reason for not making it. If it stops a young person going on to an estate or stops behaviour that has been a problem for someone else, it should be made. The fact that he, or in some cases she, might feel good about it for a short period of time does not mean that it should not be made. I have people with ASBOs coming to my advice surgery and they do not like them at all.

The fact that a minority of people feel that they are suffering should not be taken as an argument against ASBOs, and nor should the argument that the process criminalises young people. As the report clearly shows, and as my right hon. Friend the Member for Southampton, Itchen noted, many people with ASBOs are already known to the police and are in the system. Many of the agencies involved should have intervened more effectively earlier in the process. The report's treatment of antisocial behaviour and antisocial behaviour orders, then, is absolutely excellent.

Having served on the Standing Committee that considered what became the Licensing Act 2003, I read the Select Committee's comments on licensing issues with interest. However, I diverge slightly from the Committee on one issue, which goes back to the point on which the hon. Member for Wellingborough (Mr. Bone) intervened. When we discussed the Bill, I asked the Minister for Sport, my right hon. Friend the Member for Sheffield, Central (Mr. Caborn), who is the Minister responsible for the issue, how many times the police had charged publicans with selling alcohol to people who were inebriated. The figure for the year in which we were discussing the Bill was six. Anyone who goes into the centre of Southampton, Manchester or Birmingham, or even into the centres of relatively small market towns, on a Friday or Saturday or, indeed, on other evenings will find publicans happily selling alcohol to already inebriated young people, many of whom, as my right hon. Friend recognised, are under age. I do not say that there is a total solution to some of the problems of alcohol abuse in city centres, but having police sitting in vans, tooled up in case there is a big problem, is not the right response to the problem of publicans selling alcohol to under-age people who are already drunk. I do not pretend that any of this has an easy solution, but all the powers in the law should be used at an appropriate time. The police have withdrawn from the appropriate level of policing and they should not do so.

There is another point about licensed premises in city centres. My right hon. Friend said that it has taken 15 years for the accretion of licences to come about and he hopes that there will be more diversity in 15 years. However, I do not really agree with him that the closeness of the pubs is the cause of antisocial behaviour. I know that comparing drinking habits between countries is difficult because there are different cultures, but if one goes to a city such as Seattle, one will find huge ranges of drinking establishments in a line that do not cause a problem. There is something in the way that young British people drink that causes the problems, and if we spread those centres out, we may spread the problem. The other side of the police response to drinking—dealing with problems once they have arisen, as opposed to before they have arisen—may well become more difficult.

Mr. Denham: I will not debate the point with my hon. Friend, but if he has time, I would ask him to have a look at the evidence submitted by Professor Rick Hobbs of Durham university and by Chief Constable Green of Nottinghamshire. Drawing on their experience, they were quite specific about planning and other related issues. They were the people who convinced the Committee, and I refer my hon. Friend to their analysis of the situation.

Graham Stringer: I will certainly do that. As I said, I have read the report and some of the evidence provided, but not the evidence that my right hon. Friend mentions. I suspect that what we are talking about is a knee-jerk reaction to the change in the spatial organisation of licensed premises. The argument is, "That is how premises used to be; there was less trouble then, so we should go back to that", but I suspect that that may not be the answer. However, I will certainly read that evidence.

I finish by thanking Martin Lee and the rest of the team in Manchester, which has been so effective on antisocial behaviour orders. Also, it would be wrong of me not to mention Bill Pitt, who was recognised in the honours list this new year. He has been very effective in his pioneering work on the subject in Manchester, but has also moved towards helping towns and cities across the country. He certainly has my congratulations and the thanks of the many constituents of mine whose lives were made better by the intervention of the units working for Manchester City Council.

4.1 pm

Mr. James Clappison (Hertsmere) (Con): It is a great pleasure to take part in this debate on the Select Committee's report. First, I congratulate the Chairman of the Committee, the right hon. Member for Southampton, Itchen (Mr. Denham), on his hard work and leadership, and on the depth of interest that he takes in the subject, which is obvious to everybody in the Chamber. I shall briefly follow down the road of what he said in his introductory remarks. His point about looking beyond legislation is extremely important; legislation certainly has its part to play, but it would be a mistake to think that the answer is always enacting package of legislation after package of legislation, without looking to see whether existing legislation is working, or whether other things need to be done. That

is a lesson that we should take to heart generally in this place, and certainly when dealing with the subject of antisocial behaviour.

To take just one slightly topical example, it is a fair point that antisocial behaviour orders, which we have had a little debate about this afternoon, play a role, particularly in some areas; but that was not always the case. They were introduced some time ago. From memory, I think that they first came on stream in 1999 or 2000. The relevant legislation was one of the very first pieces passed by the Government. I recollect the Committee that considered it, because I served on it.

The Conservative party did not actually oppose antisocial behaviour orders, but I am not sure that that can be said of those in all quarters of the House. I will not go any further down that road, although it is interesting to ask when, or in what circumstances, the orders became appropriate to some. We warned at the time that care should be taken to make sure that antisocial behaviour orders were practical and would be used. There was a time when uptake was slow; the Minister and other hon. Members could confirm that from their experiences. They were subsequently modified, and are now used much more than they were in the first couple of years after their introduction.

On the same general point, I follow up what was said by the hon. Member for Burton (Mrs. Dean), who referred to parenting orders. They are a very interesting idea, but statistics bear out that they have not been used very much so far. Perhaps it would be worth considering, when there is an opportunity, why that is so, and whether anything further could be done to make sure that they were more widely used.

As the Chamber will have gathered, the issue of alcohol-related disorder occupied quite a bit of time in the Committee's deliberations, and was the subject of much of the evidence that it took. There was a question in the Committee's mind as to the direction in which the Government were going on the issue. It is not that we contradicted the Government, but we wanted to consider whether other things needed to be looked into, beside the measures already being taken. When we heard evidence on the subject, we were struck with the scale of the problem. I have a slight disagreement with the hon. Member for Manchester, Blackley (Graham Stringer) on the issue; his point about publicans selling to people who were inebriated was very good, and I was interested to hear that the number of publicans prosecuted was so small. However, there is a limit to how much effect prosecuting more publicans has. Perhaps there is a case for considering the matter more carefully, but the evidence that the Committee heard about the extent of the consumption of alcohol in town and city centres suggests that there is an element of inevitability about this, given the numbers of people involved.

Mr. Edward Garnier (Harborough) (Con): Has my hon. Friend heard of the example of a brewer in the west country who has decided unilaterally not to supply bars, restaurants and other outlets that have a history of antisocial behaviour connected to them? The brewer has said simply that he will not supply them with beer. That is already having a marked effect on the owners of those restaurants and bars, who are taking a more proactive stance to control their customers.

Mr. Clappison: My hon. and learned Friend makes an extremely important point. Anyone involved in the commercial side of the drinks industry who takes such a public-spirited stand deserves our plaudits.

I was struck by the evidence that the Committee heard—the Chairman of the Committee referred to it—from Professor Hobbs of Durham university and the chief constable of Nottinghamshire. Professor Hobbs gave us a very important economic analysis of alcohol-related disorder and the growth of the night-time economy since the 1980s. As he made clear, that economy is a very large and growing business. He says:

"This economic boom has been accompanied by a rise in violence and disorder. In every research site across the country . . . it was found that violence and disorder was exacerbated in direct proportion to the number of drinkers coming into the town or city. Further, we were able to trace the spread of violence and disorder that accompanied the development of new drinking circuits adjacent to established drinking routes."

As the right hon. Gentleman said, there is a tradition in England—I do not know the position so well in other parts of the United Kingdom—of young people consuming alcohol on Friday and Saturday nights. I was staggered by some of the evidence that we heard of the scale of drinking today.

The evidence that we took from the chief constable of Nottinghamshire is that drinking in places such as Nottingham and, I suspect, Manchester is on a quite different scale from the drinking of the past. That is not to say that there has not always been a tradition of hard drinking in some of our city centres. There is the film, "Saturday Night and Sunday Morning", for example. There has certainly been drinking in our city centres for 40 or 50 years, but I suspect that it was not on the scale of the drinking of today.

I was staggered when the chief constable, who gave evidence to us about a year ago in the run-up to Christmas, told us that 80,000 to 100,000 young people would be out on the streets on a Friday night in a city the size of Nottingham. Nottingham has a licensed capacity for more than 100,000 people. That is a huge number of young people to have out on the streets. Given the scale of the numbers of people consuming alcohol, there is bound to be disorder.

We know that the problem is not confined to Nottingham or our city centres. That fair point has already been made. This is a major social development throughout the country. The atmosphere in our provincial cities of any size—it is not so apparent in London—changes after about 7 o'clock, particularly on a Friday night but also on a Saturday night. It is quite unusual to find many people over the age of 30 in those city centres after 7 o'clock on a Friday or a Saturday night. Generally, it is groups of young people going from bar to bar simply drinking the evening away. That is the picture in our great provincial cities.

The later it gets in the evening, the more drink has been consumed, the more tense the atmosphere often becomes. We must recognise the fact that this is a social and economic development that has intensified in the past 15 to 20 years, and we need new thinking about how we will address this problem.

[Mr. Clappison]

The Committee was struck by the fact that the Government's response to alcohol-related disorder is currently founded on an assumption that the problem can be defined by, and traced to, irresponsible individuals and individual premises. That sort of thinking certainly has a role to play; that the irresponsible individuals who consume the alcohol and those irresponsible premises that sell the alcohol to them must face the consequences.

I do not disagree with that approach, but this is a very big phenomenon and more than that is required. There needs to be a more wide-ranging response to this problem. There needs to be a recognition of what has taken place, followed by thinking on a much bigger scale than there has been before to address it, including going back to the planning stage—looking at the planning of our city centres—and looking as well at the provisions that need to be made to accommodate such large numbers of people drinking on Friday and Saturday nights, particularly in respect of transport and toilet facilities. In short, what is needed is a much more thorough and wide-ranging approach than there has been before.

That brings me on to the conclusions of the Committee, which I support. I ask the Government to take them into account, particularly paragraph 296, where we say:

"Unless it becomes clear that alcohol-related disorder is being reduced to a really significant extent, we believe that we should ask whether the Government should be so reliant on its emphasis on the role of individuals."

The issue is all the more important in light of the changes introduced by the Licensing Act 2003. It is probably too early to say exactly what the consequences of that will be, but, given the existing situation, there should be very careful monitoring of what is taking place. I hope that the Government will take that to heart, and look carefully at how they are evaluating those changes and what effects they are having on this already significant phenomenon that takes place on weekend evenings in our great cities.

It is tempting to say, "Young people have always enjoyed a drink," but this phenomenon is much bigger than in the past. It is reflected in university life today and, in the way I have described, in our provincial city centres and smaller centres throughout the country. Of course, many people go out and enjoy themselves without causing any trouble at all, and people should have the right to go out for a drink. But a deep-seated phenomenon is taking place, and there needs to be some wide-ranging thinking about it so that we can address the problems that are arising from it.

4.12 pm

Ann Coffey (Stockport) (Lab): This is an excellent and interesting report, and Committee members should be congratulated on it. I was particularly taken with the discussion about attitudes towards ASBOs, and the barriers those attitudes create at local level. I see ASBOs as a preventive measure. It is important to bear in mind that the young people who are subject to them often have multiple problems; usually, they have spent a lot of time out of school or come from dysfunctional families, and they frequently have alcohol and drug-abuse problems. They are an effective preventive measure when they are not breached, and 58 per cent. of them are not breached. How much more effective could they be in preventing such young people from continuing in a lifestyle and in criminality that will inevitably lead them to have further problems?

I agree with Committee members that to talk about enforcement on the one hand and prevention on the other, or about welfare on the one hand and justice on the other, creates barriers between the agencies concerned, which have a tendency to see themselves as being in one camp or another, and that is a pity. With children's trusts in the future and the bringing together of young people's services from across a number of local departments in a local council, there is an opportunity for ensuring that agencies are not at either end of an approach, but that they are part and parcel of achieving the same outcome, which is to give the best possible opportunity to all young people to achieve what they can in life, while at the same time ensuring that the behaviour of a minority does not affect the life chances of other young people.

I should be interested in the Minister's response to the fact that one local community problem concerns expectation. The community has become aware that ASBOs are a method by which to deal with young people who persistently create problems. Occasionally, I call meetings in my constituency, which representatives of local agencies and residents attend. A lot of frustration is expressed by residents about when a particular young person's behaviour will be dealt as it is expected that an ASBO can be applied for immediately and the behaviour controlled.

Such matters may be local to Stockport, but the part of the ASBO that deals with antisocial behaviour is applied for on criminal conviction, which can delay its application. The criminal system can sometimes be subject to delays while cases are deferred and so on, as a result of which the young person who has created the problem can often be on the streets for months displaying antisocial behaviour that is damaging to the neighbourhood. I want more use made of applications for civil ASBOs and interim ASBOs, which are a method of dealing immediately with antisocial behaviour without necessarily connecting to the criminal parts of the young person's behaviour. If the community is to have confidence in ASBOs, it is important that they are seen to be a method of dealing immediately with the problem and are recognised by the community as such. Otherwise, there will be difficulties.

Frustrations could also be better dealt with if the community were represented on the crime and disorder reduction partnerships. At the moment, local agencies with statutory responsibility to deal with crime and disorder are rightly members of the partnerships. However, if the community were also represented, it could be brought to the attention of the partnerships that priorities concerned delays. There would be a better prioritisation of the behaviour that such partnerships dealt with. Antisocial behaviour would be well up the agenda and such representation would be a useful mechanism. I should be grateful for the Minister's comments on that.

May I make a plea? I believe strongly that publication of information locally is important. The ASBO process is a local mechanism and it is important that people know what their local crime and disorder partnership is doing compared with the crime and disorder partnership up the road. The publication of applications for ASBOs encouraged local crime and disorder partnerships to apply for them because that meant accountability, which goes some way towards explaining why their use accelerated after the first two years.

I want local councils to publish the housing injunctions that they have taken out under the Housing Act 1996. They are an easy mechanism for housing authorities and social landlords to use. They have an immediate benefit in that they can stop neighbourhood nuisance dead in its tracks at 2 o'clock in the morning by applying to a court the next day. Such a system is also good for those indulging in the neighbourhood nuisance. It is better that, than that they be evicted in six months' time for persistently playing the radio at 2 o'clock in the morning. At the moment, such figures are not published. Of course, we have access to them locally, but I should like to know, for example, Stockport's performance against Thameside and, more importantly, against Manchester. Will the Minister ask councils to produce the figures?

4.20 pm

Mrs. Ann Cryer (Keighley) (Lab): Like the hon. Member for Newbury (Mr. Benyon), I cannot claim credit for this excellent report. I was not on the Committee when it was produced. I was in Parliament, but I was doing time with the Constitutional Affairs Committee.

The hon. and learned Member for Harborough (Mr. Garnier) told a story about the west country brewer who refused to provide beer to pubs that had both people drinking over the limit and unruly behaviour. I am impressed by that; it is such a good message to send out. I have a famous brewery in my constituency, Timothy Taylor's, and I feel like mentioning that story to it. It might be that it is a very upmarket brewery that does not provide beer to pubs of that type.

I would like to concentrate on antisocial behaviour orders and the Government's current actions. On 30 December, Jennifer, a young single mum in my constituency, was at home when a group of youths, who had been threatening and verbally abusing her over the previous five months, walked into her house while she was there with her young daughter to steal her property. There was no attempt to cover their identity; the thugs were simply relying on the fear that they had generated on the estate to act as a deterrent to Jennifer going to the police.

Why was Jennifer singled out? Perhaps because she works, because she has a car or because she has a child of dual heritage. I am not sure of the reason. We cannot sit back and allow innocent, law-abiding people, who are interested only in getting by, getting on with their lives, bringing up their children in a safe environment and living in harmony with their neighbours, to be subject to persecution and misery of that sort at the hands of a few mindless individuals.

Therefore, I wholeheartedly support the actions that the Government have taken in seeking to address antisocial behaviour. I welcome the respect agenda, which is not a gimmick. It is about the delivery of positive solutions to practical social problems. Anything that concentrates our efforts on supporting people such as Jennifer and on isolating the thugs must be at the forefront of our agenda.

ASBOs are a useful and effective tool, but, as my hon. Friend the Member for Manchester, Blackley (Graham Stringer) mentioned, we must ensure that they are never allowed to be worn as a badge of honour by those who have them. The gathering of sufficient evidence to secure an ASBO can be a lengthy process and can involve a great deal of co-operation from neighbours and the public in general. It is vital that, once imposed, an order is enforced without hesitation.

If a breach of an ASBO is reported to the police, they must treat it as an emergency. Failure by the police to react quickly to any breach will inevitably result in the loss of credibility of the ASBO and frustration for those who have put their necks on the line by giving evidence to secure it in the first place. The street cred of the offender will increase as he or she flaunts the abuse of the ASBO. For the police, enforcement must be a priority.

Likewise, we must ensure that other strands of our criminal justice system are geared to dealing with the realities of antisocial behaviour. I am told by magistrates in my constituency that the training given to them on ASBOs has been scant. Magistrates—important volunteers who act on behalf of their community—need to be in a position to make informed decisions based on detailed knowledge of the area and on what the practical effects of granting or refusing an ASBO can be.

A visit to any magistrates court in the country would demonstrate how cases of antisocial behaviour are clogging up our courts. Perhaps, therefore, the time has come to consider extending the battle against antisocial behaviour to specialised courts and having specifically trained magistrates consider ASBO applications. Specific training for magistrates, specialised fast-track courts and unquestionable enforcement would all help to avoid terrible incidents, such as that experienced by Jennifer.

However, I would urge caution. I have been told by magistrates in my constituency that ASBOs have sometimes been used as punishment for people suffering from a mental health problem. That cannot be right. We must not allow the tools of a punitive system to be used as an excuse for failures in mental health provision.

How many cases end up in the magistrates court simply because there is nowhere else to go? A visit to New Hall, a women's prison in Wakefield, demonstrates that a high proportion of the inmates are suffering from a mental health problem, as opposed to being criminals.

ASBOs have been used in an attempt to control the antisocial behaviour of mentally ill patients, which can lead only to failure because, owing to the illness, the terms of the ASBO will always be breached. We are setting people up to fail. To threaten them with the last place they should be—prison—causes yet more damage.

Antisocial behaviour cannot be addressed only through punishment. We need the carrot as well as the stick, and I am delighted to say that in Keighley we are adopting that approach in a most innovative way. A multi-agency coalition is working in the Bracken Bank area specifically to address antisocial behaviour through

[Mrs. Ann Cryer]

the empowerment of the local community, addressing the needs of young people and restoring hope in individuals as stakeholders in their community. All this is supported by the police.

This scheme is only at the planning stage, but with good will from all, and some financial support from various organisations such as local banks and building societies, as well as practical help from schools, community groups and trade unions, I hope that the people of Bracken Bank will triumph and that their peace of mind will be restored, along with the good name of Bracken Bank and my constituency.

4.26 pm

Martin Horwood (Cheltenham) (LD): I welcome this debate, and I am pleased at the depth in which the Select Committee on Home Affairs has looked into this issue. The report contains many valuable pieces of information and learning.

I represent Cheltenham, which may not have much of a reputation as an antisocial place. We are looking forward to the next round of the FA cup, in which Cheltenham Town will face Newcastle United. We understand the fear that will be coursing through Newcastle at the prospect of facing the mighty Robins at home, and we hope that the Toon Army will behave socially, rather than antisocially, when they come to Whaddon Road.

Cheltenham has had its share of antisocial behaviour problems, and we have a thriving night-time economy. Like the hon. Member for Hertsmere (Mr. Clappison), I witnessed the thousands of young people who were filling the clubs and streets of Cheltenham at 3 am at the weekend. I was stunned at the scale of the activity and fairly surprised at the amount of drinking in which many of those people seemed to be indulging. A description in the local paper, which referred to this as being like Beirut, is typical of the unhelpful exaggeration of the problem, which sometimes happens. There was clearly disorderly behaviour, and I am sure that there are many fights among drunken people on such nights, but that is not typical of young people who go out clubbing in Cheltenham or elsewhere, many of whom behave responsibly and enjoy a good time. We have to be careful not to condemn an entire lifestyle and generation just because of the behaviour of a few idiots.

What worries me far more is what we could call sober antisocial behaviour. Many hon. Members have referred to the instances, which we have all heard about in constituency surgeries, of persistent patterns of harassment, antisocial noise by neighbours, occasional racism and, often, intimidation. I have seen young people throwing rocks at passing cars from an estate in Cheltenham and airguns pointed out of back doors at other people's houses, and I know of instances of airguns being fired. Such antisocial behaviour is the more serious kind, which the Committee sought to investigate and address, yet, all the same, Cheltenham remains a civilized, hospitable place that is generally safe.

We need to try to get to some of the facts, and the report is helpful in that regard. Some facts are alarming. The Committee's reports mentions the snapshot Home Office survey in September 2003, which found 66,000 instances of antisocial behaviour in a single day, equating to 13.5 million per annum, or roughly one every two seconds. Even more alarmingly, it reports that the British crime survey has said that 80 per cent. of problems go unreported, which implies some 50 million or 60 million instances of antisocial behaviour in total.

I agree with the Committee's conclusion that there is a fundamental problem, although it is difficult to tell whether it is increasing or decreasing. If the numbers have gone up during recent years, that probably reflects an increase in revelation rather than an escalation, but we clearly have a problem in our country and it is right that the Government and all parties are seeking solutions to it.

I sound a few notes of caution, however. First, some categories are not terribly helpful. I notice that the Home Office list at the beginning of the report includes "teenagers hanging around" and "people sleeping rough" among instances of antisocial behaviour. Those are not necessarily antisocial activities. One may be a perfectly legitimate, sociable activity and the other the personal problem or tragedy of somebody who is not necessarily seeking to harm or disturb anyone else.

Secondly, many organisations that gave evidence to the Committee highlighted the danger of sucking into the ASB arena people who need help more than they need the judicial process. I take the point made by the hon. Member for Manchester, Blackley (Graham Stringer): some examples cited—children with Tourette's being given ASBOs and so on—may prove on further investigation not to be true. Nevertheless, if any such examples are true, they must give us pause for thought and we should seek ways to prevent them from being repeated.

Shami Chakrabarti of Liberty quotes the example of a boy with Tourette's whose ASBO ordered him to stop swearing. The National Association of Probation Officers mentioned a prostitute whose ASBO prohibited her from carrying condoms within a given area. Unfortunately, her drug clinic was in the restricted area, and one of its services was the provision of free condoms as part of its harm reduction strategy.

The media have referred to such examples. The *Belfast Telegraph* reported that

"Kim Sutton from Bath, who has tried to commit suicide four times, received an Asbo banning her from jumping into rivers, canals or on to railway lines."

Another example said that

"Caroline Shepherd, 27, was given an ASBO in April"

last year

"after neighbours complained about her wearing skimpy underwear when answering her door in Lanarkshire."

Finally,

"retired teacher Jean Smith, 60, is banned from putting bread out to feed the birds at her home in Burntisland and anywhere in Fife."

Such instances—*[Interruption.]* Such behaviour may be annoying, but it is clearly not appropriate for the judicial process. I accept what the hon. Member for Manchester, Blackley said—some of those cases may prove on further investigation not to be true—but the flexibility of ASBOs runs the risk that they may be interpreted in an arbitrary and sometimes rather peculiar way, and we need to ensure that we guard

against that. Barnardo's warned against what it called "continual moral panic". As I said, in terms of alcohol-related antisocial behaviour, there is the risk that an atmosphere of exaggeration may build up the issue to be worse than it really is, and we need to guard against it.

Politicians and the media can choose which aspects of antisocial behaviour policy they want to highlight. There are two essential aspects, one of which is tackling the fundamental cause. The other, which has to act as a backstop, is tackling the behaviour itself if tackling the cause does not succeed. That is the Government's so-called twin-track approach.

Many initiatives on the first track that support individuals and communities are welcome. I point to individual support orders and the "Positive Activities for Young People" programme. My favourite example of a Labour programme, which I am always willing to quote to constituents as something the Government have done right, is Sure Start. I have referred to it as a positive and intelligent way to approach the underlying problems that later lead to antisocial behaviour.

4.34 pm

Sitting suspended for a Division in the House.

4.49 pm

On resuming—

Martin Horwood: The Division bell interrupted me as I was listing Government programmes that I support. I had reached the end of the list, so I shall commend to the Government a few programmes and initiatives that they might like to consider adding to the positive measures to support individuals and communities. Shelter's inclusion project should certainly be considered if it has the positive impact and successful results that it claims for it in its material. Anything the Minister can persuade his ministerial colleagues to do in terms of encouraging sport and community involvement generally would be very welcome.

To give a constituency example, a summer football tournament for young people in Whaddon appears, anecdotally, to have a direct impact on the reduction of antisocial behaviour while it is taking place. As the hon. Member for Banbury (Tony Baldry) said, positive solutions are sometimes as simple as the provision of somewhere for young people to hang out.

Occasionally, however, as a last resort, more punitive solutions have to be sought. Let me make it clear that the Liberal Democrats are not against antisocial behaviour orders; we just feel that they should be used appropriately and be supported by more positive measures. Indeed, Liberal Democrat-controlled Cheltenham has played a pioneering role in exploring the use of ASBOs—18 have been granted—but they should not be a blunt instrument. Cheltenham and other Liberal Democrat councils such as Islington have also pioneered the use of acceptable behaviour contracts, which are, perhaps, a cheaper and more effective option before people reach full ASBO level. We have welcomed those, too.

Other measures, which might be politely called coercive options, include parental control agreements. In addition, we have suggested community justice panels, the idea being that, if both parties agree, before a case comes to court, the community, and possibly the victims, could play a bigger role in deciding on the appropriate punishment for an offender. That would seem to give an important voice to the victims of antisocial behaviour, who have not been mentioned a great deal in this debate.

The Committee highlights the importance, if any of these proposals is to work, of joined-up thinking and partnership at local level. In Cheltenham, the crime and disorder reduction partnership works hard to try to bring all parties together, and to ensure that there is joined-up thinking. Even so, last year the youth service in Cheltenham complained that ASBOs were being imposed without its knowledge and without consultation with the young offenders' schools. The report highlights the need for more work to be done to ensure that everybody is talking to everybody else, so that there is a joined-up approach. Perhaps the appointment of dedicated antisocial behaviour caseworkers would be a way to achieve that.

We must not think of ASBOs as a quick win or an easy solution. They are designed to tackle a complex and difficult problem, and should never be turned into a political football if that can be avoided. Care needs to be taken that they are not applied in an arbitrary or peculiar way, as anecdotal evidence from various organisations suggests may now be the case. Even if there is not a general problem on that front, and ASBOs are addressing the wider problem relatively effectively, a small number of cases of injustice or the arbitrary use of ASBOs should cause us great concern.

In that vein, it is a shame that the Home Secretary was quoted last December as wanting to name and shame councils that were not using enough ASBOs. If we are effectively tackling antisocial behaviour at local level; if councils such as Rochdale have found effective alternatives to ASBOs, such as the Shelter inclusion project; and if we develop community justice panels as an alternative to ASBOs, we will have less antisocial behaviour and fewer ASBOs. That is a solution we should all be seeking.

4.54 pm

Mr. Edward Garnier (Harborough) (Con): I begin by thanking, on behalf of the official Opposition, the Chairman of the Select Committee and his colleagues, my hon. Friend the Member for Hertsmere (Mr. Clappison) and the hon. Member for Burton (Mrs. Dean), for being party to the report. It has highlighted an important issue that crosses party political boundaries.

Although this afternoon's debate on the report has been useful, the issue is of sufficient importance to have been debated on the Floor of the House. An Adjournment debate would have been okay, but really the issue merits a longer, full-day debate in the House. If I have any regret about this afternoon, it is simply that we are in the wrong Chamber of the House of Commons. Having said that, I am delighted that we have been able to have this debate and equally delighted that so many have been able to participate and speak constructively about this vexing social and criminal problem.

During my intervention on the Select Committee Chairman, I alighted on the theme that comes out of this afternoon's debate: we do not need more legislation in

[Mr. Edward Garnier]

this area of public policy. Indeed, if the electorate and good fortune favour my party in due course, and if I am still alive and on the Home Affairs Front-Bench team—we have a slightly youthful agenda at the minute—I hope we will take pride in introducing no legislation whatever during a parliamentary Session. The Home Department legislates excessively; occasionally, Governments need to stop legislating and start thinking. The right hon. Member for Southampton, Itchen (Mr. Denham) has provided yet another reason to reinforce that argument.

Let me begin by agreeing with the right hon. Gentleman. Not only do we not need more legislation, but—again, as I highlighted in my intervention and he was good enough to agree with me—we need strategic management. Too often in areas of public policy delivery, to use the jargon, all sorts of well-intentioned people run around doing all sorts of well-intentioned things in penny packets, but none of them talk to each other or pre-plan with their official or professional colleagues how best to provide a sensible, acceptable solution across the piece.

I shall give an example from my constituency. Members of Parliament may represent inner-city, less well-off areas, or—like me and my hon. Friends the Members for Newbury (Mr. Benyon) and for Banbury (Tony Baldry), and I dare say to some extent my hon. Friends the Members for Kettering (Mr. Hollobone) and for Hertsmere—areas that are broadly well-off according to the Government's social indices. My constituency and those of my hon. Friends, certainly to grant-making organisations in the European Union, look as if they do not need any money.

However, there are pockets of deprivation and difficult social problems even in relatively prosperous areas such as those. I say that because I, as a Conservative Member of Parliament, understand that there are plenty of difficulties in poor inner-city seats that I do not have to deal with. Equally, however, I hope that Members who have the fortune to represent parts of urban England do not think that because we live in and represent marginally better-off areas than theirs, we do not understand the acutely difficult issues that national Government and local government have to grapple with.

I come back to the example of my constituency. Early in my time as a Member of Parliament, during the 1992–97 Parliament, I became concerned about the increasing incidence of low-level persistent public nuisance on the streets of the suburban part of my constituency, the borough of Oadby and Wigston. I could not understand why that was happening, nor why it was allowed to continue to happen.

I borrowed the library of a local high school and called a conference there. I called together representatives of the police, social services and libraries, head teachers from the area, and church and other faith community representatives, as I think they are called. I asked pretty well everyone interested in the problem to discuss the issue at the conference, and we had a useful discussion for two or three hours. At the end, I suggested another conference within the next six months or year and requested that by the time we met again, each of the representatives in that room should have made official contact with another member of the audience. For example, a policeman would speak to a head teacher, a head teacher would talk to a parson, a parson would talk to a librarian and a librarian to someone at social services. *[Interruption.]* If I may, I shall resume my exciting story in a few moments.

5 pm

Sitting suspended for a Division in the House.

5.15 pm

On resuming—

Mr. Garnier: I asked the people at the meeting if they would talk to each other officially, and said that we would meet again in six to nine months' time. Sadly, at the resumed meeting at a different venue in the same borough, not one of those people had made the effort to speak officially to the others. That is a pity, because everyone in that room had a shared interest in dealing with the problem. Such situations require strategic management and require people to understand that such matters cannot be dealt with by one agency and not the other. If we have learned anything today, it is that; I do not suppose that you need to learn that lesson, Sir John. If we can do that cheaply and effectively without the need for legislation, we have learned two things.

The definition of antisocial behaviour is almost irrelevant. Rather like an elephant, it is easier to recognise than it is to define, and it may have different definitions in different parts of the country. A football being kicked against someone's front door in a crowded inner-city housing estate might be considerably less tolerable than if it were kicked against a farmhouse or barn door in the middle of nowhere. We need consistent local application of definition and response.

I look with some interest at something that was brought to my attention by Anne Owers, the chief inspector of prisons, and which is mentioned in the report, namely, the Liverpool community justice centre. There one can get multi-agency access to a public disposer of justice. It is not the property of one particular aspect of the public services. From what I read in the report and learned yesterday from Anne Owers, it seems to me to be a sensible, practical way of dealing with matters. It is relatively new, but I have been encouraged by what I heard from Mrs. Owers yesterday and what I read in the report, and I shall make a point of going there as a shadow Minister, if I may, to see what is done there and whether that example can be used elsewhere.

What we need is not necessarily a national strategy, but consistent local application of the powers that are provided under existing legislation and the opportunities that are provided by sensible co-operation, about which many hon. Members spoke this afternoon.

Mr. Philip Hollobone (Kettering) (Con): I want to make a specific point about dispersal zones and their effectiveness in dispersing antisocial behaviour. I participate in the police parliamentary scheme. Recently, when I was on patrol in my constituency the

police did their best to disperse up to 30 youths who were behaving in an antisocial manner. The police community support officers who attended that incident were not able to do very much because the trouble was not in a dispersal zone. If it had been, they would have had powers to act. To make effective use of CSOs, may I encourage, through my hon. and learned Friend, the use of dispersal zones?

Mr. Garnier: I am grateful for my hon. Friend's intervention. I am sure that the Minister will take that example on board. We have had a number of different attempts at defining antisocial behaviour, which included references to neighbour disputes and drunkenness. We have all seen and heard examples of foul and abusive language and behaviour; we have heard interesting examples about attempted suicides and brothels; and we all know about crack houses. The hon. Member for Manchester, Blackley (Graham Stringer) is one of my sparring partners in debates on the abuse imposed on my constituents by airlines using Nottingham East Midlands airport, which is of course owned by the Manchester Airport Group, of which he was a director. I am almost inclined to say that perhaps the aircraft that pollute and disturb my constituents at night should also be the subject of antisocial behaviour orders. The point is that it does not matter how many odd or eccentric examples we produce of what antisocial behaviour may be; we are talking about a species of public nuisance. The great joy of the English legal system is that it does not become hidebound to a specific definition.

The courts, the prosecuting agencies and, I hope, Parliament are sufficiently able to cope with definitions that are variable and apt to cope with particular circumstances, so I do not complain if the local people who are concerned about a particular aspect of public nuisance include in an antisocial behaviour order conduct that may in some respects be laughable in another part of the country. That is the whole point about the local application of sensible powers. The lady who feeds pigeons in her garden is creating a public nuisance because the excrement from the pigeons interferes with the quality of life of her neighbours. I do not have a problem with that. I do, however, want there to be a commonsense approach locally, albeit with centrally provided powers to achieve that result. I shall say no more about that, because even a good point repeated does not get any better.

Finally, I introduce into the debate a note of dissent about the Prime Minister's occasional off-the-cuff remarks, which no doubt he would like us to think he has thought about quite carefully, on all sorts of aspects of the respect agenda, as he so tastefully calls it. He spoils his case even before he has opened, or closed, his mouth by calling it the respect agenda, because it looks like a slogan rather than a well-thought-out policy. When one examines it, one finds that it is a slogan and not a well-thought-out policy.

The latest example of that is the instant justice idea that some clever person has put into the mouth of the Prime Minister. It is absurd and it brings the Prime Minister as well as the criminal justice system into disrepute, because it plainly has not been thought through properly. It is plainly likely to break down the confidence that there needs to be between the criminal justice system, the victims and the law-abiding public, even if we ignore, for current purposes, those who perpetrate these acts of public nuisance or antisocial behaviour.

I urge the Government through the Minister, and I urge the Prime Minister, to listen very carefully to what the Minister has to say. I do not know how often he has the opportunity to meet the Prime Minister, but I am sure that the Prime Minister would benefit from the Minister's advice, because this Minister has to deal day by day with the sorts of problems that the Prime Minister seems to create. I say that in a spirit of constructive friendliness, because, as each constituency MP has identified, we all have different sorts of antisocial behaviour with which we must deal, and we all want it to be dealt with. We would all be in a stronger position to deal with the problem if the Prime Minister could simply allow the thinkers to carry on thinking and could wait before he opens his mouth.

I shall leave it there, because I have spoken for far too long, and I would hate to be accused, even in this local environment, of antisocial behaviour.

5.23 pm

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): I join the chorus of welcome from both sides of the Chamber for the report with which the Home Affairs Committee has provided us. It is an excellent example of proper scrutiny. It does not nit-pick or point score, but takes a serious issue, analyses it properly, advances ideas and engages with the issue. The Government take that sort of contribution extremely seriously.

The report contains a whole range of recommendations that, for the most part, were fully accepted. Some 25 of the recommendations have led to substantial work being done in the Home Office, and we will supply the Select Committee with a full update on all the actions that we have taken so that a substantial contribution is available for the annual report and so on. Probably the most important thing that the Select Committee did was to emphasise the fact that this is a crucial issue. We have all demonstrated that with examples from our constituencies, apart from the analysis of the problem as a national one.

When the hon. Member for Newbury (Mr. Benyon) was speaking, I reflected that he was a new Member of Parliament entering the House with antisocial behaviour as probably the No. 1 issue in his constituency surgeries, correspondence and discussions with the police. When I was elected in 1997, along with a number of my colleagues in this room, it was probably getting to that point. For earlier generations of Members of Parliament, it would not have been the issue that it is today. Its importance has increased, and it was right of the Select Committee to underline the fact that it is a high profile issue that needs an urgent response.

I echo the comments made by my hon. Friend the Member for Manchester, Blackley (Graham Stringer). Another effective contribution of the report was to slay some of the myths which, if they are not challenged, will perpetuate and grow into further distortions. Many thanks to the Committee for that.

The challenge is to get beyond the sense of powerlessness that was around for so long in this place as well as in our constituencies and to begin to get the

[Paul Goggins]

powers, resources and partnerships together to change people's lives. That is what it is about. We need to change the lives not only of the perpetrators of antisocial behaviour but, more fundamentally than that, of the victims, who live in their thousands in fear and trepidation about what may happen if antisocial behaviour is not challenged. There has been a danger of the debate polarising. In many instances, it has polarised. That is not helpful. We need all the elements that have been discussed this afternoon: the prevention and early intervention, the mediation and the enforcement, too. We need the enforcement to be carried through and to work. The trick is getting the timing right for the right intervention and the right person at the right time, so that we have the impact that we want.

It is important to share some numbers with hon. Members this afternoon. There have been 6,500 ASBOs made, 13,000 acceptable behaviour contracts, and 800 dispersal orders—I noted the comment about the important role that they can play and police feedback is that they are effective in tackling disorder. There have been 500 crack house closures, which is a tremendously important development. A crack house in a community on an estate can cause absolute mayhem. It is where the drugs are dealt, and so much criminality and antisocial behaviour is connected with them that taking them out is hugely important. In one example the police, working with local communities, have been applauded in the street by residents because of the action that they have taken to close such places down. That work must continue. We are also using the penalty notices for disorder; 170,000 have been used as an effective, early, quick way of stopping people and penalising them for their unacceptable behaviour.

I have given those numbers, but I emphasise that this is not a numbers game. We cannot say that we have tackled antisocial behaviour because we have had so many antisocial behaviour orders. It is an issue of how such matters are tackled locally with local strategies, and we should ensure that local people and their priorities are fed into that. I am pleased that the hon. and learned Member for Harborough (Mr. Garnier) has had the opportunity to find out more about the community justice centre in Liverpool. I encourage him to visit; there is a long line of people going, but it is important that people go and learn. There is a great passion at the centre for justice linked to the community in imaginative ways, not least because punishments should put something back into the community. I would encourage anybody who has not been to the centre to do so.

Connecting justice, whether for antisocial behaviour or other forms of criminality, with the community is an important step that we need to continue to take. We are beginning to see the impact, not only in the numbers, but in perceptions and attitudes towards antisocial behaviour. The Home Office undertook a survey over a two-year period in 2002–03 to 2004–05. The general perception across the country is that antisocial behaviour is at a high level, but over that period, it actually fell from 19 to 16 per cent., which is welcome. In the 10 trailblazer areas and the 50 action areas, where we have been doing the most intensive work on antisocial behaviour because of the level of the problem, the perception that antisocial behaviour was high fell from 25 to 19 per cent. Therefore, the fall in those areas was greater. As we engage and involve communities, they see and feel the difference, and we can measure that. We constantly need to move the gains we have made out from the intensive areas, so that we get through measures such as the national community safety plan and the respect plan. We want there to be that kind of impact throughout the country.

Inevitably, resources have been discussed. I am pleased that Members have welcomed the extra £52 million to support work with parents. In the respect action plan, we have introduced the national parenting academy. There is also £28 million to support the development of a family support network, and there is extra money for the youth offending teams. All of that is important; it will pioneer new work that will make a real difference. However, as several Members have commented, in the end what is important is that we bend and shape the mainstream funding that goes into many of these areas in ways that prevent antisocial behaviour; we must intervene at the right time, and deal appropriately with situations.

I warmly welcome the comments of my hon. Friend the Member for Stockport (Ann Coffey) about the reforms of the Children Act 2004, and the development of children's trusts. A more coherent organisation of local services will help to bend and shape those mainstream resources in helpful ways.

My hon. Friend the Member for Burton (Mrs. Dean) mentioned Home-Start. That signals to Members the important role that the voluntary sector can play. Home-Start operates in my constituency; parents help other parents to get through some of the difficult situations they face. That is welcome. Also, the NCH Dundee project has been a trailblazer in terms of interventions with families.

Tony Baldry: One of the difficulties in respect of Home-Start is who funds it. In north Oxfordshire, it has been funded in part by the primary care trust, but the PCT says that it may no longer be able to make a contribution. One of the recurring problems that some of these very worthwhile, voluntary, non-governmental organisation, charitable sector groups face is constancy of funding.

Paul Goggins: The hon. Gentleman draws me into another area of my responsibilities—that of the voluntary sector. I am keen that we develop initiatives such as the Compact, so that we have a proper relationship between public funders and voluntary organisations. We must ensure that there is a dependable source of income so that the contribution that such organisations make can be relied on and people are not always worried about the funding running out. The hon. Gentleman makes an important point.

My hon. Friend the Member for Manchester, Blackley spoke about north Manchester; I ought to have an opportunity to say that similar things are happening in south Manchester, which is where my constituency is. He is right that this is not having merely a peripheral impact. It is affecting the lives of thousands of people. If

one point in our debate grabbed everyone's attention it was my hon. Friend the Member for Keighley (Mrs. Cryer) talking about Jennifer's experience. That is what this is about—the lives of people being either wrecked or changed for the better. I was grateful to my hon. Friend for mentioning that.

The hon. Member for Cheltenham (Martin Horwood) and my hon. Friend the Member for Burton mentioned difficulties that are sometimes spoken about—to do with Tourette's or Asperger's syndromes, for example. My right hon. Friend the Home Secretary has been concerned about that issue and has paid particular attention to it. If an inappropriate condition is placed within an ASBO it can be reviewed, and if it is inappropriate, it should be reviewed.

We should not be surprised if there are one or two difficulties in the early stages of the development of this new order. However, we can learn about those cases and do something about them, and they should not deflect us from the fact that this has been an overwhelming success. We should not be distracted from recognising that.

Dealing with antisocial behaviour must be part of a wider strategy of dealing with criminality generally and of managing offenders. Civil powers are increasingly being used as a strong complement to criminal prosecutions. Criminal prosecutions are now not the only way to deal with people who cause mischief, trouble and disorder on our streets; we can use civil powers to recover criminal assets. Even if the level of evidence is not great enough to mount a prosecution, we can use it for civil proceedings, if it is sufficient. We can use antisocial behaviour orders, too. The issue is about having a full toolkit with which to tackle criminality and disorder, so that we can manage such people from end to end of the system, as we often say in the jargon, and prevent them from causing trouble.

My hon. Friend the Member for Stockport and others talked about accountability, connection with the community and how we can involve the community more. She talked about crime and disorder reduction partnerships and how they can better engage people. The review of the partnerships is ongoing and deals with many of the issues raised, including accountability, the sharing of data and the streamlining of partnerships, all of which are important. I can tell my right hon. Friend the Chairman of the Select Committee and all its members here that we hope to publish the full assessment of that review very soon—indeed, before the end of this month, I hope. That is another piece of the jigsaw which I am sure will be welcomed by the Committee.

My hon. Friend the Member for Stockport made a sensible suggestion about the collection and dissemination of data relating to housing injunctions. The Office of the Deputy Prime Minister takes the lead on that matter, of course, but we shall draw her suggestion to colleagues' attention, and I am sure that they will be interested in it.

Clearly, alcohol disorder is of concern to us all. The subject has come up in many of the contributions this afternoon. My right hon. Friend the Member for Southampton, Itchen (Mr. Denham), welcomed, and has been a keen advocate of, the idea that pubs and clubs should make a financial contribution if a disproportionate amount of disorder is caused in their area. That idea is welcome. Having said that, the scheme is not just about the cash; those pubs and clubs have to get involved in an action plan with local authorities in the area to deal with the problem. That is at least as important as the money raised, because it forces the pubs and clubs to deal with the issue in practice. That is a new power that we hope will make a difference.

It is undeniable that alcohol consumption is changing the character of many of our towns and cities, certainly at night, but we should not just dismiss the issue as a problem. People have a legitimate right to go out and enjoy themselves, and it is important to remember that. Also, there are many jobs involved in the night-time economy, and that is an important consideration. Clearly, these are massive issues that have to be grasped by local authorities, the people who run transport, the police and so on. The industry, too, has to step up to the plate and meet its responsibilities. I am pleased to say to hon. Members that I think that the industry has begun to engage with its responsibilities in a more constructive way in recent months.

I warmly welcome the principles and standards document that the alcohol industry produced. It makes clear to its members the responsible way in which they ought to behave. They should not be selling alcohol to drunks or children. It is not only wrong, but against the law, and they have a responsibility to make sure that they do not do it.

Graham Stringer: Is my hon. Friend as concerned as I am that the police are still taking very little effective action against landlords who sell to under-age drinkers and drunks? What will he do about it?

Paul Goggins: I heard my hon. Friend's comments on the subject earlier, and think that all of us have to pay greater attention to such matters. They are not just morally wrong but against the law, and we all have a responsibility. I expect the police and those who retail alcohol to take those issues more seriously. In discussions with the supermarket chains before Christmas, the Home Secretary and I, along with others, agreed on the objective of eradicating sales of alcohol to children. The supermarkets have voluntarily set out to achieve that over the next year. That is the way to go; we must set standards higher and make sure that the law is properly enforced. I agree with my hon. Friend that the police need to be fully engaged with that. There should be prosecutions, where appropriate.

The new licensing laws have been caricatured as being simply about loosening the controls, but used properly, many of the powers give greater control to revoke and review licences. We intend them to be used correctly.

Over Christmas and the new year we had the third of the alcohol misuse enforcement campaigns. Central to that was the test-purchase arrangements: people going to retail locations and testing whether those places are selling alcohol to children. We will publish those results, and the wider results of the AMEC, in the near future. I am pleased that, anecdotally, it seems that the introduction of the new powers has gone reasonably smoothly. That should not deceive us into thinking that

[Paul Goggins]

the problem has gone away—it has not. It is still there to be tackled, and we must be vigilant in doing so. We will continue to monitor all of those things carefully.

I must say to the hon. Member for Banbury (Tony Baldry) that it is both unfair and unacceptable that cases do not proceed simply because the prosecution is not available. If people feel that they have been denied justice, that is unacceptable. In general terms, we are constantly pursuing a more effective, efficient system and administration of justice, to ensure that the courts system works properly. I hope that he will be encouraged to know that there are increasing numbers of specialist antisocial behaviour prosecutors.

I must say to my hon. Friend the Member for Keighley that the training of magistrates is not just an important idea—it is mandatory. They should be receiving proper training. We are developing antisocial behaviour courts, so that specialist well-trained magistrates are in a position to deal appropriately with the cases.

Remarks were made about the number of community support officers, which will continue to increase up to the 24,000 that we promised by 2008. We talked about the breach rate. The majority of cases in which ASBOs are put in place are successful. The use of the term "breach" means that an order is being enforced. We should all be encouraged by that. We will continue to work on an evidence base. It will, not least, be informed by my right hon. Friend the Member for Southampton, Itchen and the members of the Committee. Once again, I must say how welcome the report is.

Question put and agreed to.

Adjourned accordingly at eighteen minutes to Six o'clock.

Westminster Hall

Tuesday 24 January 2006

[MR. BILL OLNER *in the Chair*]

Rail Travel (South-east)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Claire Ward.]*

9.30 am

Sandra Gidley (Romsey) (LD): I am pleased to have the opportunity to debate issues relating to rail travel in the south-east. I am a regular user of the services myself and I am a great fan of rail travel. I want to put that on the record because, inevitably, we tend to focus on negative points during these debates. I had thought that more hon. Members would be here today because problems exist throughout the country. The fact that there are not perhaps means that there is more satisfaction with rail services than the press leads us to believe.

I asked for this debate after local issues came to my notice as a result of the retendering of the south-western train franchise. The key issue in the Romsey constituency and in the neighbouring constituency of Eastleigh is the proposed curtailment of the Chandler's Ford service. Unfortunately, my hon. Friend the Member for Eastleigh (Chris Huhne) cannot be with us today owing to a prior commitment, but he would very much liked to have been here.

Other hon. Members have concerns about their services, but I shall leave it to them to raise the details of their localities. I would also like to talk about a few general issues such as the barriers to increased train usage: fares, problems with car parking, capacity and inadequate integration with existing transport networks. The latter includes lack of provision for cyclists and the difficulties of integrating that.

I shall begin with the retendering of the south-western train franchise. Before I come to the local difficulty, I should point out that one positive aspect of that service is the extension of many of the Waterloo to Southampton Central trains so that they travel onwards to Bournemouth and Poole. That will be welcomed by the increasing number of commuters who live beyond Southampton and who have a relatively reduced train service at the moment.

However, as always in these debates, we concentrate on the problems, and the big problem is the plan to truncate the Romsey to Totton passenger rail service, replacing it with a Romsey to Eastleigh shuttle. That plan has certain knock-on effects. To provide some background, I should explain that this rail route is very new. It opened in May 2003 and the justification for opening it at the time was that the area surrounding Chandler's Ford station has the fourth highest population catchment per station in Hampshire. It was a high-profile opening—our local celebrity Charlie Dimmock came along—and everyone was positive about it; many local councillors of all parties had fought for it for some time. The project was so successful that it was shortlisted for a national transport award in 2004. All looked well, particularly because passenger usage exceeded the target set. It seems somewhat perverse to me that we are planning to get rid of something that is exceeding its targets—the world works in strange ways sometimes.

At the moment, 1,500 people a week use the service from Chandler's Ford. Many go to Southampton and beyond, and some travel in the other direction to Romsey. When the system changes, many people using the existing line will have to change trains at least once to make the same journey, which will be a barrier. A public meeting on the matter was held just after Christmas. I did not think many people would attend because there had only been a few days in which to publicise it, and trains do not usually attract quite so much attention as health, but the meeting was packed. It is worth raising with the Minister a number of points made in the meeting.

The train network could lose passengers. It was pointed out that three quarters of the passengers who use the service travel beyond Eastleigh or Romsey, which are the end points of the service mentioned in the franchise document, and simply would not use the train if they had to change at Eastleigh, or could not go directly to Southampton Airport Parkway to catch the fast train to London.

The franchise document suggested that the termination of the service would reduce congestion in the rail network around Southampton. However, the changes imply that the Romsey to Eastleigh shuttle would occupy Eastleigh or Romsey platforms for up to 25 minutes per hour and it would double the number of times that the main line would have to be crossed at Eastleigh. That could have a greater impact on main-line passengers and cause more delays to main-line passengers and freight trains at both stations.

The change would not reduce the number of trains terminating at Southampton, because the Chandler's Ford train currently terminates at Totton. Indeed, it would probably add to the existing problems. The other proposals of the Department for Transport for trains currently terminating at Southampton to continue to Bournemouth would reduce congestion at Southampton far more than the removal of the Chandler's Ford service. One suggestion in the document will address the congestion problem, but those who understand rail movement far more than I do tell me that the change will not positively affect it in any way. It will have a negative effect. It was also pointed out that the First Great Western franchise has included services with far lower passenger numbers than that service. There is, therefore, a precedent for supporting worthwhile services in the refranchising process. Others pointed out that cost savings—if it were a matter of cost—could be achieved by leasing types of train that are more suited to local operation, rather than the high-speed, air-conditioned trains used at the moment.

There has been support from all political quarters for the retention of the rail line. The leader of Hampshire county council, Ken Thornber, wrote a letter to the south-western franchise replacement consultation manager about the matter. It is worth pointing out that

[Sandra Gidley]

Hampshire county council invested a significant amount of money in the station and the opening of the line. Ken Thornber's letter states:

"We know from surveys that prior to the station opening, 41 per cent. of Chandler's Ford's customers previously travelled by car and 35 per cent. by bus. It would be a disastrous blow to public transport in South Hampshire if the service at Chandler's Ford became so unattractive that newly won customers were to abandon the railway and add to the congestion on our local roads."

If the Minister has ever visited the area, he will understand the problems of congestion on our roads. The letter continues:

"Moreover it would send entirely the wrong signals about the relevance of public transport generally in modern society.

Hampshire County Council, as owners of the station—which received funding through local development and from council funds of more than £3 million—has a vested interest in the continuing success of this station. The downgrading of the service which is proposed in the Consultation Document is frankly unacceptable.

The County Council believes that providing good viable alternatives and taking cars off the road wherever possible is a good thing—for commuters, for residents and for the environment and this was the motivation behind our substantial investment in constructing Chandler's Ford station.

If the changes proposed for the Romsey-Totton service do go ahead despite our protests, and those of neighbouring local authorities concerned, the County Council's role in supporting rail initiatives will be difficult to sanction."

The Minister should know there were representatives from Eastleigh borough council, Test Valley borough council and Southampton city council at the meeting, all of which are under different flavours of political control, and all of which are concerned about the future of the route.

Ken Thornber goes on to say:

"Its future relationship and stakeholder role with the rail industry is considered valuable and I would not wish to jeopardise this in the longer term. As it is, we feel profoundly let down over Chandler's Ford, given the commitment we have shown over the project, both in constructing the station and since it opened."

That is not the view of just Hampshire county council. The Hampshire Economic Partnership stated:

"Rail passenger journey times will be extended with a decrease in reliability due to the need to change trains in Eastleigh",

which obviously has an impact on how people choose to get to work. It also points out that businesses have relocated to Chandler's Ford because of the new rail service, which serves a large employment area in the vicinity of the new station. Existing employees can travel to Chandler's Ford more easily and there are some quite significant business parks close to the station as well. The Hampshire Economic Partnership concluded:

"Removing the through service will lead to business closures as employees move away due to poor access to transport".

Its assessment has shown that the rail service at Chandler's Ford

"has removed 3,000 car movements per week from local roads".

It makes the points about congestion, as well.

There are further concerns. A recent debate in Westminster Hall highlighted some of the issues relating to the south-east plan and PUSH—the Partnership for Urban South Hampshire. The point made strongly in that debate was that unless the infrastructure was put in place—particularly road and rail infrastructures, and some of the support services—it was difficult to see how the proposed new housing build could be sustainable.

Mr. Peter Bone (Wellingborough) (Con): I congratulate the hon. Lady on securing an important debate. Some Members may not be here today because they are stuck on trains. The point that she is making about the development of her area and the extra houses and infrastructure is exactly the problem that we face north of the river in Wellingborough. Wellingborough is almost becoming a part of the south-east. A road to the station and 8,000 houses are being built, but the rail service is not being improved, even though it is busy at the moment.

Sandra Gidley: Later, I want to return briefly to the point that often the road and rail networks are not properly integrated and there does not seem to be any great strategic overview. The approach is bitty and fragmented. Clearly, we are not alone in my part of the south-east in having these problems.

David Taylor (North-West Leicestershire) (Lab/Co-op): The hon. Lady is talking about the integration of rail and other services. I frequently travel on the midland mainline. It is an excellent service; it was the first to recover after the Hatfield rail disaster. It serves substantial parts of the north-east and Luton. Will she pay tribute to the frequency and reliability of that service, particularly as it integrates very well with Luton airport, which is a major airport serving the south-east, the midlands and wider parts of England?

Sandra Gidley: I would find it difficult to pay tribute to a service that I have not used, but the hon. Gentleman has already done so through his intervention, and his words probably bear more weight that mine in that context.

Bob Spink (Castle Point) (Con): I thought that while the hon. Lady was taking interventions it would be wise for me to speak about the south-east. Canvey Island is in the south-east. She is addressing the important question of capacity and fixed infrastructure, rather than rolling stock, but there is an area where the two coincide. While I have the Minister's attention, I would like to ask whether the hon. Lady knows whether the Government intend to invest in extending platforms so that trains can run with more carriages and capacity can be increased, and also whether she is aware that Canvey Island is one of the largest communities—44,000 people live on it—without a rail service. It would be easy to stick a terminal line from the c2c line on to Canvey Island with a terminus station there, which would help to serve—

Mr. Bill Olner (in the Chair): Order. That is getting beyond the scope of an intervention. The hon. Gentleman may catch my eye later.

Sandra Gidley: I am afraid that I have no intimate knowledge of Canvey Island, but I hope that the Minister will address the points that have been made. On the route that I use most frequently—Waterloo to Southampton Airport Parkway—the train sometimes

stops at a station with short platforms and announcements have to be made, so clearly there are many areas where improvements could be made to the existing infrastructure.

I return to PUSH, in the context of which others have raised significant concerns. We must look at where housing growth is planned and ensure that the rail and road infrastructures match that growth. It seems perverse to reduce a service in an area of particularly dense housing. An expansion of Southampton International airport is also proposed, which will require enhanced rail access, not a reduction in services.

All those points are supported on a cross-party basis. I want the Minister to look into the proposal very carefully. I do not pretend to be a complete expert on train movements. I freely admit that I leave that to others. However, will the Minister commit to meeting me and some of the people who know the local rail service like the back of their hands to discuss fully the flaws in what is planned in the franchise document? It is not just a case of people losing a service that they need to access employment and that they have chosen to use to reduce the impact on the environment; there are wider implications.

I want to talk briefly about some of the barriers to train usage, one of which must be cost. Although some routes are regulated, I noticed that there was a large hike at the beginning of the year in the price of fares from local stations into London. Some commuters have told me that that has made them rethink how they can afford to travel to work.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Lady on securing the debate. She is quite right to say that cost is a barrier to train use. We should also consider the service that people get for the cost that they pay. A constituent of mine, Mr. Lynn Wilson, wrote to me to say that he had a first class ticket to travel from Kettering to London St. Pancras just before Christmas, but he had to stand all the way because the train was overcrowded and there were not sufficient carriages. Does the hon. Lady she share my belief that if commuters pay high prices they at least expect to get a seat?

Sandra Gidley: That is a major concern. Some work done—by the City of London, I think—has shown that overcrowding on trains entering London has increased quite significantly. Clearly, that needs to be addressed. When the Minister sums up, hopefully he will indicate how the problem will be dealt with and what the Government input will be.

One of the most peculiar barriers to rail transport is the ability to find a car parking space at many local stations. An e-mail that I received from one of my constituents stated:

"I know you have experienced the same problems which we (from villages) all face over parking at stations in our area."

He knows that, because I have a blog. At one stage, I went on about the problem at great length—probably at far greater length than was healthy. The e-mail continues:

"Over the years I have tried all of Southampton (Central and Parkway), Winchester, Grateley and even Mottisfont and Romsey, and (in emergency on failing in Winchester) Basingstoke. Often station car parks are full, one ends up in the suburbs beyond the yellow lines, running or walking a long way and becoming hot and late in the process. It is glaringly obvious that more capacity is needed (if village people are ever to get out of our cars) and that one way of providing this is multi-storey car parks. Meanwhile local authorities like Winchester City"—

I do not think it is not fair to pick on Winchester in particular, because all local authorities seem to be as one on the matter—

"reportedly reject increases in capacity, failing to recognise that their railway station belongs as much to their hinterland as to the city itself. I don't think I need to go on—you must be aware of the arguments!"

The point about capacity is true; I have experienced it. At some local stations, unless one arrives before 8 o'clock in the morning, one simply cannot get a car parking space. I remember one occasion when I had an appointment in London later in the day. I drove from Southampton Central to Southampton Airport Parkway to Winchester, and none of those stations had a single car parking space left. Although there are plans to improve parking at Southampton Airport Parkway, the issue crops up at many other stations in the area.

That issue is linked to the notion that one could take the bus instead of driving one's car to the station. Perhaps one could—if the routes were integrated. They are not, however, and that is another barrier to using the network. The lack of integration means that if buses and train times do not co-ordinate, one may have to hang around for up to three quarters of an hour, depending on the route, in order to catch a train. Or, perversely, if one is late and misses the train, one may have to wait for an hour on a cold, dark station at night. Again, no one seems to have a strategic overview. I have to say that Hampshire county council has been willing to listen on occasion when mistakes have been made and services that did coincide were suddenly changed for no apparent reason. However, there seems to be no onus on anybody to address the problem more holistically.

I receive a lot of correspondence about provision for cyclists. Some people would be happy to cycle to the station, take their bike on the train and cycle at the other end. However, train operators on many routes do not allow cycles at certain times of the day. Not all cyclists are lonely people who cycle by themselves, so if one is part of a group it is well nigh impossible to combine any cycling experience with rail travel. The issue is dealt with much better in some continental countries, and I wonder why we cannot crack the problem in this country.

Tom Brake (Carshalton and Wallington) (LD): Is my hon. Friend aware that, according to our research, two thirds of train services coming into London at peak times do not allow cycles? Does she agree that there is an issue with secure cycle places at stations? Many people travel with their bikes, but they do not want to leave them at the station because they are concerned about losing them.

Sandra Gidley: I had not realised that the figure was quite as bad as my hon. Friend suggests, but I am sure that his research is accurate. I speak only about the services from the neck of my woods, but if my experience is replicated, his research would represent an accurate

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picture. Secure cycle storage provision would go some way to addressing the problem: it would increase the number of people who cycle only at one end of their journey, because they are content to leave their bike at the station.

The other big bugbear for some of my constituents is the lack of disabled access. The Disability Discrimination Act 2005 has come into force, and it seems strange that more effort has not been made to ensure that our stations are fully compliant with its terms. It would be helpful if the Minister in his summing up outlined whether there is a date by which all stations must be compliant and whether there are any mechanisms to help to achieve that. Some of my constituents undertake complex journeys that would be relatively simple if they did not use a wheelchair.

David Taylor: I am pleased to hear the hon. Lady's near-comprehensive list of barriers to increased rail patronage, particularly the point about cycling, given that some stations have a Tie Rack but no bike rack. I should appreciate her response to one point that she has yet to include on her list. Would she care to say a word or two about those people who have concerns about their personal security when using the rail network, particularly at night, because of unstaffed stations and inadequate lighting?

Sandra Gidley: The hon. Gentleman makes a good point. As somebody who uses the rail service late at night, I generally feel relatively secure. However, there are instances on a train when one can feel vulnerable, although that is probably no different from anywhere else. If I know that I am coming back late at night, I choose carefully the station to which I return, ensuring that it is well lit and that I do not have to return to a darkened area to get into my car. Although some of my local stations have been upgraded, I am less keen to use others, precisely because of the problem that the hon. Gentleman raises. If the Minister could mention any planned improvements in that regard, it would be helpful.

I received a briefing from the City of London corporation. It is worth pointing out some of its concerns, because they echo points that I have made. The economic viability of the City of London and its ability to attract the work force that it needs is an important consideration. The corporation says:

"The retendering of the South Western Trains franchise poses important opportunities for both the City and areas such as Hampshire and Surrey to press for the improvements required. The significant number of commuters travelling from Hampshire and Surrey to the City by rail is indicated by figures showing that 16,000 people make their way from Waterloo (being Hampshire and Surrey's terminus) to the City on the Waterloo & City line in the morning peak. The City Corporation has made representations in support of the need to address overcrowding by running additional trains and increasing the number of carriages. With Waterloo forecast to exceed its passenger capacity by 2012, the opportunity to expand platform capacity presented by the vacation of Waterloo International by Eurostar must not be missed."

It would be helpful if the Minister could touch on that final point.

Dr. Andrew Murrison (Westbury) (Con): The City of London corporation is quite right to complain about the lack of direct services to London Waterloo, because it affects my constituents as it affects those of the hon. Lady. Does she share my surprise that the Government have backtracked on the network utilisation strategy and the promises made by the Minister's predecessor about the enhancement of service? I am not sure whether that move relates to the Chandler's Ford to Southampton service, but it certainly relates to the Waterloo to Bristol service, which stops at west Wiltshire towns in my constituency.

Sandra Gidley: Again, I am not familiar with the route that the hon. Gentleman mentions, but the proposals in the franchise document backtrack on the original proposals. Other routes are affected, too. One problem with the train companies is that they sometimes think that the solution is to run fewer trains so that they are not held up so frequently. There is a capacity problem on the rail network, which greater brains than mine do not seem capable of sorting out. The City of London corporation rightly points out that we must sort out some of those general capacity problems. Their resolution would have a knock-on effect on those services to the hon. Gentleman's constituency.

The corporation makes a further point:

"Rail services should be of high quality. Improvements in rolling-stock and a move to designing trains for different types of route should be welcomed."

It talks about accurate, real-time information, which would be useful to passengers, and it also makes a point about improving station environments:

"Improvements need to be made to the system for booking assisted travel to make it simpler and more reliable so that passengers requiring assistance can travel with confidence."

From speaking to some of my constituents who need assistance, I know that when the service works well, it is very good and they have nothing but praise for it. However, the service is patchy, depending on which members of staff people come across on the day.

City businesses consistently rank transport problems, including delays and overcrowding, among their major concerns. A detailed study calculated that transport delays cost City businesses £230 million a year and their employees £100 million in lost leisure time. Reliability of train services must be improved to tackle that.

I started by speaking about a small local difficulty, but clearly there are problems on the network that have a much more widespread impact—a national impact, in fact—and I would appreciate it if the Minister dealt with some of those points when summing up the debate.

10 am

Mr. Philip Hollobone (Kettering) (Con): I, too, congratulate the hon. Member for Romsey (Sandra Gidley) on securing the debate and on her contribution. I have the privilege of representing Kettering, in Northamptonshire. In case the Minister feels that Kettering is not in the south-east, I should say that it represents the greater south-east, because it is included as one of the growth areas in the housing expansion agenda of the Office of the Deputy Prime Minister. I therefore feel that I have every right to speak

in this debate. Also, trains from Kettering travel through genuine south-east towns, such as Bedford and Luton, and many of my constituents suffer problems in relation to those trains.

I thank all those constituents who work on the local railways and on the midland main line in particular, all the staff at Kettering railway station, and all the drivers and crew. Midland Mainline is the franchise operator for the train service through Kettering, and it is fair to say that that is a good service. I have been travelling on the line since 1999. I was a regular commuter for many years before arriving in this place, and it is fair to say that, five or six years ago, the service was horrendous. As a daily commuter, I often arrived home late in the evening because of lack of trains, overcrowding and so on.

David Taylor: I use the same services as the hon. Gentleman. Is he not being a little unfair, in that the period he describes was the immediate aftermath of the Hatfield derailment, which caused chaos on railways throughout the land? Will he acknowledge that Midland Mainline, which serves Leicestershire, has improved in numerous ways, not least in respect of doubling services that serve the midlands and which therefore serve towns in the south-east and the northern south-east, if that is where Kettering is located?

Mr. Hollobone: I am grateful for that intervention, but I do not think I am being unfair. We all understand that, after the Hatfield experience, the railways were not operating as they should have been, but a large part of my travelling experience is pre-Hatfield, when the service was pretty dreadful. Thousands of people who are now my constituents were extremely frustrated at the rail service provided to the town.

I shall raise two issues. One is occasional overcrowding on Midland Mainline services and the other the threat to the rail service from the ODPM's growth agenda. There are far too many instances of overcrowding on train services to and from Kettering, particularly on the service that runs between Kettering and London St. Pancras. Normally, that journey should take about an hour, and it is fair to say that punctuality is pretty good. However, most people would regard it as reasonable that, if they buy a train ticket for a journey of such length, they should be entitled to a seat. Sadly, that is all too often not the case, which is unacceptable.

As I mentioned earlier, Mr. Lynn Wilson wrote to me, detailing his tragic travelling experience on Thursday 20 December, when he purchased a first-class rail ticket for the journey from Kettering to London St. Pancras and had to stand all the way—for an hour. The next station down the line is Wellingborough. Mr. Wilson says:

"The train was very full when I got on, with around a dozen people, men and women of all ages, standing due to lack of seating capacity, including myself.

After the Wellingborough stop the situation was three times worse with people standing the carriage length and by the toilets and exit doors. Just how that conforms with Health & Safety regulations I have no idea, but moving up and down the carriage was practically impossible."

Tom Brake: Is the hon. Gentleman aware that, soon after coming to power in 1997, the Government introduced legislation covering the transport of animals and the space available for them? They have yet to introduce similar legislation on the transport of passengers.

Mr. Bill Olner (in the Chair): I hope that the hon. Gentleman is not referring to people who travel on trains in the south-east as animals.

Tom Brake: Of course not, Mr. Olner.

Mr. Hollobone: I am grateful to the hon. Gentleman for his intervention. Commuters on far too many train services in the south-east sometimes feel as though they are packed into cattle wagons. I had a similar experience on Friday. Travelling back to Kettering after the Adjournment debate in the House, I got the 5.30 pm service from St. Pancras. I travel second class: I choose to do that on my parliamentary allowances so that I can share my constituents' pain when they have to stand all the way. I had to stand for 40 minutes, all the way to Bedford, because there was not one spare seat on the train. That is unacceptable. There were tens of my constituents standing for 40 minutes, which is far too long.

I hope that the Minister takes these points on board when it comes to the renewal of the franchise arrangements, particularly with regard to Midland Mainline. In the 21st century, surely it is possible to devise a system whereby if someone buys a train ticket for an hour-long journey to or from London, they are entitled to a seat all the way.

My final point is about the expansion of Kettering as part of the ODPM's Milton Keynes and south midlands sub-regional growth strategy. The ODPM wants to build 13,100—

Mr. Bill Olner (in the Chair): Order. I have given the hon. Gentleman some leeway, because there is an interconnection with the train services, but this debate is on trains in the south-east. I know where Kettering is geographically, and I have to say, with the best will in the world, that he is straying pretty well off the mark. Also, we are talking about railways, not housing.

Mr. Hollobone: May I endeavour to bring myself back on track, Mr. Olner? Given that there is already overcrowding on some key services, residents in Kettering are concerned about how Midland Mainline will cope when the population of Kettering goes up by about one third within 20 years. There is a genuine concern that local train services simply will not be able to cope with the expansion in the local population. Local residents want an increase in the number of coaches available on the existing service to give them some comfort that, when the population growth comes along, there will be proper train service provision for local people.

Finally, I need to make an apology, Mr. Olner. I am interested in the debate and would very much like to stay for the rest of it, but the Committee considering the Animal Welfare Bill will drag me away at about 10.30 am. I appreciate your indulgence today.

10.10 am

Dr. Andrew Murrison (Westbury) (Con): I congratulate the hon. Member for Romsey (Sandra Gidley) on securing this debate. She and I share an interest in the subject, because what we are largely talking about today is the post-South West Trains franchise that will run from February 2007. In truth, there are no real frontiers when it comes to the franchise in the areas that she and I serve. They are very much interconnected and will suffer, I fear, unless the Minister is prepared to allow some smaller services to continue post-February 2007. He knows that I have corresponded with his office on the matter, and I hope he will meet me and some of my concerned constituents, who are worried about the post-February 2007 franchise.

My particular interest lies with the London Waterloo to Bristol service, which stops at stations in Surrey, Hampshire and Wiltshire before finding its way to Bristol. It is a good example of a direct service that has been well served by the public in the past, and if it were to be enhanced, it would go some small way towards discharging the aspirations laid out in the 10-year transport plan, about which we hear so little these days—I wonder why.

The hon. Lady mentioned the Chandler's Ford to Southampton service, which is in many ways similar to the one about which I am concerned. The closure of those services will reduce the number of people who opt to travel by train rather than take their cars. We talk about multi-modal transport and car parks are very important, but overall, we must reduce the number of people travelling on roads. Trains seem to be the way to do that, but we must make it attractive for people to travel by train.

We cannot just say to people, "Here's a train, but you will have to change several times to get to your destination." They simply will not buy that. We must make trains attractive to people. I fear that, with the refranchising exercise under way, there will not be that ability for train operating companies to make their service attractive to customers. That is a pity, and it will certainly defenestrate, if that were necessary, the 10-year transport plan.

I am particularly upset because the June 2003 network utilisation strategy seemed to be quite promising in the context of the forthcoming refranchising exercise, which is now just around the corner. It certainly looked fairly good for my constituents, and my subsequent meetings with the Minister and his predecessors suggested that the service was going to be enhanced. That was the promise, and we were looking forward to it. Then, all of a sudden, there appeared to be a complete volte-face. We now find that the service is not in the post-February 2007 requirements, and it looks like it may be stopped once again.

The Minister's predecessor, wisely in my view, brought the service back. However, I found it interesting that the passenger usage survey was done shortly after the service restarted. Those are the figures on which the Department for Transport is now relying to make its assessment. That is a pity: methodologically, this is problematic because there is a stop-start service and people will get out of the habit of using it, and figures will be artificially deflated.

I hope that the Minister will look critically at those figures before making a final determination on whether that service should continue. I certainly recommend to him, en passant, the figures produced by the West Wiltshire rail users group, which are different from those compiled by the Department. My spies tell me that it is considering conducting more passenger user surveys on that route. If it is, I welcome that. If the surveys are done properly, they will paint a picture different from the one that I think the Minister has for that service.

That is all I want to say. I hope the Minister agrees to meet me and my constituents to discuss the London Waterloo to Bristol service, which stops at intermediate stations in four counties and is of great importance to much of the public in the south-east and south-west.

10.14 am

Tom Brake (Carshalton and Wallington) (LD): May I start by welcoming this debate, secured by my hon. Friend the Member for Romsey (Sandra Gidley)? She has raised a number of matters that are clearly of great concern to her constituents, as have other hon. Members, and I want to comment briefly on some of those points. First, on overcrowding, which has been raised by a number of hon. Members, it is worth reminding ourselves that the figures that are calculated relate only to London and Edinburgh. There are no statistics on overcrowding outside those two areas. Secondly, overcrowding figures do not take into account the number of people who are left standing on a platform as a very crowded train goes through. That is an area that the Government must consider.

Sandra Gidley: I apologise for intervening as I have had a lot of time in which to speak, but concerns have been raised about the possibility of injury on overcrowded trains. When I tabled a parliamentary question on the matter, the response was to the effect that people get a different sort of injury. It was very vague about whether there are any risks and I am unclear about whether any work has been done on that. Does my hon. Friend have any knowledge on that subject?

Tom Brake: I thank my hon. Friend for that helpful intervention. She may recall that a year or so ago I had a constituency case involving a woman who was travelling on a very overcrowded train and who believes that she suffered a miscarriage as a result. There is evidence to suggest that, although the types of injury may be different, in practice, people on overcrowded trains are suffering injuries. It is difficult to calculate the statistics on that, because people do not often report them, but at the very least, I am sure that my hon. Friend and other hon. Members will have witnessed people having to get off an overcrowded train because they are starting to feel too claustrophobic and cannot continue their journey. That is a significant issue that is not being properly addressed.

My hon. Friend also mentioned disability access, and I want to put on record yet another example of the frustration that commuters feel about that. At Sutton station, which I use regularly, one exit—the one closest to the car park—has never been opened. Commuters are not allowed to use it because there are no staff to open it. That has been going on for many years, and there

seems to be no prospect of that exit, or entrance, being opened to allow people, particularly those with disabilities, to get from the car park into the station.

Secure or safe stations have also been mentioned. There are some interesting statistics that show, for instance, that one in five people would make more journeys if they felt safer. I understand—perhaps the Minister can confirm this—that the Government's secure stations initiative is going backwards in terms of the number of stations that have qualified. There has been a recent change to the requirements with which stations have to comply to obtain secure station status. I understand that that has to do with the market research that the operators have to conduct with their customers to ascertain whether people feel safe. That might kick-start the programme so that more stations achieve that status, but the initiative is going backwards at present.

More generally, hon. Members have rightly focused on their constituencies, but it is appropriate to raise some wider issues. I want to consider three key matters: aspects of the south-western franchise; Crossrail, because no debate on rail in the south-east can take place without a brief discussion of that; and South Eastern Trains and the integrated Kent franchise. I hope, Mr. Olner, that you accept that those are all in the common definition of the south-east.

Mr. Bill Olner (in the Chair): We are expecting the Minister to give a comprehensive response, so I hope the hon. Gentleman keeps his eye on the clock.

Tom Brake: I shall do that and keep my remarks to less than 10 minutes so that the Minister has at least 20 minutes, if not more, to respond in detail to all the points that have been raised.

It is proposed that the south-western franchise will last 10 years. Does the Minister believe that that is sufficient time to allow the investment that will be required to deal with some overcrowding issues? He and the Secretary of State have talked at length about double-decker trains, for example. Will a 10-year franchise allow for that investment? I suspect not.

Furthermore, I hope that the Minister says a little about how he sees the balance between fare increases to pay for services and a reducing subsidy. He will no doubt be aware of an article on saver fares that appeared in *The Times* on 20 January. As hon. Members know, such fares are available on all longer distance routes, but can be used only outside peak hours. There is a price cap on them, but the article said:

"Train companies have persuaded ministers that they will require less subsidy and attract more passengers if they are given more control over fares."

Are the saver fares safe in the Government's hands or, as the report suggests, are they about to be jettisoned to allow the train operating companies to increase fares significantly?

For people who want to turn up and go, there some extremely expensive fares for travelling from A to B—about £200 for return journeys if the tickets are purchased on the day. Does the Minister agree that the price increases are about managing demand on overcrowded trains? That is the view of Christian Wolmar, a well-respected expert in transport matters. As he believes, and this would be fairly easy to quantify, one effect of the high fares is to switch people on to the roads, thereby increasing road congestion.

I want the Minister to respond on a further point, which is significant and pertinent to rail services in the south-east: have the Government considered how they undertake cost-benefit analysis of rail projects and the value of those projects to the economy? In other countries, in Europe in particular, greater weight is given to other factors such as the ability of rail projects to relieve congestion and to regenerate rural areas.

What does the Minister expect the south-western franchise to deliver in respect of overcrowding? What will the Government be seeking? During morning and evening rush hours, the number of people travelling on main commuter lines in and out of London—many of whom are from the south-east—in excess of the recommended train capacity has increased by no less than 53 per cent. since 1996. Overall, according to the latest figures, 2.9 per cent. of people travelling on the main commuter lines in and out of London were in excess of capacity, which is the Government's official definition of overcrowding.

As I have said, those in excess of capacity figures do not take into account the people left stranded on the platform. At peak hours in the morning as I travel in from Wallington—sometimes I get a seat, sometimes I do not—the further down the line we go, the more passengers are left stranded on the platform unable to get on the train. Incidentally, the figure for South West Trains passengers who are travelling in excess of capacity in the morning peak is 6.8 per cent.—one of the highest overall.

The Minister and the Secretary of State have referred to double-decker trains as a possible way to sort out overcrowding problems. It has been reported that Network Rail has been told by the Government that all future engineering projects must take double-decker trains into account. Can the Minister confirm whether that is so? Moreover, apparently there have been informal talks between the Department for Transport, Network Rail and the train operating companies about where the double-decker rolling stock could be used. What preliminary thoughts do he and the Government have on where that stock could be used?

The bids that will be made for the south-western franchise are being developed at the same time as the route utilisation strategy issued by Network Rail that covers services from Waterloo station. Will the Minister explain how those two processes interlink, as it is not immediately clear how that happens? On the one hand, Network Rail has issued a shopping list of what it wants to do; on the other, we have the bidding process for the south-western franchise. I want reassurance that those two processes meet in the middle.

Crossrail is an important transport project that will have a significant impact on rail services in the south-east, London and beyond. We cannot debate rail in the south-east without giving the Minister yet another opportunity, which has been declined on many occasions, to say where the funding for Crossrail will come from. A couple of weeks ago, we debated the instructions to the Select Committee when the matter was raised, but he did not use that opportunity to reply to us.

[Tom Brake]

The project has been kicked into the long grass. The answer is hiding behind Sir Michael Lyons's review, although perhaps the Minister can put on the record the fact that, apparently, Sir Michael Lyons has not been asked specifically to consider Crossrail as part of the review. How are the two matters linked if Sir Michael Lyons has not been asked to look at Crossrail? It is a pity—

Mr. Bill Olner (in the Chair): Order. The Crossrail Bill is going through its legislative process in Parliament, so the debate on Crossrail takes place within those discussions.

Tom Brake: Thank you, Mr. Olner. I shall conclude my remarks on Crossrail by saying that, because it is central to rail in the south-east, we need feedback from the Government on whether it will happen and whether funding will ever be available for the project.

I have an ideological question about South Eastern Trains. I know that the Government do not like ideological questions, but it concerns the reason the Strategic Rail Authority gave for not allowing the South Eastern Trains management team to bid for the integrated Kent franchise. I am about to refer to the SRA, but clearly it and the Government were one in the same thing in this respect. It has been stated that the SRA decided that the South Eastern Trains management team

"should not put a bid together, because this might have distracted it from running existing services."

The same is true of all those who are bidding for the integrated Kent franchise. They have all had to use their management teams to spend time and effort on that, as opposed to running existing services in other parts of the country. Therefore, that is a feeble reason for taking such action.

Will the Minister explain why the Government were not willing to allow healthy competition between a publicly run South Eastern Trains, which according to commuters who use the service improved it significantly when it took it over, and the private sector, so that we could make concrete comparisons between the two? It seems that that was an ideological decision taken by the Government. They were not going to allow the public sector to compete in that way, which is extremely regrettable.

I hope, but do not have much confidence, that the Minister will respond to that point, which is of interest. Generally, commuters would have liked a public sector operator to operate a service, so that they could make comparisons with the private sector and see which did things better. That way, the two sectors could learn from each other and we could all benefit.

To conclude, I will listen carefully to the Minister's reply to establish whether there is any prospect that, in the next decade, the issues of overcrowding, undercapacity and unreliability of rail services in the south-east will be addressed. If he can give no such guarantee, the future for commuters in the south-east is extremely bleak.

10.31 am

Stephen Hammond (Wimbledon) (Con): This has been an interesting and important debate. I am aware of your stricture that we should give the Minister 20 minutes in which to respond, Mr. Olner, and I shall try to allow him that much time.

In this debate, we have already covered the wide definition of the south-east, as well as a number of problems that rail travellers in the south-east face, including overcrowding, disability access, fares, security and—perhaps most importantly—capacity. However, we ought to give some context: the railways now carry 30 per cent. more passengers than they did 40 years ago, on a 40 per cent. smaller network. In recent years, billions of pounds have been spent on headline rail projects, such as the west coast main line upgrade and the channel tunnel rail link. Also, the Government promise to spend in excess of £15 billion on Crossrail. The hon. Member for Carshalton and Wallington (Tom Brake) rehearsed some of the arguments on that subject, and we look forward to hearing assurances from the Minister. Also, I understand that the Government talk of spending more money on a London to Edinburgh high-speed link.

Those projects are undoubtedly crucial, but they tend to overshadow their less glamorous relatives—the south-east network and, in particular, the workhorse commuter services. That section of the network delivers 120,000 people into the economic heart of this country every weekday morning. Also, local services around regional centres, such as those mentioned by the hon. Member for Romsey (Sandra Gidley) and my hon. Friend the Member for Westbury (Dr. Murrison), take people into centres such as Bristol, Southampton, Reading, Croydon and Brighton. Those commuters are increasingly packed on to overcrowded trains.

The Minister will be aware that the Office of Rail Regulation has forecast a nationwide 28 per cent. increase in rail usage by 2014. That looks to be a particularly grim experience, given that it is suggested that the increase in capacity in that period will be in the order of 2 per cent.

Many hon. Members touched on the misery of passengers having to pay fare increases that are well above inflation. That would all be very well if the extra money went into improvements but, as it is, punctuality is just about returning to pre-Hatfield levels. It is clear that on some routes—the Minister may wish to comment on this—punctuality is improving only because journey times, and timetables, have been lengthened significantly. That has been confirmed, to the Minister and to many of us, by London TravelWatch.

One of our principal concerns—and the focus of this debate, which was secured by the hon. Member for Romsey—is rail services in the south-east and local services. The Department for Transport said in its consultation document for the new south-western train franchise that such services can be underused and that services nearer to London could make better use of capacity if local services were cut back. That is an interesting argument, but there is also an argument that if the Government persuaded Network Rail and franchisees to run a hub-and-spoke service, those local services, far from being cut back, should be increased.

In the South West Trains franchise area, services under threat include the Reading to Brighton via Winchester service, the Bristol to Salisbury service, the London Waterloo to Plymouth and Paignton services, and, of course, the Chandler's Ford service, which the hon. Member for Romsey mentioned. I am particularly interested in that service, because I was born and raised in Chandler's Ford. I spent the first 11 years of my life there. Then, there was no station. Many of my relatives and friends still live in the hon. Lady's constituency.

Chandler's Ford makes an interesting case study, and it is worth rehearsing some of the hon. Lady's arguments for the Minister. The area has a valuable, local service that is used by 1,500 people a week; 10 or 15 years ago, that would have been impossible. Now, it is proposed that the service be cut. Up to three quarters of those people travel beyond Eastleigh and Romsey, and they would not use the service if they had to change at Eastleigh for Southampton, or if they could not go on to Southampton Parkway to catch onward trains there.

One argument for cutting the service is that it will help to ease congestion in Southampton, but the Chandler's Ford trains terminate at Totton. The problems at Southampton would be much better dealt with if we did not remove the Chandler's Ford service and if trains were allowed to continue on to Bournemouth. Indeed, that is one of the proposals in the Department's document, and I urge the Minister to consider whether that might not be a better way forward than cutting the local service that the hon. Member for Romsey spoke about so eloquently. I look forward to the Minister's response on that point.

If the Government do not support the South Hampshire light rapid transit system, taking the Chandler's Ford to Southampton service off the network will be a double blow. Surely the overall consequences—this is why this case study is so interesting—would be, as elsewhere, increased local car usage, as people would travel to a main-line station or just abandon the rail service. Also, there would be implications for the environment. I look forward to the Minister's response on that case study.

On some of the general points that have been made, the workhorse commuter services, as I described them, get a particularly difficult deal on fares. I asked a question about fares in the House last week. Regulated fares have gone up, on average, by 3.9 per cent.; that is despite the fact that the formula is retail prices index plus one. I note that in December the RPI was at only 2 per cent., so that is an interesting, moot calculation of the formula. Unregulated fares have risen by between 4 and 4.5 per cent., and many fares have risen by more than 8 per cent. One or two fares—this is particularly true of those under the more difficult structure—have trebled because of the abolition of saver tickets. Like the hon. Member for Carshalton and Wallington, I hope that the Minister will give some reassurance about saver tickets and the ability to get walk-on fares.

I commend the hon. Member for Carshalton and Wallington on his recent report, which says that £10 of commuter spend on railways buys an average of 38 miles of rail traffic. In France, that would get triple that distance. In Slovakia, one would get 350 miles, and in Italy 200 miles. It is interesting that those on the commuter network in the south-east are paying above-average fares for a service that is at best overcrowded and at times completely unacceptable. I shall come back to the issue of overcrowding later.

As was illustrated earlier, the bidding war for franchises has meant that many train operating companies are accepting less subsidy. That would be fine for those paying ticket revenues to the Government if they got increased capacity or punctuality improvements. The Minister will be aware of one service not yet mentioned today: National Express, one of the franchises that took over services in the East Anglia region last year. It connects into the south-east. It is paying the £500 million back to the Government over 10 years out of ticket revenues. Will the Minister comment on representations that he has received from hon. Members, including the right hon. Member for Saffron Walden (Sir Alan Haselhurst), about the problems that the Government are having with that new franchise? The franchisee is saying that there is no money for increased capacity and that there will be no new rolling stock and no extra track capacity. That is particularly important in relation to commuter services in the eastern part of the south-east network, which include services into Cambridge and—perhaps more importantly for the development of the south-east—the fast train to Stansted.

Tom Brake: Is the hon. Gentleman surprised, as I am, that the Government have not considered allowing longer franchises, so that that additional investment can be secured?

Stephen Hammond: I thank the hon. Gentleman for making that point. He will have noted that I have only been in my position in the party for a month. However, I have already had representations from a number of franchise holders about that matter and the benefits that it would secure in rail traffic, particularly in terms of capacity.

Overcrowding, which has been mentioned by a number of hon. Members this morning, is a real feature and has risen dramatically. The number of people travelling on main commuter lines in and out of London, in excess of the recommended capacity, has risen more than 50 per cent. in the past eight years. The Association of Train Operating Companies has warned that the network will not be able to absorb the increase in passenger traffic. The 2 per cent. increase in capacity that is being suggested over a period to 2014 will not cater for the real issues of overcrowding. That has been recognised in the House. My hon. Friend the Member for Basingstoke (Mrs. Miller) asked about that last week in the House and the Secretary of State said:

"Additional capacity needs to be provided."—[*Official Report*, 17 January 2006; Vol. 441, c. 691.]

I wonder whether the Minister will give us some assurances when we get to the nub of the problem for rail services in the south-east. For instance, we all know that, in terms of capacity, there has been an upgrade to the electrical circuitry. However, much of the new rolling stock that has replaced the old slam-door stock has to run at less than full capacity because the power is not available to run them at full speed. Will the Minister talk a little bit about what further electrical upgrades he would expect from Network Rail?

[Stephen Hammond]

Hon. Members have already mentioned lengthening stations and the improvement to the throat at both Waterloo and Liverpool Street. We should be commissioning more rolling stock, rather than decreasing it. In the short time that I have been asked by the new leader of the Conservative party to consider rail services, it has been explained to me on more than one occasion that the Government have paid, in certain contracts, to decrease the size of trains rather than increase them. I should be interested to hear the Minister reassure us and say that we will see greater commissioning of rail stock.

To finish, I shall mention three things that will be crucial to the south-east and to improving the network services: first, the increase of local hub timetabling in the system to allow more local services; secondly, extending the East London line and upgrading Orbilink; and, thirdly, I think that everybody would be interested to hear some comments from the Minister about the delays to Thameslink and when we might see that work coming through.

I am aware of your strictures, Mr. Olner, and I should like to give the Minister plenty of time to respond so, on that note, I shall conclude.

10.43 am

The Minister of State, Department for Transport (Dr. Stephen Ladyman): The hon. Member for Wimbledon (Stephen Hammond) has indicated that he has just taken up his post and will be studying issues to do with the railway system in the coming weeks. Based on the tone of what he has said, I would advise him to study carefully the actions that were taken between 1979 and 1997, particularly the impact of the rail privatisation process. Those things are not unconnected to the difficulties that we now face on the railways.

Stephen Hammond: Will the Minister give way?

Dr. Ladyman: Let me make a little progress first.

I congratulate the hon. Member for Romsey (Sandra Gidley) on securing this debate and on some of the constructive comments she made. She did at least recognise that there have been significant improvements to rail services in the south-east. I shall deal in detail with some of the points that she raised.

The hon. Lady asked for a meeting with me, but I am not usually the Minister who deals with railway issues, so I am probably not the best Minister for her to meet. However, I will pass her request to the Under-Secretary of State for Transport, my hon. Friend the Member for Halton (Derek Twigg), who normally deals with such matters.

The hon. Member for Westbury (Dr. Murrison) also requested a meeting. I understand that my hon. Friend the Under-Secretary is due to write to him in the next day or two, offering that meeting, so he will get his opportunity to put his points directly.

Before I get into the detail of my speech, I shall deal with a number of general themes I detected in the debate, which was slightly wider ranging than I was expecting. My officials and I sat down the other day to try to work out what the scope of this debate would be so that we could prepare for it. We decided that, because the hon. Lady's constituency is in the south-east but is affected by the south-western franchise, we might need a slightly wider scope than one would normally work out for a debate on the south-east. However, in deciding what the scope of the debate would be, we did not get as far as Kettering and Leicestershire. Nevertheless, the debate has been interesting.

It has been interesting to hear some of the comments about capacity and overcrowding, which is a real problem that I will deal with in a moment. However, there was a contradictory theme in the debate, which was that many services around the south-east are running under capacity at the moment, yet everybody is adhering to them and wants them to continue. It does not seem to have occurred to hon. Members that, if they want to deal with problems of overcrowding and capacity issues, they will perhaps have to look at the resources going into services that are under-utilised. Sometimes we have to be prepared to take some difficult decisions and shift resources from under-utilised service into the ones where there are capacity problems.

Some of those difficult decisions have to be faced, although they are never easy and are always unpopular. Of course, Members of Parliament will always do their duty by their constituents and will say in debates that services that are vital to just one or two of their constituents have to continue. However, they should at least recognise that there is a contradiction. If we want resources to go where they can be most beneficial, sometimes we have to take some tough decisions.

I noticed another theme from several hon. Members. I did not hear any hon. Member talking about cutting services. I heard Members talking about fare increases, but I also heard a demand for more investment. The money for the railways can ultimately come from only two sources—fares or the taxpayer. The Government have no money of their own; they have only the taxpayer's money. If we cannot raise the money through fares, the subsidies have to be provided by the taxpayer. Sometimes there are justifications for subsidies, but let us at least recognise that they will have to go on the nation's tax bill, so they have to be introduced carefully and only when they can be thoroughly justified. Sometimes we will have to accept that fare increases will be necessary and will need to be above the level of inflation to get the investment into the railway system, which did not get investment for many years, and which Members from all parties have identified as necessary.

Sandra Gidley: I take the Minister's point, but will he respond to the point made by my hon. Friend the Member for Carshalton and Wallington (Tom Brake), which was that the length of the re-franchises is 10 years, which is not really an incentive to the train company to invest as much as they might, were the franchise to last longer?

Dr. Ladyman: First, the franchise process is not a vehicle for levering investment into the railway system. Secondly, I say to the hon. Lady and the hon. Member for Carshalton and Wallington (Tom Brake) that he raised that matter in respect of the integrated Kent franchise and suggested that the new franchise won by Govia is too short. Of course, a long franchise worked

so well last time, did it not? We had to fire Connex halfway through the process. The disaster that was Kent's railways was down to the fact that somebody was given a franchise for far too long, the franchise system did not lever investment or good management into the system and we ended up with a disaster that we had to deal with by throwing somebody out.

I believe that the Government have got it right on the franchise arrangements that have been put in place for Kent. I speak with some passion on this subject, because my constituency is in Kent and there are major benefits in the new franchise for my constituents. I believe that the franchise is long enough to get the investment needed. The company concerned believes that it has the basis for a productive franchise and for delivering certain increases in capacity that I shall talk about in a moment. As far as I am aware, it is not complaining about the length of the franchise at all. We also have the benefit of knowing that the franchise will be terminated early if the company does not meet its very tough punctuality targets. That franchise has been correctly judged. We should learn a few lessons from history and what has happened when we have given long franchises.

Tom Brake: The Minister said that we should learn the lessons of history. Presumably, the Government have learned lessons from the history of the Connex franchise, but he seems unclear about whether franchises are to allow for investment. He said that they were not, but literally in his next sentence said that the new integrated Kent franchise would allow for investment and tackle some of the capacity issues. Are franchises for investment or not?

Dr. Ladyman: My point is that, in accepting a franchise, a company knows the length of that franchise and its objectives on increased capacity, improved service and increased punctuality. The company makes its bid accordingly; it will have made its decision on how much investment can be levered into the system in the franchise period. The Government decide whether that will meet their objectives when they let the franchise. That is exactly what has happened in Kent.

I bring to Members' attention the fact that, after some difficult years, Britain's railways, in the south-east and nationally, have improved considerably. I am not saying that they are yet all we want them to be—of course they are not. No Member of Parliament with a constituency anywhere in the south-east of England, particularly in Kent, would dare suggest that. However, services have improved significantly.

During the last period for which information is available, a moving annual average of 85.7 per cent. of trains arrived on time. Performance levels are increasing all the time. Passenger numbers are growing significantly: 2005 saw the highest number of passenger journeys in 50 years. Last year, 1 billion journeys were made on the national railway network, an increase of 2.5 per cent. on the figure for 2004. Some £87 million a week is being invested and major improvements are being delivered as a result of that major investment.

The growth in demand for rail travel will continue to increase and there will be major problems, particularly in the south-east. However, that investment has given us 2,025 new vehicles that now operate on the network south of the Thames; they replace 1,700 slam-door coaches, at a cost of about £2 billion. My own constituency in Kent has only just seen the back of slam-door trains, which were first introduced in 1950.

In the final six months of last year, slam-door trains were replaced in constituency of the hon. Member for Romsey. She said that trains should be more appropriate for the lines on which they run rather than provide the fully air-conditioned services now used on some of her lines, but a fully air-conditioned modern railway coach is a damn sight better than those old slam-door trains with which many of our constituents were struggling not so long ago.

Some 40 per cent. of our national rolling stock is now new and we are, of course, still investing to try to increase capacity. More seats are to be provided as part of the new Thameslink-Great Northern franchise. Some 10,000 additional seats a day will be provided as part of the timetable and eight-car trains will be used across the peak-hour period. The Greater Western franchise will deliver a redesign of the high-speed train fleet and a new timetable to increase capacity on trains between London and Reading in the morning and evening peak periods, by 20 per cent. and 30 per cent. respectively. That is a significant increase in capacity. The integrated Kent franchise that we have talked about also involves a considerable increase in capacity. Such things are happening not only in the south-east but across the country.

Despite those record levels of investment, we recognise that capacity in the south-east remains an issue and that it will continue to be a problem. That brings me to some of the specific matters raised by the hon. Member for Romsey. She talked about the south-western train refranchising. That franchise is the next to be let in the south-east of England and it will certainly impact on her constituency. The franchise will combine two existing franchises—South West Trains and Island Line—both of which are currently owned by Stagecoach. During the 2004–05 financial year, South West Trains accounted for 15 per cent. of total passenger rail journeys, 11 per cent. of national fare box revenue and 11 per cent. of the 4.6 billion passenger km travelled on the rail network.

South West Trains operates 1,635 trains each week day with a fleet of 333 units, and the rolling stock has already seen considerable investment. The fleet of 91 inner suburban class 455 units is undergoing a major refurbishment programme, while a new fleet of 45 class 444 and 110 class 450 Desiro units have been successfully introduced during the past couple of years.

By contrast, Island Line, which carries more than 1 million passengers a year on 1938 former London underground rolling stock, receives fare box revenue of just £1 million. The new franchise is scheduled to start on 4 February next year, and five companies have pre-qualified to bid to run it.

The South West Trains consultation document that set out the proposed specification was issued on 7 November 2005. Department for Transport officials met with local authorities, passenger groups, regional bodies and industry stakeholders to discuss the proposals. The consultation period closed on 13 January this year, and the Department is considering the responses prior to finalising the specification on which the bidders will be asked to price their bids.

[Dr. Ladyman]

The new timetable introduced in December 2004 has already significantly improved performance; nine out of 10 of the trains now arrive on time, and significantly changing the timetable so soon was not deemed necessary. However, it was considered appropriate to review a number of services to the west of the franchise area. As hon. Members have mentioned, the review considered changes to the services on the Waterloo-Exeter route—specifically those going west of Exeter and to Bristol—the removal of the direct service between Reading and Brighton and a review of services in the Southampton area. I shall make sure that the comments made by Members about those services are passed to the team considering the consultation so that they will be taken into account as the way forward is determined.

The hon. Lady mentioned the Romsey-Totton service in particular. In its south-west mainline route utilisation strategy, Network Rail has identified Southampton as an area that creates significant delay to train operations. That is related to a number of factors, including the use of the station by four different passenger operators, a significant volume of freight traffic and the constraint of a two-track tunnel at the eastern end of the station. The proposed specification attempts to address those problems by improving train movements through Southampton Central station. That package of measures will improve performance, offer better journey opportunities and provide more frequent and faster journeys to south Hampshire and Dorset.

The proposals include the extension of the Waterloo-Southampton service to Bournemouth, the extension of the Waterloo-Poole service to Weymouth to provide a second train each hour, the acceleration of the existing service to Weymouth from Waterloo so that it is 10 minutes faster, and the provision of a regular and improved service between Brighton and Southampton.

To facilitate improvements to the Southampton area, the proposed specification has reduced the Romsey-Totton service so that it operates as a shuttle between Romsey and Eastleigh. The hon. Lady will be aware that the service between Romsey and Totton was introduced in May 2003, with the opening of the new station at Chandler's Ford. The service is currently supported by money from a rail passenger partnership scheme established by the Strategic Rail Authority, but that expires in April 2006. Discussions about continuing to support the service until the end of the franchise are in progress. On the consultation on the limitation of that service in the future, I shall make sure that the hon. Lady's comments are referred to the team considering those proposals.

Mr. Bill Olner (in the Chair): Order.

NHS Structure (Northern Greater Manchester)

11 am

Graham Stringer (Manchester, Blackley) (Lab): Sadly, today is an appropriate time to talk about the delivery of health services in north Manchester, given the information on the front page of *The Times* this morning about the unfortunate patients who were misdiagnosed by the radiology service in Trafford and north Manchester. I shall mention that briefly later.

North Manchester has some of the worst health statistics in the country, the most startling of which is that a male child born today in north Manchester has a life expectancy of 72.3 years, whereas a similar child born in east Dorset has a life expectancy of 80.8 years. For every 10 years that that boy from north Manchester lives, a boy born in east Dorset can expect to live an extra year.

Those statistics are from an extremely detailed and, in a sense, depressing publication called "Where Wealth means Health" by the Centre for Public Health at John Moores university. The report points out that there has been no real change over the past 10 years in the relative rates of good and bad health as they relate to class. Even though people at the bottom end have become healthier, they are still just as far behind people at the top end.

My constituency is among the top 10 in terms of the number of people claiming incapacity benefit and the level of heart disease, and the number of people suffering from cancer is also among the highest in the country. Consequently, the mortality and morbidity rates are very high. By quoting health statistics from different documents, I could probably fill the whole hour and a half with that depressing story, but I put those statistics to hon. Members simply to show how important it is to deliver health services as effectively and efficiently as possible in a poor area where people suffer from poor health.

Most of my area is covered by the Pennine Acute Hospitals NHS Trust, which consists of one headquarters and four hospitals—North Manchester general and the Bury, Oldham and Rochdale hospitals. It is the second largest trust in the country, employing more than 300 consultants and covering five primary care trust and five local authority areas. It is an unusual trust, and it was conceived and set up within the past four years in answer to a particular problem.

Services were being reconfigured in the wake of improved resources and of the child care problems in Bristol and the report that followed. It was recognised that a concentration of specialists needed to work in one place to ensure that health care standards were right and that services would have to be reconfigured. When the Pennine trust was being set up, however, there was a worry that many of those specialist services would end up in the centre of Manchester. It was thought—incorrectly, as I shall argue later—that the configuration of the hospitals at Oldham, Bury, Rochdale and north Manchester would allow those services to be organised rationally. That, then, is the background in terms of the quality of health and the delivery units for health care.

Like many hon. Members, I have had several meetings with patients, trade unions, doctors and administrators, and I was told that everything was not

well in the Pennine trust. However, things really came to a head last summer, when an extraordinary alliance was formed. The consultants passed a vote of no confidence in the whole management team. Although that was initiated by the discussions on the new consultant contracts, the consultants' resolution went much wider. The trade unions passed a similar resolution, which was initiated by a disagreement about car parking charges. Again, however, that was the spark, and the discontent and complaints went much wider.

The strategic health authority responded by asking Professor Alberti and Dr. Joan Durose to look into what was wrong in the Pennine Acute Hospitals NHS Trust. They interviewed about 1,500 people and talked to trade unions, the consultants and the administrators. After two months, on 17 October, they produced a report, which was given to the public on 1 November. It was a rather sad, critical analysis of poor administration, bad communications and low morale, and 25 recommendations were made at the end.

The human resources director and the medical director left, and that could have been it. The administrators—the management—said that they accepted all 25 recommendations, but several of my hon. Friends and I were again approached by medical staff and trade unions at the hospital, and we wanted to find out more. The report wanted the answers to three key questions, and so would any sensible person who looked at it. First, could the trust carry on with the personnel who remained after the human resources director and the medical director had left? Had there been sufficient changes? Had the right decisions been taken or was more needed? It became clear that the trade unions and many medical staff thought there should be greater changes.

Secondly, the Pennine trust is, as I said, the second largest NHS trust in the country. Were greater structural changes needed? Was it too big to be managed? Clearly, it had not been managed, but was one reason for that the fact that it was simply too big? As I said, it covers five local authorities, five PCTs and four hospitals.

Thirdly, there is the common-sense question—the first I was asked by journalists and the first thing that people living in north Manchester and patients want to know: are health services being delivered as effectively as they could be and are patients safe? When consultants say that they have no confidence in the management, we should all worry.

I read several times Professor Alberti and Joan Durose's good, well-balanced report, which does not go further on those points. I also took the trouble, as did other hon. Members, to go and talk to Professor Alberti, the trade unions and administrators all over the system to see whether enough was done with those recommendations, and whether there has been progress in the three months since the report was written. The one person to whom I have not spoken in the past week, since I found out that I had been fortunate enough to come up in the draw and secure this debate, but to whom I would like to speak, is the chief executive of the Pennine trust. Since he was appointed, I have had regular meetings with him and have found him to be a reasonable man to deal with, but my phone calls have not been returned in the past four days, so I do not have the value of his views on what I am going to say. However, I talked to virtually everybody else in the system in that time.

I return to the first point about personnel. Do we have the right balance now? Two senior members of the executive have left. Was that right? That is as far as the report goes. On page 6, Alberti and Durose say:

> "We believe that the Chair and Medical Director have not demonstrated their role as leaders . . . We note that the medical director has now left the Trust."

What conclusion would you, Mr. Olner, or any other reasonable person draw from those two sentences? I draw the conclusion that even though it is not written in black and white, Professor Alberti thought that the chairman should take the same decision as the medical director. I can think of no other way of interpreting that part of the report.

When I talked to the trade unions and the medical staff—I do not want to misrepresent matters and say that this is the formal view of the trade unions, the joint medical committee or any other professional body—I formed the view that they do not believe that it is possible for the trust to improve with the current chairman and chief executive in post. The trade unions and a consultant said to me, in effect, that it is all right for the director of human resources to go, but he was the chief executive's representative on earth. He was head-hunted and appointed by the chief executive, and his actions were under the direct control of the chief executive. It is unlikely that the communications and management style will change.

On the third point, a series of reviews is going on in the health service in north Manchester, as is the case elsewhere in the health service. Children's services are being reviewed, as are maternity and young people's services; major changes in configuration are being considered at the four hospitals; the primary care trust structure is being changed; and cancer services have been reviewed.

Any hon. Member knows that conclusions on the reorganisation of health services are not reached by any process that could be described as an exact science. Usually, everyone is well motivated and people want the best for the service, but the process involves an element of horse trading and the attitude that, "If Salford gets this, Tameside will have to get that." I am concerned that if a public report implies that the chairman and the chief executive of a large trust are not doing their jobs as well as they should, the people in the Pennine acute trust area whom I and other people represent will lose out in those discussions. I know that the Minister for Local Government, my hon. Friend the Member for Oldham, East and Saddleworth (Mr. Woolas), is concerned about the debate on whether a linear accelerator should be placed in Hope hospital in Salford or in Oldham. In such a debate, will the same confidence be placed in a management that has been so heavily and publicly criticised?

David Heyes (Ashton-under-Lyne) (Lab): The case was made strongly in terms of priorities that north-east Manchester is at the head of the queue regarding the need for improved cancer services. Does my hon. Friend agree that if there is a lack of confidence in the

[David Heyes]

management and leadership of the trust, questions will be raised about whether it should still be accorded that priority?

Graham Stringer: That is precisely the point that I am making. If difficult decisions are to be made and if there is weak leadership, as the Alberti report says, there is likely to be a different result—not necessarily a happy one for my hon. Friend who, like me, represents many people who need high-quality health care.

I will not go through all the reorganisations that are taking place, but the same is true for the reorganisation of children's services. There has been a ministerial commitment from this Government and the previous Conservative Government that secondary paediatrics will be moved from Booth Hall hospital, which is closing, to North Manchester general hospital. I want to be sure that the top management understand that and are in a position, when difficult decisions have to be made, to ensure that that commitment is honoured.

I did not enjoy making those comments. As I said, I have had no personal difficulties with the chairman or the chief executive of the trust, but I think that the report and the issues speak for themselves. As one administrator said to me, "If somebody wrote a report like that about me, I would want to move quietly on to another part of the health service and leave it." I do not wish either of those people ill, but it is clear that they have failed in this case and need to move on.

The second issue is structure. Again, the Alberti report does not say as a recommendation that structure is a problem, but if one reads the report it does suggest that. It says that the remoteness of the four hospital sites from each other has been a problem in their communication and management, and that the geographical problems have been mirrored by emotional problems. To put it another way, people have been emotionally committed to, say, North Manchester general or the Royal Oldham hospital, but there has been neither the site management at that hospital nor the integrated management throughout the Pennine acute trust to make them believe that those hospitals are part of the same organisation. That has led to demoralisation.

When I have gone to those hospitals, as either a visitor or a Member of Parliament, or when members of staff have come to my advice bureau, I have found that people all believe that their hospital will close in favour of the other three. That is clearly nonsense, but it is a measure of the poor communications and management structure across the five sites. There is a fundamental problem, and it would have been difficult to make the five sites work, even with the best administrators in the world.

It is worth quickly going through the rest of the Government's policies for the delivery of health services in Manchester. PCTs are being organised on the basis of local authority boundaries, which means that there is a proposal to put the three PCTs in Manchester into one; the mental health services have been reorganised into one trust across the city of Manchester; and the local authorities have been given a monitoring role in the health service. It would be sensible to follow that line of argument and move North Manchester general hospital to the city of Manchester, either into Central Manchester and Manchester Children's University Hospitals NHS Trust, with Manchester royal infirmary and the children's hospital, or into a trust of its own. I realise that there would be problems in doing that immediately—although there is some urgency about the matter—as well as administrative difficulties, but I do not believe that the Pennine acute trust will ever work given its current structure.

Mr. Stephen O'Brien (Eddisbury) (Con): I have listened to the hon. Gentleman's argument with great interest and care, and he makes his case extraordinarily well. He mentioned the reconfiguration of PCTs—along county boundaries, for instance—which in almost all cases will make them much larger, yet earlier he made a powerful point about the Pennine acute trust being simply too big—indeed, it is one of the largest trusts. Does he draw the conclusion that, in fact, the bigger and more centralised such organisations become, the less responsive they are to local patient need, and that perhaps there ought to be a review of their restructuring into bigger configurations rather than smaller ones?

Graham Stringer: The hon. Gentleman makes a good point. Size is an issue, but so is complexity. The Pennine trust, on five sites, is the second largest in the country; it is too big and too complex. My guess is that if it was scored for size and complexity, it would score higher than any other in the country.

The hon. Gentleman knows, because I think that in another life he was an accountant—

Mr. O'Brien: Business man.

Graham Stringer: The hon. Gentleman knows that there is always a balance to be struck between economies of scale and complexity. The case that I was making for North Manchester general hospital was for it either to be a stand-alone trust, in which case all the size problems would be solved, or to go into Central Manchester trust. That would be a large trust indeed, but it would be lined up with the PCT and the local authority, in terms of accountability and the normal patterns of travel in the area.

When the Pennine acute trust was set up, patients did not have the choice that the Government have given them in the past few weeks to go to one of four hospitals. I would say to the Under-Secretary of State for Health, my hon. Friend the Member for Don Valley (Caroline Flint), that, given a choice, people in north Manchester are much more likely to go into central or north Manchester than to travel to Oldham, Rochdale or Bury.

I make no point about any of those hospitals, but those are the travel patterns of people in north Manchester. That will make the reconfiguration of services around those four hospitals very difficult. If one set of services was introduced in Rochdale, for instance, and people had the choice of going to Manchester royal infirmary in the centre, where the services were replicated, I have no doubt that 99 out of 100 people in north Manchester would travel in to the centre, not outward. Those are the reasons why the structure is not right.

On safety and the delivery of services, again, Professor Alberti said that patients were not put at risk. However, the report says:

"We looked for clear evidence of systems and processes that would provide assurance to management about clinical quality",

but continued that

"our review did not provide us with the time to be confident that clinical governance is robust throughout the Trust . . . There is enough evidence to suggest that careful attention to clinical governance is needed in some areas."

That is worrying.

I do not intend to delay hon. Members by discussing all the people who come to my advice bureau to tell me about the problems they face when they go to hospitals. All hon. Members have such cases because, as anyone who watches "ER" or "Casualty" would know, clinicians are not all saints and hospitals are not all perfect. The real question for the Pennine trust is whether its structure and that of the management mean that services are not delivered as well as they might be.

A lady from the constituency of my hon. Friend the Member for Heywood and Middleton (Jim Dobbin) came to my advice bureau to say that she desperately wanted the Pennine trust to be broken up, because she had received terrible services in one hospital. She had watched a patient not being fed, who later died, and the conditions were unhygienic. That may be so, but I cannot show a direct relationship between the structure of the trust and the management in that case. There may be, just as there may be a relationship—I do not know—between the tragic cases of those women who, according to *The Times* today, were diagnosed by a radiologist as being clear of breast cancer when they were not clear. However, where there are problems such as those that the trade unions and consultants exposed in the Alberti report, one has to worry about those processes more intensely than normal.

There is a further stage of concern. A constituent came to my advice bureau and said that, as she was recovering from a gynaecological operation, the surgeon had said to her, "I have had to hack about a bit because the laser that would normally have done the work accurately has been transferred to Oldham." That is a cause for concern. I am still waiting for the chief executive from the Pennine trust to reply to me on that point, but this begins to look like a structural problem.

More directly, talking to consultants, they have told me—there is nothing wrong, and I do not want the Conservatives to get excited—that, quite normally, there are two waiting lists, one active and one clinical. The active waiting list is the one we usually talk about; the clinical is the one for people coming in for return check-ups, such as coloscopies or other invasive treatments. They are two separate lists, but a consultant told me he believed that administrators were interfering between those two lists without consulting clinicians. That is not acceptable and is evidence that people are being treated according to administrators' interference rather than the decisions of clinicians.

Another point was made strongly to me: within the system of waiting lists and timing, there is no administrative system—even though clinicians have asked for it—to determine whether there is only one surgeon in the whole of Greater Manchester capable of carrying out a particular procedure. So, people are left on waiting lists. They are sent to the PCT and then on to the private, independent treatment centre in Trafford, where it is found that the expertise required does not exist there, so they have to come back. That is poor administration.

I come to my final point on the quality of services delivered and, potentially, the safety of patients. There is a nationwide shortage of pathologists, but I was informed that a pathologist was not appointed, although he was medically suitable, because the administrators refused to sign the contract. If there are positives instead of negatives in the pathology laboratory, or negatives instead of positives, people's lives are at risk.

In bringing my remarks to a conclusion, I hope that I have been able to show that the Alberti report amounts to more than its simple conclusions. Underlying the report, there was a view within the health establishment and the strategic health authority in Greater Manchester that more change would be damaging to the service. I understand that view—it is not unreasonable—but we must consider the evidence to weigh up whether more change would give better delivery of services, as opposed to change that can be shown to be in line with the rest of Government policy.

I also believe that there was a view—it would not surprise me if any administrator had this view—that trade unions and consultants, even in an unprecedented, revolutionary partnership, should not be able to sack administrators. I hope that I have shown that while the conclusions of the Alberti report do not suggest moving people on, the detail quite clearly suggests doing just that.

No one in north Manchester is under any illusion: health services have to change and improve. In my constituency, a number of hospitals have closed during the past 20 years. Monsall isolation hospital, Ancoats hospital just outside the constituency and the Northern hospital have all closed, and Booth Hall hospital for children is to close in 2009—a decision taken in the dying days of the last Conservative Government.

People recognise that there is a need to change, but the Government also need to ensure that there is support for those changes. Rearranging children's services, maternity services and cancer services causes people with relatives who have needed that care to worry. If there is no public support for the changes, they will be more difficult to achieve. From a political point of view, as well as from a patient-care point of view, I want people to recognise this Government's commitment to putting resources into the health service and making those resources work. I do not want the public to feel so alienated from the services that they think that those extra resources are wasted or being used in the wrong place.

If the structure of the Pennine Acute Hospitals NHS Trust continues as it is, I worry that it will be an inhibitor to the reorganisation and reconfiguration of those services. I worry that if the management continues as it is, neither consultants nor other staff will give it their support. Having listed some problems that I have been told about, I must say that it is a tribute to all staff that the service has continued at such a high level, but I believe—it is impossible to read the reports without thinking this—that the level could have been higher if the administration and the structures had been different.

[Graham Stringer]

I hope that my hon. Friend the Minister will respond positively and consider these issues, which relate to the future and the best configuration of health services for one of the poorest populations in the UK and, indeed, in western Europe.

Several hon. Members *rose—*

Mr. Bill Olner (in the Chair): Order. There are three Members standing, all in a line. I hope that I can call them all, but the time restriction is that I want to start the Opposition Front-Bench spokesmen's winding-up speeches just before 12 o'clock. If hon. Members can limit their speeches to that time scale, they will all be able to speak.

11.37 am

Jim Dobbin (Heywood and Middleton) (Lab/Co-op): I congratulate my hon. Friend the Member for Manchester, Blackley (Graham Stringer) on securing what Members of Parliament who are affected by the Pennine Acute Hospitals NHS Trust and the reorganisations that have taken place will feel is an important debate on a sensitive subject. I want to declare an interest: I worked at the Royal Oldham hospital, which is part of the trust, for more than 22 years and I was also a member of a former Rochdale health authority for a number of years, so I know many of the people who are involved in the reorganisation.

I would probably start from a slightly different stance from my hon. Friend. We have discussed the problems that have arisen because of the reorganisation and we each understand where the other is coming from. When a massive reorganisation takes place—I am talking about the creation of the very large trust, with mergers within primary care trusts, and all the other reorganisations that are taking place in the health service—and the same people manage the whole process, it causes huge problems. Some thought must be given to that issue.

When the Pennine Acute Hospitals NHS Trust was set up, I agreed with the move for the reasons that my hon. Friend has given. In other words, there was a fear of marginalisation if it became part of a much larger Manchester trust. My constituency does not have a hospital, but it is surrounded by four of the hospitals that make up the trust: the Royal Oldham hospital, North Manchester hospital, Fairfield general hospital in Bury and Rochdale infirmary. My constituents go to whichever hospital they are geographically close to.

I understand where my hon. Friend is coming from with his concerns about the structure of the trust. My view is that there has basically been a management failure—a management problem—and had that been tackled correctly when the trust was set up, perhaps many of the problems might not have arisen. It is the second largest trust in the country, but its structure suits my constituency and my constituents fairly well in terms of access. However, there have been very serious management problems there. The biggest part of those problems was the lack of communication, and a failure to set up systems on the four sites that could relate to the centre.

We made the point in the early days that that was essential because of the massive change that was taking place. There was no real leadership, and staff on the four sites had no clue about whom they were accountable and responsible to. There was a failure to make the presence at the centre of the four sites felt. I see that as the major problem.

A huge reconfiguration is taking place, which is being managed by one of the primary care trusts. It is being led by my PCT in Heywood and Middleton, which is due to merge with Rochdale. That reconfiguration is itself causing huge problems because of the lack of communication. Once the consultation process starts, there will be big improvements, and we have recently had discussions about that. However, the confusion created by the way in which the acute trust has been managed has caused concern at the public level and serious insecurity problems at the staff level on the four sites. That has led to the meetings that have been described and the votes of no confidence expressed. It is extremely serious.

With my experience in the health services, I have seen many reorganisations, which have led me to think that some groups of professionals are not innocent. There has been some territorial protection in the system, and we are beginning to see some of that emerge in certain hospitals because of the reconfiguration that is taking place. That has not helped, and the message that must go out is that no change is not an option. The consultation process must be improved, and as far as the management of the Pennine acute trust is concerned, I am not sure whether a change of leadership is the best move. However, it must be considered, and the emphasis that the Alberti report put on better communications and stronger links between the centre and the four sites is the way ahead, and that is what I would advocate.

11.43 am

David Heyes (Ashton-under-Lyne) (Lab): I start by congratulating my hon. Friend the Member for Manchester, Blackley (Graham Stringer) on securing this important and timely debate, which is of such significance to my constituents in Oldham as well as to people in north Manchester, Rochdale and Bury. He has given the context and a good overview of the health issues in his constituency. Sadly, those in my constituency are little better in many respects.

It would be wrong to start without putting on record an acknowledgement of the improvements that the Government have brought about across the board in health services in the north-east and Greater Manchester, the area served by the Pennine acute trust. The extra investment put in year on year has had an impact on health prospects and outcomes for the 800,000 people served by the trust. However, the creation of the Pennine acute trust—the shotgun marriage of Bury, Rochdale, Oldham, and North Manchester about four years ago—was not a happy event. The hospitals across the sub-region did not, and still do not, sit comfortably together. The trust, which, as we have heard, is the second largest in the country, just seemed too big, unwieldy, and challenging to manage and lead effectively.

It is often felt that little progress has been made during the past four years to reshape the trust into a more manageable configuration. However, at long last,

just over a week ago, we saw the launch of the public consultation exercise, to which my hon. Friend the Member for Heywood and Middleton (Jim Dobbin) referred, on proposals for the reconfiguration of services, including hospital-based services in the north-east and Greater Manchester. The document is entitled "Healthy Futures", but it is remarkably silent on the pretty unhealthy recent past. During the past couple of years, it became increasingly clear that things were not going well at the top of the Pennine acute trust. Relationships between managers, doctors and trade unions were far from healthy, as evidenced last summer by the virtually unanimous vote of no confidence in the trust's top management team, to which my hon. Friend the Member for Manchester, Blackley referred.

Against that worrying background, and like my hon. Friends, I welcomed the review carried out by Professor Alberti and Dr. Durose. The publication of their report in late October last year was keenly anticipated and, when it came out, the report was frank and hard-hitting. Alberti and Durose found deep-seated and long-established problems, many of which could be traced back to the time when the trust was established. Although they choose their words with care, the report is particularly critical of the top-level leadership at the trust. My hon. Friend the Member for Manchester, Blackley has already quoted the passage that states:

"We believe that the Chair and Medical Director have not demonstrated their role as leaders."

The report goes on to say that the chief executive's style of leadership

"has caused difficulties with some parts of the Trust. This style could usefully be modified."

The report homes in on the role of the chair and non-executive directors, saying that they need to exercise

"greater influence on the executive team as a whole".

Tellingly, the report continues:

"Whether the Chair and all the non-executive directors feel able to do this is uncertain but given recent events we believe it will be very difficult."

An important message to emerge from the Alberti-Durose report—I have to acknowledge that generally this matches my own perception—is that the quality of patient care at the trust's hospitals did not suffer too greatly during the difficult period when the trust's senior management came under such serious criticism from the staff. As my hon. Friend the Member for Manchester, Blackley said, that is not to say that there have been no problems but, to the extent that it is true, it speaks well of the dedication, competence and public service ethos among the middle managers, consultants and medical staff, and backroom and front-line workers at the hospitals—the phrase "lions led by donkeys" comes to mind.

The current position is that the medical director has gone, but the chair, non-executive directors and chief executive are still in post. I hope that they are working to carry through the action plan called for by Alberti and Durose to implement the 25 far-reaching recommendations in their report. Soon, the chair, non-executive directors and chief executive will face the immensely challenging job of carrying through the trust reconfiguration process, which will be determined in the light of the consultation outcomes.

I hope that lessons will have been learned, changes in style effected, leadership issues addressed and communication links put in place, so that we can look forward optimistically. However, it could still be the case that the core problem has simply not been addressed. Even with a dramatic turnaround that sees the adoption of the best management practices and with inspirational leadership, the trust might be just too big, too cumbersome and too unbalanced ever to be capable of delivering the changes necessary to produce the quality of service that our constituents deserve.

Alberti and Durose conclude that

"it would be unhelpful at this time to reverse the size and core structure of the Trust."

Their recommendations concentrate instead on strengthening site management and on devolution of operational decisions to divisions, with the chief executive and executive directors cast in the role of arbitrators. I hope that Alberti and Durose turn out to be right in declining to add to the complexities of the reconfiguration process. The public consultation, which is under way, is built on the same premise. The consultation document, the video presentations, the publicity bus that will tour the area—none of that envisages anything other than retaining the present hospital grouping. The option of cutting the size of the trust's geographical area to a more manageable scale is not on the agenda.

The immediate future promises much-needed expansion in community-based care and treatment, with 35 new health centres throughout our area taking on significant areas of work that would previously have required someone to make a hospital visit as an out-patient or in-patient. All that implies a difficult period ahead for our hospitals as they have to adapt to the new environment and carry through the huge organisational changes that are necessary. Based on their track record, it is difficult to be optimistic about the ability of the present leadership to make a success of that.

Paul Rowen (Rochdale) (LD): What does the hon. Gentleman think the solution ought to have been following the publication of Professor Alberti's report?

David Heyes: With respect to the hon. Gentleman, if he had been present earlier, he would have heard my views and those of my hon. Friends about the matter. The lesson for the hon. Gentleman is to try a bit harder to get to the debate.

One question remains unaddressed: given the scale and complexity of the trust, would any hospital management team—no matter how skilled and experienced—be capable of delivering the changes and improvements that our constituents rightly expect?

11.50 am

Mr. David Chaytor (Bury, North) (Lab): I congratulate my hon. Friend the Member for Manchester, Blackley (Graham Stringer) on securing the debate. I am sure that my hon. Friend the Minister appreciates the strength of feeling among all local Members about the issues related to the difficulties in the Pennine Acute Hospitals NHS Trust. Labour Members have discussed the matter at length. The four of us present met Professor Alberti to discuss the report, and we met staff representatives throughout the trust to discuss these issues.

[Mr. David Chaytor]

I speak as someone who was born in one of the four major hospitals in the trust. During the past 18 months, I have made 28 visits to those four hospitals in my roles as a Member, as a patient, and as a relative of a patient who needed treatment. I am familiar not only with the hospital in my constituency, Fairfield hospital, but with the other three major hospitals in the trust.

I have carefully considered the issues, especially during the past 18 months, and I do not entirely agree with my hon. Friend's conclusions. We have discussed them together, and I am happy for him to press the argument; however, I do not completely agree with him. He makes an important point about the text of the Alberti report, particularly its hidden meaning when it refers to the way in which the chair and the chief executive should respond to the report. Having said that, from my personal dealings with the chair and the chief executive, I have nothing but praise for the courtesy and efficiency with which they have responded to my requests for information, or, on many occasions, my complaints about certain aspects of the trust's operation during their term of office and mine.

I want to put aside the question about the current leadership and concentrate on the other issue that my hon. Friend raised: the structural issue about the size and location of hospitals in the trust. I do not believe as a matter of principle that a trust of this size is unmanageable, nor that a trust spread across so many hospitals is unmanageable. I accept that the trust is very large. It is the second largest non-teaching hospital trust in the country, but one has to be the largest and another has to be the second largest, so that in itself cannot be an argument for inevitable change.

Many difficulties that have led to disputes between staff and management during the past few months have been due to the size of and inadequate attention to site management on each of the four main sites. That in itself is not an insoluble problem. However, where the trust may have a problem with size is due to the fact that its hospitals carry out too many basic NHS functions, with not enough being devolved to primary care. That problem is being dealt with by the "Healthy Futures" consultation.

We can confidently expect significant devolution to what I understand is to be 35 newly developed and refurbished primary care centres throughout north-east Manchester. I fully support that process of devolution to primary care. When the balance between what is carried out in primary care and what is carried out in secondary care is better achieved as a result of the process, many issues concerning the overall size of the trust may be resolved.

There is great controversy about some aspects of the proposals in the consultation on the reconfiguration within the acute trust and the consultation on the wider issue of children and maternity services throughout Greater Manchester. Now is not the time to get into the merits of that debate, so another Adjournment debate may be needed to explore fully the controversial aspects of those decisions. My hon. Friend was right to say that no one is arguing against change. We all accept that the status quo with the large concentration of acute hospitals within a small geographical area cannot continue. The news from Manchester this morning about cancer care has highlighted the importance of the concentration of specialist expertise in certain specialisms on particular sites. However, the precise location and on which sites services need to be will be debated in great detail during the next few weeks.

My hon. Friend has raised a crucial issue about health care in north-east Manchester, Miss Begg—Mr. Oliver has disappeared. It has implications for health care in the centre of the city, too. I am not convinced that his argument that the Alberti report leads inevitably to a demand for structural change or a taking out of the North Manchester General hospital into the Central Manchester Healthcare NHS Trust is the case. I note that Professor Alberti and Dr. Durose state specifically in their report that they

"feel it would be unhelpful at this time to reverse the size and core structure of the Trust."

They said "at this time", and that is an important qualification. Nor do I consider that the problems should lead inevitably to the immediate resignation of the chair or the chief executive, but whether that team can carry through the necessary changes and improvements remains an open question.

Although I do not agree fully with my hon. Friend's conclusions, he has raised an important issue. My hon. Friend the Minister would be well advised to give careful consideration to it and explore all the implications both of the capacity of the current management team and the future configuration of the trust.

11.58 am

Stephen Williams (Bristol, West) (LD): Good morning, Miss Begg. Welcome to the Chair. I congratulate the hon. Member for Manchester, Blackley (Graham Stringer) on securing the debate. He started with a wide-ranging and detailed speech about services in his constituency and throughout Manchester. He described his constituency as an area of social deprivation and drew a contrast between that and Dorset, which was perhaps the most extreme case that he could come up with for differences in life expectancy. Although he drew on an extreme example, such differences in life expectancy can often be found within much narrower areas. I do not claim to know Greater Manchester that well, but I know that it has some extremely prosperous areas as well as extremely poor areas. That is certainly the case in my city of Bristol.

The hon. Gentleman said that his constituency was an area with a high intake of incapacity benefit. Indeed, I read that in a table published yesterday in the newspapers. I empathise with such statistics because, although I represent a prosperous and well-educated city in the south of England, I grew up in the south Wales valleys and I know from childhood and early adult experience about poverty and despair and what effects that they can have on ill health and outcomes. The Minister, whom I often encounter at meetings, often points to the link between ill-health and poverty and the fact that one reinforces the other, and she will perhaps speak about that later. However, despite the Government's squirting billions of pounds into the national health service over the past eight and a half years, many pressing problems still need to be considered, most notably in the Manchester area, and that is the topic of this debate.

Labour Members have referred several times to the Pennine Acute Hospitals NHS Trust, which covers north Manchester, Bury, Oldham and Rochdale. My hon. Friend the Member for Rochdale (Paul Rowen) was telling me this morning about the report produced by Professor George Alberti, and he had intended to speak about it in greater depth, but he was detained further along the corridor in a Committee scrutinising a statutory instrument, so we were unable to hear him make his remarks at length.

Paul Rowen: Does my hon. Friend not agree that Professor Alberti's report, which makes 25 detailed recommendations and is very damning of the Pennine trust's management, leads to the conclusion that the hon. Member for Manchester, Blackley (Graham Stringer) reached in my absence that the trust is perhaps too big to be managed efficiently? As an alternative, the Minister should perhaps look at some form of reconfiguration, given that north Manchester might fit in more sensibly with the other Manchester hospitals.

Stephen Williams: I thank my hon. Friend for his point, which was certainly made earlier. The hon. Member for Manchester, Blackley referred to the trust's size and complexity, and the hon. Member for Eddisbury (Mr. O'Brien), speaking from the Conservative Front Bench, alluded to fact that the size of NHS trusts sometimes contributes to such problems. So those points have been well made.

The NHS is in a time of great change and upheaval as a result of Government reforms. In a letter in *The Guardian* this morning, the Secretary of State for Health says that she intends

"to publish a manual to help managers"

understand what is going on in the NHS. She outlines three main challenges. The first is

"to deliver improvements for patients",

the second is to

"implement the government's reform agenda"

and the third is to "achieve financial balance". I am sure that we can all agree with the first and third of those objectives, but the second is perhaps contributing to some of the problems.

Just before the Christmas recess, I read a letter from Chris Ham in *The Times*. As the Minister may know, he worked in the Department of Health, and I believe that he was the director of its strategy unit until June last year. He said that the Government were at risk of unleashing a wave of "creative destruction" on the NHS through their mania for reform and change. That pattern is, of course, reflected throughout the country, not only in Greater Manchester. Representatives from throughout the country will share concerns about the restructuring of primary care trusts, the reorganisation of services, the impact of deficits and—this has perhaps not been mentioned—the impact of central targets on local clinical needs.

The Government often say that part of their solution to these problems is an enthusiasm for the market and the private sector, and that might be an appropriate response in some cases, but the impact of a private treatment centre in Greater Manchester—again, I do not think that this has been mentioned—has been to increase the deficit. The centre serves the 14 existing PCTs in Greater Manchester and has cost them £2 million over six months due to lack of use. The centre's contract allowed for up to 7,000 patients to be treated in a full year, but it has seen just over 1,400 in its first six months.

The NHS structure is going through constant change. The 14 PCTs in Greater Manchester will be reconfigured down to 10 so that they match local authority boundaries. I can tell hon. Members from a west country perspective that we wish that that were the case in our part of the world, where the PCTs have been made bigger so that they cross local authority boundaries, despite representations from all Members Parliament and all local unitary authorities in the former Avon area.

Liberal Democrats believe that local control and accountability of health care is the answer. I repeat the phrase used by the hon. Member for Manchester, Blackley: he referred to the size and complexity of local NHS trusts. When I first became a Member and went around meeting the various NHS organisations in the area, I could desperately have done with some sort of pictogram showing the structure of NHS services in the Greater Bristol area; it is amazingly complex. We need local, democratic control and accountability of our health care system. If there is to be major reform, that is the direction in which we need to go; that would be better than constantly reconstructing unaccountable trusts and management structures.

If democratically accountable local people take an interest in, and set priorities and local targets for, health care, the life chances of people in deprived parts of Greater Manchester, and in other cities and counties, will be transformed.

12.6 pm

Mr. Stephen O'Brien (Eddisbury) (Con): It is a pleasure to be under your chairmanship, Miss Begg, at least for the second innings of this debate. I congratulate the hon. Member for Manchester, Blackley (Graham Stringer) on securing this important and timely debate.

I shall consider the wider causes of some of the difficulties in the Pennine Acute Hospitals NHS Trust, and focus on the concomitant problems with which it has to contend. As the hon. Gentleman rightly said, this debate comes on a day when we read about a seriously unfortunate incident, in which patients in Trafford and north Manchester were mistreated and misdirected as to what might be a problem for them. As a fellow north-western Member of Parliament, I certainly share that concern; no doubt some of my constituents have been treated in those hospitals. The debate also comes a day after the Healthcare Commission's devastating report on the Mid Cheshire Hospitals NHS Trust in light of the serious failings and mismanagement of that trust that followed on from the Barbara Salisbury murder conviction.

In many ways, in a debate of this type there is difficulty in judging what it is appropriate to air in this Parliament, and what a Minister is accountable for. There has to be a certain division between what is going on locally and what a Parliament and Government truly have responsibility for. The hon. Member for Manchester, Blackley outlined that concern effectively

[Mr. Stephen O'Brien]

and with some sensitivity, given some of the issues that he raised. It may be inappropriate for the Opposition spokesman to indulge too much in responding to some of those issues; that is properly a matter for the Minister, so I shall confine my remarks somewhat and shall deal with some of the underlying structures, rather than the people issues, as is appropriate.

I have certainly read the Alberti and Durose report; the obvious answer is swiftly to monitor the implementation of the 25 action points, and indeed any points that develop as a result of those being put in place. As we have seen, over the past few weeks pressure has been mounting on the Secretary of State, who is overseeing a state of tension, anxiety and even confusion in the NHS; that is because there is continual fiddling with structures, and a harrying of trusts over redesigning them yet again and over whether they should exist, rather than over what they actually do.

The Secretary of State and her Ministers are suffering sustained incoming fire from all quarters—from those on the Conservative Benches, from their own Back Benchers, and certainly from the media, health experts and Select Committees. No doubt there may be gratitude that the Secretary of State for Education and Skills has taken the focus off them in recent weeks. It is important that the accountability of Government is clear, and that structures have real, intended consequences—quite apart from unintended consequences—on local patient service delivery, because that affects the behaviour and the management of the trusts. Even now, with last week's revelations of a cash-flow crisis in the NHS, the Secretary of State and her Ministers have this blind spot for acknowledging the cuts in front-line services that they have made inevitable.

I welcome this debate, which provides an opportunity for us to give the Minister a little insight into some of the problems in the NHS brought about by the need to cut costs, not least, as has been so capably highlighted by the hon. Member for Manchester, Blackley and his three neighbouring colleagues, the hon. Members for Ashton-under-Lyne (David Heyes), for Heywood and Middleton (Jim Dobbin) and for Bury, North (Mr. Chaytor), in respect of the Pennine Acute Hospitals NHS Trust.

In spite of all the grand rhetoric of Ministers, who claim that no patient services will suffer in northern greater Manchester, the proposed scrapping of accident and emergency at the Rochdale infirmary is almost a foregone conclusion in the consultation. I note that the hon. Member for Rochdale (Paul Rowen) is in his place—or almost. Of course, all is done in the name of efficiency; but that is efficiency for Whitehall, not for local patients.

Saving some administrative costs by ever-increasing centralisation, as is happening with the conflation of PCTs, which is encouraged and targeted by the Government, does not even begin to count the real cost to the users or the staff in the NHS. One would argue that that is so, not least in areas of what were described as serious health deprivation, let alone socioeconomic deprivation, in respect of patients and residents in such areas.

The Audit Commission study, "Quicker treatment closer to home" points out that patients are better treated

"by the most appropriate healthcare professional in the most appropriate location."

That is such an obvious truism that it makes one wonder why it took the Audit Commission to state it. The drive of the restructuring plan is to centralise, thus, inevitably, there will be cuts to services.

Paul Rowen: Does the hon. Gentleman not agree that the real reason why we are faced with this centralisation—he mentioned the closure of Rochdale's accident and emergency department—is because of staffing costs, which have gone through the roof, and structures, and that we are not getting the improvements in patient care that we ought to have expected, given the level of resources?

Mr. O'Brien: I am grateful to the hon. Gentleman for raising that interesting point. He and I debated the subject just over a week ago with some unity, versus the Government Back-Bench representative, on the most recent incarnation of the Granada political programme, "Party People". This was precisely the area that was covered, including the reference to the Pennine Acute Hospitals NHS Trust.

There is no doubt that the question in everybody's mind is, "Where has all the money gone?" No doubt, the Minister will be aware of this sustained attack on her and her colleagues in Government. When each Member of Parliament is looking for the demonstrable improvement in health services at patient level, the thing that comes through most regularly in our advice surgeries, bureaux, or clinics, or whatever we call them, is that there is no feeling that people have recognised the uplift that should have come through from the acknowledged increase in the funds available.

Mr. Chaytor: In response to the hon. Gentleman's question, "Where has all the money gone?", I can assure him that the overwhelming majority of my constituents recognise an immeasurable improvement in the local national health service since 1997. Whether it is in respect of the speed or quality of treatment, there is immeasurable improvement.

May I ask the hon. Gentleman a question? I said earlier that nobody I have heard locally is arguing for the status quo in this reconfiguration. The debate is about the location of sites and choice of specialisms. Is the hon. Gentleman arguing that there should be no reconfiguration in north-east Manchester?

Mr. O'Brien: I am certainly not arguing for that. I am happy to be asked that question and to answer it, albeit that the Government are accountable in this area. It would be highly presumptuous of me to make decisions about an area about which I do not have the closest knowledge. Certainly, at a national level the structural issue is both fair and important. The Government are driving the targets and designing the architecture within which trusts have to operate. It seems to me that the root cause of the problem that led to today's debate is that it was always misconceived—indeed, I remember the warnings that came from Labour Members—that the

Pennine Acute Hospitals NHS trust should be configured as it is. I recognise that in all these cases there will not be a uniform view and that it will therefore become a balance of argument and judgment.

My constituency is very different from that of the hon. Member for Bury, North. We have a much sparser population, which is spread over rural, hard-to-reach areas, where there are enormous pockets of social and economic deprivation, despite a perception that it is all rather leafy and wealthy. There seems to be something of a postcode lottery as to whether constituents feel that they have received the funds that have gone into health services. I am not getting the same glowing refrain through my surgery door as the hon. Gentleman apparently is about the NHS and its patient service delivery.

The drive of the restructuring plan put forward today regarding what is going on in northern Greater Manchester, which looks like the centralising of services, would inevitably result in longer response times and make it harder for friends and relatives to visit in-patients, especially when the difficulty of travel through urban communities—it is bad enough in rural areas—is taken into account. Journeys may look geographically simple on a map, but travel times are often longer in urban areas because of congestion and the difficulties of patterns of travel, which the hon. Member for Manchester, Blackley and others mentioned. Clearly, the appropriate location is surely the most accessible one.

I return briefly to Rochdale, which could lose its accident and emergency department and become a locality hospital—

Jim Dobbin: It is not my information that the A and E will close in Rochdale. Eighty per cent. of the cases that would normally go to A and Es will still be treated there. I ask the Minister to clarify that point. There is some political opportunism in this debate.

Mr. O'Brien: This is a fair opportunity to raise such issues, although it may not suit Labour Back Benchers to hear that sometimes it is not all rosy in the garden. Whether it is the whole A and E department or just the emergency and immediate services that are to be affected, we must consider carefully what is intended. That is why it is quite proper to raise these issues of accountability with a Minister present. If it is to become a locality hospital—

Jim Dobbin: Will the hon. Gentleman give way?

Mr. O'Brien: I am running out of time. Having given everyone an opportunity to intervene, I need to move things on.

The Best for Health website optimistically describes a locality hospital as one that is

"larger than a . . . community hospital, but smaller than a . . . general hospital."

On closer inspection, we see that a locality hospital provides outside routine procedures as an urgent care centre—little more than basic first aid—and

"out-of-hours services, dental services, mental health services, social care services and voluntary services."

That would not be very reassuring with a serious A and E case. More worryingly, as we watch the Government's attempts to close or make cuts in at least 90 community hospitals out of the 323 in the country, how long would it be before the dispersed locality hospital, if that is what Rochdale is to become, is deemed no longer to be a worthwhile use of resources?

The other main argument put forward by Best for Health for restructuring is the prospective shortage of doctors due to the European working time directive, which comes into force fully in August 2009. Of course, it was the Secretary of State for Work and Pensions, who was then the Minister of State for Health, who in January 2004 after the SIMAP and Jaegar rulings said:

"Complying with the Working Time Directive need be neither costly nor a burden."

We continue to await the findings of the European Employment and Social Policy, Health and Consumer Affairs Council, and hope that it will confirm the decision of UK politicians that on-call time spent not working should not count towards total working time. That would certainly limit the damage and cuts in services. We will do what we can to help the Government win on that point of interpretation.

We want some accountability from the Minister regarding the effect that restructuring is having on the Pennine Acute Hospitals NHS Trust. If the Minister commented on the personnel issues, that would be helpful, because hon. Members are clearly looking for an answer.

12.20 pm

The Parliamentary Under-Secretary of State for Health (Caroline Flint): In the short time available, I shall try to cover the points that hon. Members have made in this Adjournment debate. I start, however, by congratulating my hon. Friend the Member for Manchester, Blackley (Graham Stringer) on securing it.

Some interesting points have been raised, but before I get into them, let me express my concern about the involvement of the two trusts in the anxiety caused to the women who were not properly diagnosed for breast cancer. The Greater Manchester strategic health authority has commissioned an independent review to discover how and why those errors occurred, and I am sure that we all want it to be rigorous, so that the problem does not, as far as possible, arise again.

Several points have been made about health inequalities and reconfiguration. At the heart of the discussion is the issue of what our health service is for. As Minister with responsibility for public health, I suggest that the health service has tended to focus on responding to illness, which is quite understandable, given that people who are ill want treatment and want it to be to the best possible standard. For the past 50 years, the emphasis has more or less been on providing services in hospitals, which is also understandable, given the development of the national health service from where it was 50 years ago, with the needs and priorities that existed then, to where it is today.

What is interesting about this discussion is that we have all experienced a change in how we think about the delivery of health services, whether as patients or members of the public with family members or friends in hospital, or as a result of taking advantage of health

[Caroline Flint]

services in the community. In another Adjournment debate that I attended, it was suggested, for example, that 40 per cent. of orthopaedic referrals could be handled outside hospital, rather than inside.

Those issues are important because they have an impact on what we think hospitals are for and on how effectively they can deliver, which brings me to the point about health inequalities. It is undoubtedly the case that more people in England are living longer. More people from all social and economic groups are benefiting from the technology used to treat heart disease and cancer, and are getting the right medication and treatment. Although the overall picture is good, however, the reality is that there is still a gap on mortality issues between those who are less well off and those who are better off. We have to look beneath the radar to address what is happening.

As Minister with responsibility for public health, I suggest that one reason for that gap is that there needs to be a better focus on health inequalities within different areas. Regardless of whether a PCT is large or small, or whether the majority of people in a PCT area are relatively affluent and well educated, I would ask whether those who are less affluent and most in need are getting the health service they deserve to meet their needs. That issue must be addressed as part of the PCT reconfiguration.

PCTs, whatever their size, must look at the health outcomes for their communities to ensure that they attend to those most in need. Alongside that is the issue of whether how we provide health services meets the needs of those who most need them. Perhaps they need a different service that will impact in a way that traditional services clearly have not. That is a hugely important debate.

On the financial situation, it is interesting that we are getting better value for money in terms of delivery in some of our poorer neighbourhoods, where the health inequalities are very clear. When we look at the trusts in deficit, we gain some interesting perspectives on those that are most in deficit. Such trusts are in a minority, but some are in more well-off areas with considerably fewer issues of health outcomes linked to deprivation, although I am not saying that they have no health inequalities issues. There are some important questions to be asked about that.

My hon. Friend the Member for Manchester, Blackley hit on a number of issues, and was absolutely right to refer to the Alberti and Durose report on the Pennine Acute Hospitals NHS Trust. We have had a reasonable discussion about the issues that have arisen. It is worrying that a clash between consultants and management led to a vote of no confidence by consultants, and it is worrying that the report had to be produced in the first place, but that's life—not everything works as well as we think it should.

There were 25 recommendations in the report, which were aimed at strengthening the organisation in a number of different ways. Linked to that is an important point raised about confidence in leadership. This morning, different views have been expressed about whether the chair and the chief executive should consider their position and about ensuring that the report's recommendations are made to work and kept under review.

A big issue was raised about the lack of communication, which seemed to be one of the issues at the heart of why the five sites were not working together effectively, how people felt about their part in the trust's organisation and the sense of ownership of all the sites. Those are important.

As I said, the report made 25 recommendations. It is important for all concerned that the action plan that I understand has been drawn up should be made to work, and that there should be transparency over how those recommendations are made to work and how the action plan is carried out for the future. Clearly, if the points raised by my hon. Friend the Member for Manchester, Blackley are not attended to, they will have to be addressed again to ensure that progress is being made, and to find out why if it is not.

My hon. Friend described how the structure of the trust has contributed to the situation. Different views on that issue have been expressed and the report stops short of suggesting that now is the time for restructuring and a break-up of the trust. As one of my hon. Friends said, the report is clear that there is not the best case for doing that now. However, in light of the comments made this morning and the report itself, those issues need to be kept under review. If the recommendations are to be seen to work, they need to take account of the concerns expressed by my hon. Friend the Member for Manchester, Blackley.

The size of organisations presents a difficult situation. I do not think that there is a perfect size in any situation; part of the problem is addressing how the structure and management of the organisation work and, importantly, what the organisation delivers for people. That is key. Linked to that is a discussion taking place in the Greater Manchester area about how services could be better delivered.

I want to make it clear that the Rochdale hospital issue is not about there not being access to accident and emergency services; it is about a blue-light service not operating. As my hon. Friend the Member for Heywood and Middleton (Jim Dobbin) said, 80 per cent. of people who come to accident and emergency do not need a blue-light service. I have seen for myself the beneficial outcome of walk-in centres and other services that can better meet the needs of those people. They are important because hospitals can then get on with the jobs they specialise in on behalf of the local community.

My hon. Friend the Member for Manchester, Blackley made points about safety and choice. The issue of choice is important—speaking for my area, I am sure that many in Doncaster would choose to go to their local hospital—but if an elderly lady's family members lived 50 miles away, she might choose to have an operation closest to them so that they could look after and visit her. So choice is an interesting debate; it is part of the future and involves addressing what people need.

A lot of issues have been raised this morning, and I hope that hon. Members agree that I have had limited time to respond to them, but I have spoken to the Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne). As the Minister with regional responsibility, he is obviously concerned about the issues. This morning, he asked me to convey the fact that he is willing to look further into them to ensure that the recommendations are carried out to everybody's satisfaction.

St. Bartholomew's Hospital

12.30 pm

Mr. Mark Field (Cities of London and Westminster) (Con): It gives me little pleasure to introduce this Adjournment debate, because a dark cloud hangs over the very existence of one of this country's oldest and most respected hospitals, St. Bartholomew's, known affectionately and universally as Barts.

That cloud was thought by all of us who represent constituencies in central and east London to have passed by when eight years ago, the Government announced their strategic medical review of those diverse areas. It has reappeared, however, and it is seemingly blacker than ever.

Just before Christmas, the Department of Health announced that it had commissioned a fundamental review of the Barts and The London NHS Trust private finance initiative on the grounds of affordability and need. For a decade or more, the departments of this most respected hospital have been consistently undermined by political uncertainty. Today, the anxiety levels have become almost unbearable for staff, local residents and countless others throughout the NHS, because of the imminent demise of Barts as a leading London hospital.

It seems scarcely believable that this wonderful hospital, founded as long ago as 1123, and in receipt of its royal charter from Henry VIII in the 1540s, may soon be no more. Once again, however, that seems to be the case.

I take no pride in confessing that it was my party, the Conservative party, who when last in government sought to implement the Tomlinson report. The report was predicated on user figures that applied in the depths of the early 1990s recession, and manifestly have not been borne out by the evidence of the past decade and a half. It is of great regret that my party put in place some of the reforms that have so adversely affected Barts and upset the residential population of not only the City, but the whole of London and much of the UK.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): I am grateful that the hon. Gentleman has been graceful enough to acknowledge the role of previous Governments in casting a shadow over Barts. Does he agree that as well as serving people throughout London, Barts has a particular place in the hearts of east enders? That is why we fought a tremendous struggle against the Tomlinson proposals and why we are so upset that now, at the very last minute, the project seems to be in danger.

Mr. Field: I entirely endorse the words of the hon. Lady. Although the Homerton university hospital is closer to her constituents, Barts none the less predates it by several centuries. The same applies to the Royal London hospital and other hospitals in Newham and beyond.

Emily Thornberry (Islington, South and Finsbury) (Lab): Is the hon. Gentleman aware that despite my constituency's reputation, it is one of the most deprived constituencies in Britain? Bunhill ward, which I have the pleasure of representing, is one of the poorest wards in

[Emily Thornberry]

Britain. Its coronary heart disease death rate is 60 per cent. higher than would be expected, and it abuts that hospital.

In the Bunhill, Canonbury and Holloway wards, the death rates from lung cancer are 70 per cent. higher than would be expected. We need an expert hospital that plays a central part in the hearts of my constituents. We were hoping to take advantage of our ability to select which hospital we go to—and to select the hospital that has for generations looked after my constituents.

Mr. Field: I thank the hon. Lady for her words of support. I once aspired to represent a part of her constituency when I was a council candidate in Islington some 16 years ago. My candidature was not for as impoverished an area as Bunhill, but in spite of that, the electors were still not going to go for a Conservative candidate.

I hope that this issue is of great interest not only to the Minister but to the Government beyond. It affects me, as a constituency Member of Parliament in the heart of London. As has been rightly said, it affects other parts of the capital, too, because the hospital has a tremendous history.

Bob Spink (Castle Point) (Con): Is my hon. Friend aware that the hospital's patients and staff include my constituents? They are deeply concerned, because in treating cancer and heart disease, the hospital has excellent clinical outcomes. They want to see it go from strength to strength, not damaged.

Mr. Field: I am grateful for those kind words from the Isle of Sheppey and beyond.

This debate is about marshalling the forces among parliamentary colleagues, such as those we have heard from in the past few moments, not only to ensure the survival of this hospital but to create a valuable future for the benefit of all Londoners and the many medical professionals who will gain valuable experience within its portals in the years ahead.

In April 2002, I hosted a similar debate on the future of St. Bartholomew's hospital. That debate took place on the day of an announcement by the Government of significant new expenditure on public health care funded by many of the taxpayers who make up the daytime population of the City of London. I shall quote from *Hansard* part of a reply given by the then Health Minister, the right hon. Member for Barrow and Furness (Mr. Hutton), who was at that time most complimentary about the capability of Barts and adamant that its future was secure as a centre of medical excellence, especially for cardiac and cancer care:

> "The minor injuries unit continues to operate at St. Barts . . . and will be retained as part of the new development. There is no prospect of its disappearing."—[*Official Report, Westminster Hall*, 17 April 2002; Vol. 383, c. 238WH.]

Yet here we are less than four years on, and the outlook is much bleaker.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): I congratulate the hon. Gentleman on securing this important debate. Does he agree that the key question is why the review is happening now, at the eleventh hour, with a cost to the NHS of holding up this development?

Mr. Field: I agree entirely, and the hon. Lady might not appreciate that the Westminster side of my constituency has had a similar problem with the Paddington health campus in relation to St. Mary's, Paddington. Great amounts of money have been spent, as has been well documented, and £100 million will be lost if this private finance initiative project does not go ahead because Skanska has already expended that money, which is ring-fenced from its point of view. As the hon. Lady says, it is inexplicable that a review is taking place at this stage. It makes no sense financially, apart from the other problems to which I referred and shall continue to refer during the rest of my speech.

Barts is internationally renowned for medical excellence. Institutionally, it is equally well-known throughout the nation. I would not mind betting that if we asked people anywhere in the United Kingdom to name a hospital other than their own local general hospital, Barts would be mentioned more than any other. I am afraid to say that it has only been in the 58 years since the nationalised health service came into being that the future of England's oldest hospital has been threatened.

I said at the outset that introducing this debate gives me no pleasure. After five years of representing the Cities of London and Westminster constituency, I am completely at a loss to understand, just as the hon. Member for Hackney, South and Shoreditch (Meg Hillier) was a moment ago, the Government's strategy for the provision of health care in central and east London. Judging from my own postbag and discussions with the many health professionals in my constituency, others share that incomprehension.

In a letter published in the *Evening Standard* last week, Alistair Wilson, the accident and emergency clinical director of the Barts and The London NHS Trust, put the case on the broken promises to Barts and the London succinctly. He highlighted the crucial capacity offered by the two hospitals during the 7 July bombings last year. One of those bombings took place on the edge of my constituency, by Aldgate tube station. He also wrote about the expectations of what Barts and the London will do when the next terrorist strike occurs—we pray to God that that will not happen any time soon—or indeed during the London Olympics in six years' time.

The nation is united in its support for Barts as a hospital and as a national treasure. Last week, I met Professor Charles Hinds, who spent his entire medical career at Barts, to discuss the critical importance of the PFI project to the future of the hospital. Without PFI, Barts probably has no future as a medical institution. There has already been huge investment in the new breast cancer centre in the west wing of Barts, which was predicated on the fully-fledged PFI taking place. Without the revenue from a cardiac and cancer care centre at Barts, the entire business case for the PFI, and the work of the Royal London in relation to cancer and heart care, seems to fail.

Mr. Andrew Lansley (South Cambridgeshire) (Con): I am grateful to my hon. Friend for giving way; he has been generous with his time. Does he agree that following a discussion I had last night with five very senior consultants from the Barts and The London NHS Trust, it seems increasingly clear that the demand for cancer and cardiac care and major trauma at the trust is undeniable? The question that the Treasury raised at the last minute concerns the affordability of the scheme. Does he also agree—I hope that the Minister will respond directly to this point—that the worst value-for-money outcome for the NHS would be for the project not to proceed at this stage? Major penalties of up to £100 million would be incurred if the project had not proceeded by 31 January, as intended.

Mr. Field: I entirely agree with my hon. Friend. Clearly, there is a financial case, but, none the less, as he has rightly pointed out, even that begins to fall when the facts of the matter are put into place. He also touched on demand. Demand is very prevalent in the parts of London that I represent and that are represented by the three hon. Ladies who have spoken and the hon. Member for Leyton and Wanstead (Harry Cohen), who has not. It is estimated that there will be some 300,000 new residents in the Thames Gateway and a further 100,000 in Tower Hamlets. That is based on the Government's figures for population increase in the east of London. At a time of such planned population increase and with the average age of many local residents rising substantially, the decision to put Barts under threat seems short-sighted in the extreme.

There is no need for us to shake our heads; we need to get together and put the wheels of this PFI back on the rails. I am cheered by the fact that so many Government Members are present today. I understand that they will be making their feelings plain to the Prime Minister in a meeting later tonight with the right hon. Member for Holborn and St. Pancras (Frank Dobson), who was the very Minister who announced the saving of Barts in 1998. I am under no illusions. As an Opposition Member of Parliament there is only so much that I can do. Perhaps I can raise the profile of the issue, but, ultimately, it is for Government Back Benchers to have their say. I hope that it will be clear to the Minister that there is a unity of purpose among all of us who represent this vibrant part of the capital.

The operation of the PFI is causing great grief. It may be expensive, but it is the only funding option in town for our hospitals today. The failure of this PFI in health care, alongside the recent breakdown in the major development in St. Mary's hospital, Paddington, may prove the thin end of the wedge. Other contracts, such as the one operating at the Queen Elizabeth hospital in Woolwich, will bring trepidation to those who are relying on the future success of PFI programmes nationwide for their health care.

In my previous debate in 2002, I made the point to the then Minister that we must have an eye on the decades to come rather than simply on the past. I appreciate that one could talk about the historic importance of Barts, going back almost 900 years, but if we look at the future, even in the past four years the Government have developed quite detailed plans to build many more homes in the Thames Gateway, especially for key workers who will be servicing central London day by day. Obviously, we have also won the Olympics bid in the past seven months. Whatever increase finally occurs, the east end of London, as one of the poorest communities in England—it is the poorer areas where the highest rates of heart disease and cancer occur, as the hon. Member for Islington, South and Finsbury (Emily Thornberry) pointed out—deserves more investment in medical care, not less. It is painful to report the Government's intention to turn their back on the population of the east end of London.

The case for redeveloping Barts and all its services has been made a long time ago and it is now a matter of the Government finding the money and letting that project blossom. Some people may wish to talk up the importance of cardiac and cancer care at Barts, but I want to talk about maintaining the viability of all the hospital's current operations and their importance both locally and nationally.

Four years ago, in the light of the attacks in New York and Washington on 11 September 2001, I challenged a Health Minister on what would happen should a major terrorist incident occur in the City and the important role that Barts and the London would undoubtedly play in the care of the injured. Tragically, such an event came to pass on 7 July last year. I should like to quote again from Alastair Wilson's letter. He said:

> "On 7 July thirty major incident trained doctors and paramedics were transported to the sites of the explosions; trauma teams were assembled from all over the Trust to treat the awful shrapnel injuries and amputations caused by the bombs—we drew on all our expertise, including our cancer and cardiac colleagues from Bart's many of whom work also at the Royal London because of their interest in trauma care".

Those same people now feel desperately let down by a Government who only seven months ago were happy to bathe in the public's approval of our front-line health care professionals by stressing how their investment had led to such capability in the face of those terrible terrorist incidents. Alastair Wilson's words, and those of his colleagues, speak far more eloquently than anything that I can manage about the importance of Barts and the Royal London acting in concert.

After decades of under-investment in local medical infrastructure, I believe that the people who live and work in the City and the east end of London deserve the centres of clinical excellence and medical care that they were promised. We will all continue fighting to ensure that we achieve them in the years ahead.

12.45 pm

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): It was eight years ago that the people of the east end and Londoners generally fought a tremendous struggle to save Barts hospital. The proposals then came from a Conservative Government, and we were proud that a Labour Minister for Health was able to announce that he would save Barts. It is therefore with deep sadness that I rise to contemplate yet another threat to the future and viability of Barts and the Royal London.

To remind hon. Members who were not here eight years ago, the argument then, in the light of the Tomlinson review, was that there was too much medical

[Ms Diane Abbott]

provision in London: it was over-resourced with hospitals and health care, and that that was why Barts had to close. It is sad indeed to have to revisit those arguments. However, as colleagues will remind the Chamber, there are pockets of poverty in inner London as bad as anywhere in Britain.

Taking a slide rule or a tape measure to the number of hospitals within the M25 and arguing that London is overprovided misses other factors, such as the high number of refugees with endemic health problems and the logistical problems in London. It is easy to take a ruler and stretch it across a map from Stoke Newington to the Royal London hospital and ask, "Why do these people need Barts when they can go somewhere else in London?" People should try joining a mother with a push chair and a couple of children on the three buses that it takes to get from parts of my constituency to the Royal London to understand how ludicrous that position is. Eight years ago we fought with Ministers about that slide-rule, accountants' approach to medical care. That approach did not consider the need and the endemic problems—including the understating of the population in London by the census and other statisticians, and the poor housing—yet, on the basis of accountancy rules, said that we had too much health care. However, we are now revisiting the issue.

As I said, Barts is not the closest hospital to my constituency. However, although Homerton hospital has an excellent reputation and is one of the leading hospitals in London, Barts has a special place in the hearts of Londoners, not only because it has been there for so long but because of the high standard of care that Londoners, particularly in the east end, have grown accustomed to receiving there.

Emily Thornberry: Taking the slide-rule approach to consider the future of Barts for a moment, does my hon. Friend appreciate that the current price of the cardiac and cancer care services that Barts provides for the east end and north of London is some £16 million? If Barts were redeveloped under the private finance initiative, that would be £20 million—an additional £4 million. To uncouple Barts from the London PFI would not make a dramatic difference, given the amount of money that we are using in any event. I would suggest that we need not turn our back on the PFI, even under the slide-rule test.

Ms Abbott: I am grateful to my hon. Friend for making that point. Even under the rules of cold-hearted accountants, it does not make sense to decouple the development at Barts from the bigger PFI, which includes the Royal London.

Meg Hillier: Given that north-west London has five hospitals specialising in heart problems, does my hon. Friend agree that it is right that my constituents and hers should also have access to a good heart hospital in the east end?

Ms Abbott: That is right, but I do not want to take the argument forward on the basis of comparison, because that is what got us into trouble in the Tomlinson review. I want to take the argument forward on the basis of need, and the need for the services that Barts produces is real and quantifiable. Barts commands a special affection in the hearts of Londoners. They were promised that it would be saved and that they would have world-class cardiac facilities on that site. I cannot believe that my Government intend to go back on that promise now. If, at the last minute, there is an attempt to decouple the Barts part of the PFI from the general redevelopment of London, that will cost the taxpayer money. Skanska, the approved developer, could walk away with £100 million in compensation. What sense does that make?

I understand from Ministers that they are asking for the review at the last minute because the decision was made four years ago and things have changed in four years. Let me tell them that there are not fewer people; there are not fewer ill people nor are there fewer people suffering from heart disease and cancer in my constituency than there were four years ago. What do they believe has become so much better about health outcomes in the east end that they can justify throwing away £100 million of taxpayers' money on compensation to a developer at the last minute?

Miss Anne Begg (in the Chair): Order. I remind the hon. Lady that this is a half-hour debate and we have to allow the Minister time to reply. She already has less than 10 minutes to do so. If the hon. Lady can wind up her remarks now, I should be most grateful.

Ms Abbott: I would not dream of not allowing the Minister time to reply.

The review of the Barts and The London PFI at this late stage makes no financial sense. It makes no health care sense. It makes no political sense. I can assure the Minister that the issue goes beyond party loyalties, and that all concerned and involved MPs in London will unite to fight the latest threat to Barts.

12.52 pm

The Minister of State, Department of Health (Jane Kennedy): It is a pleasure to be debating this subject. I congratulate the hon. Member for Cities of London and Westminster (Mr. Field) on securing the debate about the future of Barts. I accept that it is a subject of worry not only to his constituents but, as demonstrated by the presence here of his hon. Friends and my hon. Friends, clearly one of great interest to them. I have been following the debate in the local media, too. I acknowledge up front the role played by Barts and the Royal London in the emergency that faced London last year. No one who watched those events without the great sadness and horror that we all shared could have anything other than admiration for the way in which the staff responded in the circumstances.

I also say up front that there are no plans to close St. Bartholomew's hospital. Barts is renowned internationally for its medical and nursing excellence. It was founded in 1123, well before the creation of the NHS. Today, it provides a range of specialities from a 388-bed facility.

Lyn Brown (West Ham) (Lab): Will my hon. Friend give way?

Jane Kennedy: After the interventions that have been made, I have only a few minutes in which to respond to

the debate. It is important that I reply to the points that have been made. If my hon. Friend will forgive me, I shall press on.

I have been asked to explain why we are in such a situation. For many years, it has been widely acknowledged that there is a need to develop the facilities that are provided through the hospitals. Much of the estate is old and generally in poor condition. It was not designed to support 21st century health care and it is in need of modernisation. I acknowledge that, and I hope that it will be accepted that the Government acknowledge it, too. Departments at Barts and the Royal London are not co-located for efficiency. The buildings do not lend themselves to the implementation of modern models of care. There is a need for new facilities in that part of London.

A scheme of such a size or complexity has not been undertaken by the NHS before. It provides a total of 1,248 beds across two sites. When complete, it will be Britain's biggest new hospital. Therefore, it is right and proper for us to undertake greater scrutiny when the proposals are of such magnitude. We will soon be publishing a White Paper on the future of health care services in the community. We have been listening to what the public tell us about how they want to move some services from hospitals out into local communities wherever it is safe and economic to do so. People want personalised services that are built around their needs.

Mr. Mark Field *rose—*

Jane Kennedy: If the hon. Gentleman will forgive me, I will not give way. I listened carefully to what he said, and he will have opportunities after the debate to make further representations to me.

People tell us that they want more services delivered away from hospitals and closer to them in communities. For that reason, the local NHS in this case was asked to commission the independent review that is ongoing of the proposed redevelopment of Bart's. That is not intended to be a long review or to add costs in the way described; I know that fears exist about the implications of it for the overall scheme. We genuinely want to ensure that we have the right balance of services in north-east London before making a commitment that will last for 42 years, which the health service in London will be expected to meet and which will expand cardiac and cancer services. I hope that the hon. Members for Cities of London and Westminster and for South Cambridgeshire (Mr. Lansley) agree that that is a sensible step to take. Any new proposal must offer the best value for money and be affordable by the health economy.

When the business case was submitted to officials, there were still a number of outstanding commercial issues to resolve. That is not intended as a criticism of the trust or of those engaged in drawing up the bid: it is perfectly normal to have outstanding issues at this stage of the process. However, because a scheme of this size and complexity has never been undertaken in the NHS before, it has taken longer than normal, and longer than we would have wanted, to resolve the outstanding issues satisfactorily and to finalise the review of the business case.

Part of that process has resulted in our request to the strategic health authority further to demonstrate the need to expand cardiac and cancer services at Bart's. North East London SHA has therefore commissioned an urgent review to ensure that the NHS in east London has the right hospital capacity to meet the needs not only of east Londoners, but of those in the City of London, who have an interest too. There have been significant reductions in waiting lists in recent years, and a great deal of money has been expended. It would be reckless to go ahead without that proper scrutiny. I hope that those who are debating with me this afternoon agree that we should all be prepared to accept that hospital and community services will, from time to time, need to change if we are to continue to fulfil patients' needs, improve services and meet patients' aspirations as I have described.

Mr. Lansley: Will the Minister give way?

Jane Kennedy: If the hon. Gentleman will forgive me, I will not. I would welcome representations from him and his hon. Friends after the debate, but in the few moments that I have left now, I want to reiterate that services should not remain static for ever, but should reflect advances in technology and clinical practice. Throughout the transitional phase—the closing phases of this PFI process—staff involved in the scheme and those who have continued to provide health care to patients have worked tirelessly. I have been taking an active interest in the project, and it is important that I, not with ministerial responsibility for the PFI process but with responsibility for London services, acknowledge how tirelessly the staff engaged in the project have been working. I pay tribute to all those who contribute to the excellent work of these hospitals.

I assure the hon. Member for Cities of London and Westminster that officials are working closely with North East London SHA and the trust to arrive quickly at the best solution for the local health economy. I appreciate the anxiety and interest shown by those who have participated in this debate, and by those who wanted to participate and to whom I have been a little mean. The hon. Member for Cities of London and Westminster was far more gracious in giving way than I have been able to be; it would be my normal practice to give way. However, I have listened to what has been said today and I am reading what is being said by staff at the hospital through the pages of the local press. We are working closely with all concerned to resolve the issue as quickly as possible with the best outcome not only for east Londoners, who are close to my heart, but for everyone who has an interest in the services that these hospitals provide.

Asylum and Detention (Government Policy)

1 pm

Harry Cohen (Leyton and Wanstead) (Lab): On the previous debate, as an east London MP, I want to say that I support the case for the redevelopment of Bart's.

Miss Anne Begg (in the Chair): Order. I know how tempting that may be, and obviously there is a lot of interest in the matter, but hon. Members must wait for another debate.

Harry Cohen: Miss Begg, will you thank Mr. Speaker for choosing me to introduce this debate on asylum and detention—with the emphasis on detention? The number of people claiming asylum in the UK and in other industrialised countries is declining. In the UK, the numbers have dropped dramatically—by as much as 61 per cent. over the last two years, according to the UN High Commissioner for Refugees. In spite of that, the number of those who have claimed asylum at some stage and who are detained solely under the powers of the Immigration and Asylum Act 1999 has increased. Given that the number of places to detain such people has tripled under this Government, it is crucial that the House look closely at what is happening and consider seriously what the implications of such a policy may be.

I have asked for this debate because I believe that the detention of people who have sought asylum in the UK remains a hidden plight. The Minister will, I am sure, be aware of the fact that Amnesty International looked at the very issue earlier this year. The organisation reached some incredibly disturbing conclusions, which I believe warrant closer inspection and consideration.

The human cost of detention is far too high. It inflicts untold misery on the individuals concerned and their families. Those held in detention include some of the most vulnerable people who in most societies, including ours, are identified as needing the most support and protection. I am talking about families with young children, torture survivors, pregnant women, the elderly and those with serious medical conditions.

People are detained miles away from their family and friends. They are often held in grim, prison-like establishments. Many are not clear about the circumstances of their detention. They sometimes do not understand why they are being held. Those interviewed by Amnesty International were not told how long they would be detained. There is no maximum time limit for detention, and no automatic judicial scrutiny as to the lawfulness and the necessity of the detention. If the onus were placed on the UK authorities to justify such use of detention, I would not like to hazard a guess as to how many decisions to detain would be questioned and perhaps overturned.

Those interviewed by Amnesty International had all fully complied with reporting restrictions at the time that they were taken into detention. The Minister may argue that those people were detained because there may have been a credible risk of their absconding. Maybe so, but with no meaningful assessment of that risk, how can he be so sure?

There are people languishing in detention, sometimes for as long as two years. That has negative repercussions for individuals, and particularly for their mental health. Detainees say that they were frustrated by the lack of information and by feelings of abandonment and loneliness. Some had self-harmed and attempted suicide. Some complained of the verbal and racial abuse that they suffered. All that points to untold misery, and this is the plight of people who have committed no crime.

The Government have often claimed that detention is pivotal to their strategy to remove asylum seekers whose claims have been dismissed. They have also claimed that detention would be used only as a last resort. However, Amnesty International found that many people were detained at different points of the asylum process. I confirm from my casework that that can be at the beginning, in the middle or at the end of such a case, when the prospect of effecting their forcible removal within a reasonable time is slim. This is not really a last resort, then.

We have no idea how many people are held in detention. Amnesty International believes that twice as many people are detained as are removed each year. It is estimated that 25,000 people were held in detention in 2004. It is unacceptable that we do not know for sure how many people are detained. We do not know how long they are detained for and we have no profile of those held in detention. That gap in general knowledge must be filled.

In April last year, the Government introduced new funding arrangements for legal work on asylum and immigration cases in England and Wales, with the aim of cutting the overall public funding for such work. I realise that that policy area is not necessarily within the Minister's remit, but he must be aware of the effect that it is having on his area of responsibility. The cuts in legal aid have resulted in the withdrawal of established solicitors from that vital area of work, which has created a gap in expertise that is felt most by those held in detention who are at the end of the asylum process. What hope is there for them if they do not get adequate legal representation?

I have referred extensively to Amnesty International, but last July there was a briefing from Save the Children to Members of the House, which made some important points about children held in the detention system. Save the Children said that it was worried about

"the negative impact that detention has on children's emotional and physical wellbeing"

and

"the worrying lack of safeguards and child protection ... for these children."

It also said that the processes for taking the welfare of children into account

"in the decision to detain are ineffective."

Save the Children raised concerns about the effectiveness of existing review procedures for ensuring that the detention of children is not prolonged. It pointed out that it is Government policy for the immigration service to give written reasons for detention in all cases, at the time of detention and at intervals thereafter, but the briefing says:

"Evidence from our research suggests that few families are given initial reasons for detention, and there were families who were subject to unnecessary periods of detention because procedures for reviewing the decision to detain were ineffective. The European Human Rights Commissioner also raises these

concerns, and HMIP's reports criticised the reviews for not being informed by external social work expertise or by the experience of staff involved in the direct care of children."

The briefing goes on to talk about ministerial authorisation in relation to children who are detained for more than 28 days. Ministers are supposed to authorise such cases every 28 days and every week thereafter. Save the Children says:

"There is no public evidence on the implementation of the ministerial authorisation process or the reviews on which they are supposed to be based. Neither is there any statistical information on how many authorisations have been sought and how many have been granted or declined. It has been expressly criticised by the European Human Rights Commissioner who believes it to be inadequate because it is an administrative decision without any form of hearing."

Save the Children goes on to say that, in 2002, Her Majesty's inspector of prisons recommended that there should be an independent assessment of the welfare, developmental and educational needs of each detained child. Save the Children says that no system for that is in place. I presume that it is still not in place, even now. Perhaps the Minister will confirm that.

Save the Children talks about prolonged detention and the fact that that can happen through an incremental process. It quotes the European Commissioner for Human Rights:

"It is not acceptable ... that such lengthy detention should remain at all times at the discretion of the immigration service, however senior the authority may be."

Finally, it offers another quote from the European Commissioner for Human Rights:

"It is perverse that the burden should lie on the child or his family to take arduous steps to challenge their detention, rather than on the Immigration Service to prove its continuing necessity to an independent authority."

Recently, there was a press conference to launch a document called "A 'Bleak House' for Our Times", which was produced by Legal Action for Women. The document looks into what is happening at the Yarl's Wood centre, and I want to mention some points that were made at that press conference. Concern was expressed on various issues, including the fact that those who are suicidal are placed on a suicide watch that involves their being woken at timed intervals with flash lights, which is likely to remind victims of previous traumas and to cause severe sleep deprivation.

Concern was also expressed at the fact that there is no mechanism to prevent victims of torture from being detained; that the outsourcing of medical care services results in detainees having restricted access to health professionals; that the detention centre manager is obtrusive and often refuses detainees medical attention, in some cases overruling the decision of the nurses and health professionals; that representation, when it is received, is often poor and undermines cases; and that lawyers' charges are too high for the people held in the centre.

Legal Action for Women also said that there is a distinct lack of information about the fast-track scheme and that those who are detained do not know of it. It added that although there is a women's detention centre at Yarl's Wood, 70 per cent. of the staff are male. It went so far as to call for a full public inquiry on the issue of detention.

The right to liberty is one of the most fundamental human rights protected under international law, and it is a serious violation of that right to detain an individual arbitrarily. It should concern us all if, as seems to be the case, there is a real possibility that people are being detained unjustly. For that reason, I urge the Minister to ensure that each decision to detain is seriously considered. Such a decision should not be made lightly, but should be overseen by a court or a similar independent body with the competence to review each decision regularly. Does he agree that that is the only way for us to ensure that we do not detain people arbitrarily and that we treat people humanely, as is our duty under international law?

Will the Minister consider reinstating the provision made in the Immigration and Asylum Act 1999 for two automatic bail hearings for all immigration detainees after seven and 35 days in detention, which would thus ensure that they were protected against prolonged and unnecessary detention? Given that detention should only ever be used as a last resort, will he make it his policy that alternative non-custodial measures, such as reporting, will always be considered before resorting to detention? That should be the policy for all asylum applications, including those considered under the so-called fast-track process. Does he agree?

I find it extraordinary that no comprehensive statistics are made available in the course of a year on the number of people who have sought asylum and who are held in detention. Nor, of course, is there any information on how long those people are held. That cannot be right. In 2003, the Home Affairs Committee noted that the lack of comprehensive data on detention made it difficult to judge whether detention was really being used as a last resort, primarily to support removal, as the Government have claimed.

The Committee recommended that the figures be provided quarterly, but they are still not available. When will they be ready? It has been two years since the Committee made its recommendation. Why, after all this time, are the figures still not available? Can the Minister give us a concrete date for when they will be? Vulnerable people are being held in detention, and the cost for them is particularly high. Can he guarantee that no vulnerable person will be held in detention?

Recently, I employed a bright young woman called Anna Boaden. Unbeknown to me, although it must have been in her CV somewhere, she did her dissertation on the detention of asylum seekers. Her conclusion contains a crucial argument:

"It has become increasingly apparent that detention is no longer being used as an administrative device to facilitate the deportation of failed asylum applicants, just as it is evident that preventing people from absconding is not a primary justification for why increasing numbers of asylum seekers are being detained. Rather, it is becoming a tool of deterrence, a method of warning to would be applicants that Britain is no longer a soft touch. Not only does this message run against the spirit of the Geneva Convention, it is also arbitrarily detaining those who do not fall into the categories that appear in article 5(1)(f) of the European Convention on Human Rights. The process of detaining asylum seekers further excludes them from society, and contradicts non-discrimination policy."

I do not know whether that is true, but if detention is being used as a tool of deterrence in any single case, that is an unsuitable use of detention and is, potentially,

[Harry Cohen]

against international law. Let us have the information—the data—so it can be tested. If the Government say that that is not the purpose, let us see whether that is so.

In conclusion, depriving people of their liberty is a serious measure and no decision to detain should be taken lightly. The Government themselves said that they would use detention only as a last resort, which signals the seriousness with which such decisions should be taken.

There appear to be no rigorous checks and balances on how detention is administered. It is crucial that that be addressed by the Government—not only to restore faith in the system, but, more importantly, to ensure that they deliver a fair and efficient asylum system. Although it is not unlawful in some circumstances for the Government to detain people who have sought asylum in the UK, it is unlawful for them to detain individuals arbitrarily. I call on the Government to take all the necessary steps to end arbitrary detention.

I look forward to the Minister's response and ask him to focus particularly on the issues of judicial oversight, automatic bail review, the availability of statistics, the use of non-custodial measures and an end to the detention of vulnerable people.

1.18 pm

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): I should like to begin by thanking you, Miss Begg, for your intervention at the start of the debate. I was worried for a second that I might have to answer questions on St. Bartholomew's private finance initiative, as well as on detention and the immigration service.

On a serious point, I congratulate my hon. Friend the Member for Leyton and Wanstead (Harry Cohen) on securing this debate. He is right to do so, because it is a matter of important public policy and it is right that there is the fullest possible debate about such serious issues. I agree with him at the start by saying that, by definition, the matter involves some very vulnerable people, which is why it is important that we debate these issues openly and are clear about the policy. I also congratulate Amnesty International on raising public awareness of the issues concerned.

These are difficult issues of public policy, and it is important that we foster an informed public debate about them. I say "informed", because it is important that when conducting this debate, people on both sides of the issues stick to the facts and that the language used is temperate and accurately describes the situation. I am not describing this debate, but in other instances, recently, particularly in relation to events in Scotland, the language used has sometimes veered away from that standard, which does not help the conduct of a rational, sensible debate on immigration.

I am grateful to my hon. Friend for the way in which he has introduced his debate today and for his remarks. I agree and sympathise with many of his points. I suspect that we may have a disagreement on the level of whether or not detention should be used and the extent to which it should be used. There may be a difference between us on that, but I can assure him that I agree with a number of the principles that he outlined.

First, I would want to assure him that a decision is never taken lightly or before a meaningful—I think that was the word he used—assessment. I will explain that in more detail. There should be openness about the statistics, so that people can have clarity about the situation; I would want to agree with him on that point. That people are accommodated in decent conditions, in a humane way—I would agree with him there, too.

I will move on to some of the areas where we may have a difference. The Government's view is that, although regrettable, detention is an integral and important element in maintaining effective immigration control and in tackling abuses of the system. We have made it clear that there is a general assumption in favour of granting temporary admission or release—I want to assure my hon. Friend on that point—but there will be circumstances where detention will be considered.

Such circumstances would be: initially, where a person's identity or the basis of their claim is being established; where there are reasonable grounds for believing that the person will abscond; thirdly, when part of a fast-track asylum procedure, where an individual's application appears to be capable of being decided quickly; or, fourthly, to effect removal. Those are the grounds on which such a decision will be taken, but, as I said to my hon. Friend at the beginning, that would be done only after a serious assessment of the case before the particular immigration officer.

Immigration detention policy and practise in the UK is fully in line with article 5 of the European convention on human rights and associated jurisprudence. Detention is for the shortest possible period and will last no longer than is reasonably necessary in the cases concerned. My hon. Friend raised the point about there being no time limit, but there is the phrase "reasonably necessary". People have to make a judgment, of course. The sort of length of detention to which he referred would be an exceptional circumstance and by no means the average time that people would spend in detention. He is right, and when we come on to the statistics I can say a little more.

Our view is that detention should never be prolonged unduly. The decision on whether detention should be authorised or maintained is made on a case-by-case basis, rightly subject to regular review. No one—I stress—is detained solely because they have made an application for asylum.

I want, too, to give my hon. Friend the assurance that we carefully considered the Amnesty International report, "Seeking asylum is not a crime", and the 21 recommendations made. As he called the debate, I have been through those recommendations again, to satisfy myself that we gave them due consideration and took on board the points made.

The Minister for Immigration, Citizenship and Nationality met representatives of Amnesty to discuss the report last July and he responded formally to the report in September. I hope that that is an assurance that within the Department we have treated the report with the seriousness that it clearly deserves.

As an aside, a tribute to the power and reach of Amnesty International in this country is that I must have signed more letters to MPs about that report than about any other single issue. That is a good thing, which

clearly shows that, as I said at the beginning, Amnesty has succeeded in producing a far-reaching public debate. I congratulate it on succeeding in such a positive step.

A number of the recommendations that the report made, we would argue, reflect what we do already or relate to issues on which we have indicated that we share much the same underlying principle. There are other recommendations with which we disagree or simply cannot accept that the matters concerned need to be placed on a statutory footing.

I will give an example. There is the recommendation for a statutory prohibition on the use of Prison Service accommodation to hold certain individuals, which in our view is necessary in individual cases for reasons of security and control. It is not used routinely, but there will be circumstances when it is an appropriate option, perhaps for the protection of the individual concerned. We would not want to rule it out. I will be happy to provide my hon. Friend and other hon. Members with a copy of our full response to the report. I shall write to my hon. Friend with that.

Although detention is not time limited, it is subject to clear and well-understood legal constraints. Domestic and European Court of Human Rights case law provides that it should last for no longer than is reasonably necessary, that it must be used for the purpose authorised and that it must not be prolonged unduly. That is the basis on which detention operates in practice.

As I say, we have no wish to detain people for longer than necessary and we believe that there is every reason to keep detention as short as possible. Detention has to be used efficiently and effectively if it is to support an increased level of removals of failed asylum seekers. We have made it clear on many occasions that we do not consider it appropriate to have a fixed upper limit on the duration of detention; that would go beyond the requirements of article 5 of the European convention on human rights.

A fixed time limit would be arbitrary, thus taking no account of the individual's circumstances. It would serve simply to encourage individuals to frustrate and prolong immigration and asylum processes to reach a point at which they would be released. That would be unacceptable. A time limit might also encourage people to set longer time limits to err on the side of caution; again, that would not be in the interests of the individual concerned. The right thing is to work from the principle that detention should be minimised as much as possible.

All cases are considered carefully on their individual merits, and that will include an assessment of the risk of absconding. However, we do not detain only those individuals who present such a risk; people may be detained as part of a fast-track asylum process in which there may be little or no risk of their absconding. In some cases, individuals may also be detained simply to effect their removal. They may not represent a risk of absconding, but it may be clear that they have no intention of leaving the UK voluntarily. Detention may therefore be necessary to enforce removal.

My hon. Friend went into great detail on the detention of vulnerable people. Naturally, that is an issue of concern. Operational instructions provide clear guidance to immigration service staff about persons normally considered unsuitable for detention; I give my hon. Friend assurances on that. Such persons include victims of torture, pregnant women, those with serious medical conditions, people with mental health problems and elderly people. However, the detention of such individuals cannot be ruled out completely. Officers dealing with such cases must weigh the various factors in favour of and against detention and make a judgment in each case about whether it would be appropriate to authorise it. We have to trust the professionalism of the staff involved at that point. As I said, emotive language can often be used to describe immigration service staff, but we owe them a debt of thanks for the difficult job that they do in enforcing immigration control.

Harry Cohen: I hear what the Minister says, and do not disagree with much of it. However, should there not be better independent oversight? Should such decisions just be left in the hands of immigration staff? They get it wrong sometimes. Should there not be a better independent oversight arrangement?

Andy Burnham: In the short time left, I shall turn directly to that point. My hon. Friend mentioned the system for authorising the detention of children beyond 28 days. As Ministers, we see such reports regularly and in our view, the system is working well. My hon. Friend the Minister of State has met representatives from Save the Children and will meet them again next month.

We take the issue seriously; it is, of course, of great importance. It is right that the situation should be scrutinised regularly at the highest ministerial level. I assure my hon. Friend that the system is working well and will continue.

There has been concern about the availability of statistics on detention. We have done much to improve the accuracy and scope of such published statistics—for example, data on children in detention is now included in them. However, I completely understand my hon. Friend's point about the need to do more. If we want the public debate that I described at the beginning of my remarks, it is crucial that people have access to the full facts.

In particular, we appreciate the desire to have statistics for the number of people detained over a period, rather than the snapshot figures for the end of each quarter that we have at present. Work is going on at the research and statistics sections of the Home Office at the moment so that we can produce a measure that is meaningful and that will give my hon. Friend what he wants.

Addiction Treatment Centres (Weston-super-Mare)

1.30 pm

John Penrose (Weston-super-Mare) (Con): About two to three years ago, I encountered a growing wave of concern in my constituency about the number of drug addicts that my constituents saw in and around the town. On inquiring into the problem in some depth the following year, I decided to launch the Cleaner Weston campaign in the summer of 2004. The aims of that campaign of which I have already provided details to the Minister were threefold. The first and perhaps most crucial aim was to ensure that there was as high as possible standard of addiction treatment and addiction care post treatment for addicts if they were sent to Weston-super-Mare in an attempt to break their habit.

We are lucky in Weston-super-Mare to have a small number of extremely high quality registered addiction treatment centres. They are inspected regularly by the Commission for Social Care Inspection under the terms of the Care Standards Act 2000 and are run by able and dedicated people. The centres are not part of the problem, but part of the solution. However, I discovered that, in addition to the small number of excellent addiction treatment centres, there could be a large unknown number of unregistered centres that provide either treatment or post-treatment care throughout the town.

The difficulty has been in finding out how many centres there are and whether the services that they provide are any good. That difficulty stems entirely from the fact that, so far as I can see, no one is responsible for inspecting the centres, checking that they are doing a good job and that their standards and treatment of care are up to scratch. I suspect therefore that, as with all human endeavour, some of them are extremely well run and provide a high quality of treatment for the addicts in their care, while inevitably some of them might not be as good. The problem in Weston-super-Mare and probably throughout the rest of the country is that, without adequate standards and regular inspection of treatment and care centres against those standards, no one knows whether the addicts are being provided with the care and attention that they desperately need.

I have begun campaigning with the police and the local council for a local accreditation scheme to take into account the registered care treatment centres and also the unregistered treatment centres. I am pleased that, during the past few months, North Somerset council announced plans to introduce a local accreditation scheme in north Somerset for all addiction treatment and care centres in Weston-super-Mare and other parts of the county. I think that I am right in saying that it will be the first such scheme in the country. It is based on the criteria that have been laid out, at least in draft, by the National Treatment Agency for Substance Misuse and the European Association for the Treatment of Addiction.

The crucial point about the new accreditation scheme is that, under the existing rules in the Care Standards Act, registered treatment centres are inspected under a series of criteria laid down originally for residential care homes and nursing homes. They are good and worthwhile standards and I do not mean to decry them, but they are not, and were not intended to be, aimed at the central reason for the addiction treatment centres to exist, which is the quality of addiction treatment or addiction care post treatment that they provide. Clearly, it is important to have standards that are fit for purpose and aimed squarely at such an important and specialised area of care.

A proper addiction accreditation scheme is vital. We are introducing one in north Somerset and I should be surprised if the problems that we are experiencing with the quality of addiction treatment and care centres in Weston are unique to Weston-super-Mare. If the Minister considered other such centres in other parts of the country, I suspect that she would find such problems reflected throughout Great Britain.

Mr. David Burrowes (Enfield, Southgate) (Con): I congratulate my hon. Friend the Member for Weston-super-Mare (John Penrose) on raising such an important subject. I have a particular interest in the area because, as a criminal law solicitor for 11 years, I dealt with many drug addicts who were referred to the units in his constituency that he described.

Does my hon. Friend agree that there is a desperate need for an increased number of quality residential units that provide the level of care that we all wish to see, and that such units should be extended as good practice across the country? So far as exit strategy and aftercare are concerned, I have seen clients who attended units without the right exit strategy, and where there was not a holistic approach to their drug addiction and other needs. Some ended up on the streets of Weston-super-Mare, committing further crimes and going back into the system.

John Penrose: I thank my hon. Friend for that intervention. On his first point, a potentially good example of an accreditation scheme is being introduced in north Somerset, and I hope that the Minister will agree to consider that as a pilot scheme that might be rolled out across the country. I shall return to his second point presently, as I plan to address that issue later.

As I was saying, the quality of addiction treatment is vital. The second issue on which we have been focusing in Weston-super-Mare is whether there is notification to the authorities in north Somerset when people from other parts of Britain who are referred for treatment are sent to the town. If someone who is incredibly vulnerable embarks on a course of treatment in Weston-super-Mare, or anywhere, it is important that the local health service, housing service and police be properly notified of that person's arrival, so that if something goes wrong and the person concerned needs additional support or help, the local services are aware of that person's circumstances and can provide appropriate support.

I am afraid to say, however, that that is not what we have found. Since being elected to Parliament seven or eight months ago, I have been writing letters to referring agencies around the country asking questions under the Freedom of Information Act 2000. Sadly, a large proportion are not informing the north Somerset

authorities of the arrival of the addicts that they are sending for treatment in Weston-super-Mare. That is not good for addicts. If something goes wrong, such as a relapse, and if an addict is picked up by the police without the police knowing that that person is in the middle of a care plan provided by a referring agency in some other part of the country, the addict will go to the local magistrates court and will not be treated in the right way. However, if information can be sought from the agency, a much more effective set of sentences and actions can be taken.

It is crucial that that communication loop is properly closed and connected. I am pleased to say that there are examples of excellent referring authorities around the country. Oxfordshire is one example: in the past two and a half years more than 100 people have been sent by Oxfordshire to Weston-super-Mare for treatment, and in almost every case those concerned have managed to inform the local authorities of when people are arriving, where they are going, and when they will be there. So we are not asking for the unusual or the impossible: it is being done and good practice already exists.

However, rather than one Opposition Back-Bench MP writing letters to referring agencies around the country about people who are sent to his constituency, a more effective approach, if possible, would be Government action pointing out that, wherever addicts are being sent for treatment or support, referring agencies owe them a duty of care to keep people in the relevant referral areas informed, and that if they are failing to do that they should resume promptly.

My final point is that made earlier by my hon. Friend the Member for Enfield, Southgate (Mr. Burrowes). When someone is referred to Weston-super-Mare or another place for addiction treatment or care, that referral should be part of a unified care plan. A session in a treatment centre for several months should be only one step on the road to recovery, and one step on the road towards piecing a life back together and enabling someone to re-enter society and rejoin their family—if that is appropriate—and to get themselves another job. Too often, however, we have found from writing to referring agencies that some of them do not know what has happened to a large proportion of referred addicts in Weston-super-Mare. If there is an effective care plan, the agencies should know what has happened after treatment.

The fear is that if the agencies do not know where those people are, either there may have been no effective care plan in the first place and they were shovelled out of the referring agency's area to get the problem off its front doorstep; or, when the addicts arrived for treatment in Weston-super-Mare, they may have failed to complete the course, relapsed, left the course and ended up on a street corner in Weston, possibly looking for their next hit and probably at high risk of an overdose, which is most likely after an attempt to break a habit, at severe risk of ill health and, from the point of view of local residents, likely significantly to increase the local crime statistics. Addicts in relapse, or those who have not got rid of their habit and have a chaotic lifestyle, are incapable of holding down a job. Therefore, the only way in which they can fund their habit is through crime.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on securing the debate. I know how hard he works on behalf of his constituents, and he is raising an important subject. Is not the transition from prison or a place of rehabilitation into normal society a twilight zone through which too many people too often fall? They are not given the necessary support to resume a normal life, and people who might undergo a gradual transition to a sensible lifestyle are sadly lost at that last point.

John Penrose: My hon. Friend is absolutely right. As part of a complete care package and plan, typically after leaving treatment, most care plans will involve a series of steps through half-way houses, dry houses, education and training and voluntary work as a way of re-entering society as one of its fully functioning members. My hon. Friend is correct to point out that people can fall through the cracks in that process. That is why a properly functioning care plan is vital.

My final point to the Minister is that rather than having a solitary Back-Bench MP such as myself with a particular problem in his constituency writing to local agencies that have referred people for treatment in Weston-super-Mare, a far more effective way of dealing with the problem would be through Government action to remind agencies of the duty of care that they owe to people whom they send for treatment—in Weston or anywhere else. That duty is to ensure that people complete their care programme and that when they leave their treatment in any place, particularly Weston, they are not left to sit on a street corner and make their own way.

Those are the three critical issues, and there is a big opportunity for the nation and the Government to pick up on them. I hope that the Government will consider what is happening in Weston-super-Mare and use it wherever possible—potentially nationally—as a pilot for roll-out. I hope, also, that the Minister has had a chance to study the report that the local police authority published, and which my predecessor, Brian Cotter, referred to the Secretary of State for Home Affairs. It set out several of those points in greater detail. I look forward to the Minister's reply.

1.43 pm

The Parliamentary Under-Secretary of State for Health (Caroline Flint): I congratulate the hon. Member for Weston-super-Mare (John Penrose) on securing the debate. It is a matter of concern to him and his constituents, and to myself, too. Drug treatment today has improved on that of a few years ago. The Government have invested unprecedented amounts of money to provide drug treatment and to do exactly what the hon. Gentleman said: to make better sense of the impact of drug addiction on our criminal justice system, so that we do not continue narrowly, but move from arresting people for crimes that are linked to their drug addiction by giving them a community or custodial sentence without any drug treatment, to dealing with the underlying causes of their acquisitive crime, which is usually the area in which drug addicts find themselves.

During the past few years, the Government have linked crime and drug addiction. The link has been important in obtaining a commitment to, a focus on and

[Caroline Flint]

a prioritisation of that area, through the provision of resources to boost the amount of drug treatment available—whether residential rehabilitation, detox or prescription. The Government have also improved the links between police stations, the courts system and jails. That is why, for example, people are now being tested on arrest in a range of crimes for evidence of class A drugs. So, at the very point of arrest, we can start engaging with people.

The Drugs Act 2005, in whose passage I was pleased to play a part, also makes an assessment in line with the individual's needs mandatory following a positive drugs test. That then follows that person to court, because if they start engaging in their drug problem, it will impact in court upon whether a custodial or community sentence is required. Whether their sentence ends up being community-based or custodial—which is important to the hon. Gentleman's choice of debate today—that seamless approach is needed to ensure that the person is kept on track within a care plan for their drug addiction.

I have seen the information that the hon. Gentleman has sent, and know that it is important for the probation service, which has a role relating to those receiving a drug treatment and testing order—although that term may presently be changed. Basically, as someone on a community-based order involves that service in drug treatment as part of their commitment, a probation service which feels that a residential rehabilitation should form part of that treatment should take ownership for that individual. I was certainly concerned by the evidence that probation services were not informing police or others in the community about someone coming into their area.

John Penrose: One fact of which the Minister may not be aware, but which has developed in Weston-super-Mare in recent months, is that the national probation service has tightened up considerably in response to some of the points that I have been raising. It has withdrawn its patronage from one or two of the addiction, treatment or support places in Weston-super-Mare as a result.

Caroline Flint: I am pleased to hear that. However, it goes to show that even in the context of expanding resources for drug treatment, and despite our development of the drug intervention programme—which provides that end-to-end, seamless approach of supporting people into and through the process of treatment, recognising the issues around housing, employment and so on—we still cannot be complacent. Even with the best will and the best guidance in the world—indeed, the best organisational structure, whether that be the national treatment agency or its regional support—it is not necessarily happening in the best way, as we would hope.

I am indeed aware that there are particular problems in the south-west. Previously, in the Home Office, I visited the south-west a number of times. It is undoubtedly the case that the environment of that region provides a pleasant place to live, often in places by the sea and with buildings suitably located for residential rehabilitation—without somebody else living right next door, for there are all those issues about locating these services. Having said that, its very attraction can also be a problem because one issue, as I understand it, is that when people finish residential rehabilitation treatment they may not always go back to whence they came. That then raises a number of issues with a knock-on effect on services.

That is why we expect drug action teams to ensure that aftercare packages covering issues such as housing and employment are built into care planning when they refer a drug abuser to in-patient detox or residential rehabilitation. That should be part of the process. In some cases, residential rehabilitation providers also offer a secondary care package as part of the care plan. Often, they even provide that back in the community from whence the person first came. So, there are good examples of where that can work well, but it highlights—it is important to raise this today—that we must improve the commissioning of services.

There must also be understanding that in referring an individual to an out-of-area residential rehabilitation service, the ownership of that individual and their success should not end there. That is one reason why I was pleased last year when we reached a point where we could say, with hands on our heart, that we had increased the number of people in treatment. That is now at 160,000, ahead of our target, and we have made progress with retaining them in treatment.

The National Treatment Agency for Substance Misuse launched its new treatment-effectiveness strategy to bear down further on successful outcomes. It is recognised that clinical treatment might be necessary, but there is also the wrap-around provision that will sustain someone through the years ahead. Let us face it: in difficult circumstances, people with any addiction may be vulnerable to relapses. This is not only about the here and now; it is about sustainability.

Mr. Burnett: In relation to the care plan and the ongoing responsibility of the referring agency, I have, unfortunately, come across several instances of people relapsing. That may have to do with the nature of the person or a chaotic lifestyle. We are talking about an ongoing process. Sometimes people relapse and fail; sometimes they succeed. There have been cases of people going to an establishment in Weston-super-Mare but not keeping to the rules. Obviously, they are there voluntarily and can come and go up to a point, but they have failed and been thrown out on to the streets. It is often at that point, when someone has not followed through to the end point for the care plan to kick in and they are left to their own devices, that they end up in the cells.

Caroline Flint: I do not disagree with the hon. Gentleman's point. If a drug action team or social services is paying for a treatment service for an individual, the people who are paying should be clear about what is happening with their investment. Continuity is needed in terms of follow-up and sharing of information. That also applies to providers, whether

of treatment or housing, in terms of sounding the alert in the community if someone suddenly decides just to leave in the middle of the night. I cannot wave a magic wand and say that that will never happen. The question is: if someone opts out, for whatever reason, what is the process by which that is communicated? If part of the process for someone is that they have not gone to jail, for example, one would want to know, because it was part of their probation conditions, that they were in that treatment. These are important issues; we need to close some of the gaps. It has been clearly indicated that some commissioners of services, those who are referring people, are working well and some are not.

In the short time available to me, I want to talk about action for the future. First, I hope that I have acknowledged that I take this issue very seriously and I am aware of the complexities. Unregistered residential services in the constituency of the hon. Member for Weston-super-Mare are of particular concern. I understand that New Dawn house, Hope house and Sanctuary Addiction Services have been highlighted in that regard. It is worrying if those services are not offering effective treatment. There seem to be issues at the commissioning end. Perhaps those who commission are sometimes not doing as much work as they should to ascertain the nature of the services. In some instances, it is accommodation, rather than effective treatment, that is provided. Those paying for the service need to know exactly what they are paying for and what they should expect from it. To know that, they have to engage with the treatment provider and should be consulting the NTA and others about information that can give them a better picture of what they can expect for their investment.

I am pleased to say that, despite the problems, it is clear that the different local stakeholders in the hon. Gentleman's area are aware of the problem. The report to which he refers, by Avon and Somerset constabulary, is very helpful. It was put together in conjunction with a number of people in the health sphere who are concerned about the issue. I understand that a number of actions have been considered, the first of which is the development of a system of local accreditation and quality assurance in line with the NTA standards, which will help placing authorities to understand better the risks of placing clients in the areas that we are discussing. I understand that, under that scheme, Sanctuary Addiction Services is working with the local drug action team to improve its clinical care practice to meet required standards. I am interested in that work and how we might consider it in the context of the national picture. I shall discuss that shortly.

Correspondence has been sent to probation areas nationally to set out concerns and to ask, for example, that placements at Hope house stop. I understand that that has already had a significant impact. A letter will be sent to all directors of social services reminding them of their statutory duties in relation to the aftercare of those placed out of area.

Through the NTA regional commissioner's forum, agreement was made with neighbouring local authorities such as Bristol City not to place clients in unregistered care homes. Working with the NTA, the Office of the Deputy Prime Minister, the Commission for Social Care Inspection and Supporting People, funding for New Dawn house has been terminated, and New Dawn house is expected to close in July 2006. Operation Jupiter, which was carried out by Avon and Somerset police in partnership with the local drug action team, targeted 20 local houses in multiple occupation associated with high levels of criminal behaviour with very positive results.

The recently submitted draft 2006–07 drug treatment plan signals a clear and continuing commitment to improving local service quality and capacity and to engaging pragmatically to address the problems posed by unregistered care homes. I understand, however, that this is a problem not only for the hon. Gentleman's area; it could be happening in other parts of the country. The work that is being done locally gives us some idea of how we could approach the problem nationally and how we can discuss what other steps the NTA can take, certainly through its regional arms, throughout England.

As I said, the problems identified in Weston-super-Mare are experienced nationally, and to assist the process I have asked the NTA to produce an action plan on how those problems can be addressed nationally and for regular progress reports. I shall seek discussions with my colleagues in the Home Office, as it is jointly responsible for the NTA. The NTA is accountable both to the Home Office and to the Department of Health, and is required to assist us with any criminal justice issues that need further investigation.

Before I conclude, I must say that we are doing a huge amount nationally to improve the effectiveness of residential substance misuse services. There are challenges in referring people to out-of-area services, as well as in not referring people to residential rehabilitation when it is in fact in their best interests. Hon. Members will know that it is often a big problem for local funders to decide whether to keep people in the area or to send them out. That is true in many respects for specialist children's services, for example.

We are trying through the effectiveness strategy to place a renewed emphasis on the whole journey of someone who is trying to find their way out of drug addiction and on how drug treatment systems can support that. I believe that drug action teams have a responsibility to put in place a package of support that covers assessment before someone enters the residential rehabilitation service, the period in the residential care setting and aftercare when they have left the service.

As I said, the aftercare package should include housing and employment and the commissioning drug action team, irrespective of whether the person resumes residence in the area in which they lived before they had treatment or whether they go to a different area. There needs to be a better connection to make sense of the considerable investment in giving the individual another chance.

We need to tackle variations, and several pieces of work are planned to ensure that the quality of that commissioning is improved. That work includes guidance on commissioning residential rehabilitation and in-patient detoxification services and other work to promote good practice and to improve tier 4 commissioning, encouraging the use of local flexibilities

[Caroline Flint]

in the pooling of community care, and developing regional and sub-regional commissioning mechanisms. A region might explore more creatively what residential services it needs to make sense of the post-residential rehabilitation experience of coming home and the aftercare packages. As I said, work is also being done to improve and to promote the evidence base and consensus on suitable clients for tier 4 provision.

As I have also said, a huge amount of work is being done. We must always ensure that we are not complacent, even though so much progress has been made in identifying drugs as a link to crime, in providing the resources to make a difference, and in understanding that effective treatment can be important for the wider community as well as for the individual.

Question put and agreed to.

Adjourned accordingly at one minute to Two o'clock.

Westminster Hall

Wednesday 25 January 2006

[MR. ROGER GALE *in the Chair*]

Fire Safety Regulations

Motion made, and Question proposed, That the sitting be now adjourned.—*[Tony Cunningham.]*

9.30 am

John McDonnell (Hayes and Harlington) (Lab): On a point of order, Mr. Gale. First, I welcome you to the Chair. Secondly, may I raise with you tne problem that we have this morning and the reasons why my hon. Friend the Member for Hove (Ms Barlow), whose debate this is, is not present? The change of venue from Westminster Hall to this room has somewhat confused hon. Members—indeed, several of us went to Westminster Hall this morning and arrived here out of breath because we had been trying to find the alternative venue. May I suggest through you that hon. Members are again given notice of the change of venue so that we do not have a problem with misunderstandings and with hon. Members going to Westminster Hall, which is no longer available?

Mr. Roger Gale (in the Chair): I hear what the hon. Gentleman says. It is a matter of fact and record, and has been for a considerable time, that sittings are being held in Committee Room 10, not Westminster Hall. That information appears regularly on the Order Paper, and it is up to hon. Members to make sure that they are present and correct when required.

9.31 am

Ms Celia Barlow (Hove) (Lab): Thank you, Mr. Gale. I am here to ask for consideration to be given to the regulations that were put in place after the inquiry into the King's Cross fire. As we know, 31 people were killed in that tragic event. Following the investigation, the regulations were amended. The changes were not completely implemented until after 1991, but during that period action was taken to make the railways far safer.

The rail network is not my favourite organisation at the moment, given that I spent some considerable time on the Brighton to London train this morning. That explains my somewhat dishevelled appearance, for which I apologise to hon. Members. However, I am grateful for the opportunity to raise this important issue on behalf of hon. Members who have expressed concern about proposals to remove essential fire safety regulations.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Lady on securing the debate. To enable her to get her breath back, may I draw her attention and yours, Mr. Gale, to the debate that took place in this very room yesterday? It was about rail services in the south-east and probably highlighted some of the experiences that she suffered this morning?

Ms Barlow: I am grateful to the hon. Gentleman for his intervention, and I hope that there will be many more in the early part of my speech.

Mr. Roger Gale (in the Chair): Order. There will not be. I appreciate the courtesy that the hon. Member for Kettering (Mr. Hollobone) has shown in seeking to assist the hon. Lady, but I have made it abundantly plain that it is up to hon. Members to be here on time. Although I understand that the hon. Lady needs to get her breath back, and I am sure that everybody will have some sympathy with her, given her experience of the public transport system, I do not propose to entertain any more interventions on the subject.

Ms Barlow: Thank you, Mr. Gale. I stand corrected.

My concerns are shared by many constituents—not my concerns about the slight slowness, on occasion, of trains between Brighton and Hove and London, but the concerns of those who travel through the underground system every day. The concerns raised by my constituents have also been raised by the TUC, the rail unions and the Fire Brigades Union.

As a former firefighter and member of the FBU, the Under-Secretary of State, Office of the Deputy Prime Minister, my hon. Friend the Member for Poplar and Canning Town (Jim Fitzpatrick), has a strong interest in and knowledge of these topics. He takes them very seriously and perhaps he will be able to provide reassurances today about the future of fire safety on the underground and on our railways.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Minister has a distinguished record in the fire service, but will he not argue that the 1989 regulations are too prescriptive and bureaucratic for the modern world? Is not the key problem the fact that the proposed guidance, which will accompany the fire safety order, will have no legal force? Will that not worry my hon. Friend's constituents in Hove, as well as other travellers in the underground system, particularly those who pass through King's Cross, where the disaster took place and through which I travel several times a week?

Ms Barlow: I agree that there are concerns, although I would not say that they are as desperate as my hon. Friend suggests. In the present climate, however, every rail and underground safety issue is of desperate interest.

Perhaps it would be useful at this point to remind ourselves of the history of the debate. The Fire Precautions (Sub-surface Railway Stations) Regulations 1989, to which I shall simply refer as "the regulations" for the purposes of this debate, were introduced under section 12 of the Fire Precautions Act 1971. The regulations were added on the recommendation of the Fennell report into the 1987 King's Cross fire, which claimed 31 lives.

I was on the BBC TV news desk that day, watching the terrible video rushes as they were fed in by satellite, and assessing the risks to camera crews and reporters at the scene. It is believed that the blaze began when a match was dropped through a wooden escalator—such escalators have, of course, now been banned—in a non-smoking area during the evening rush hour. An accumulation of grease and other debris under the tracks led to a fireball, which scorched up the escalator, trapping many people underground. Years later, one survivor, who ran from the upper concourse, said:

"If Hell existed it was on display that night."

[Ms Barlow]

Following the fire, the Fennell report called for changes, including minimum staffing standards and means of detecting, warning of and fighting fires. It also called for standards of fire-resistant construction, training and other precautions. There was a scandal in 1991, when a report found that only eight of the 26 safety recommendations made after the inquiry had been fully implemented. They were later complied with and provided a cushion of safety around staff, firefighters and customers.

It is important to remember that the regulations apply not only to London underground stations, but to sub-surface stations throughout Britain, including underground systems in Tyne and Wear and several national rail stations with sub-surface stations, such as New Street station in Birmingham.

The regulations were introduced to help to prevent a repeat of the terrible events at King's Cross, and I think that all hon. Members would agree that they have stood the test of time. They set down essential minimum statutory requirements for safety, covering issues such as means of escape, means of fighting fire, means of detection and giving warning, fire-resistant construction, instruction and training, and the keeping of records. Additional precautions covered in the regulations include practicable steps to prevent smoking and minimum staffing requirements, which are almost invariably exceeded in the railway network.

No one doubts the Minister's strong commitment to fire safety. I hope that he will agree that the Government must not replace the current regulations lightly, and that they should do so only if they can guarantee at least the same statutory—I stress, statutory—level of safety for the public, rail staff and emergency services. As I understand it—he will correct me if I am wrong—the Government's view is that the current regulations and the protection that they provide will be adequately replaced by the provisions of the Regulatory Reform (Fire Safety) Order 2005, associated guidance and the proposed Railways and Other Guided Transport Systems (Safety) Regulations. For the purposes of this debate and for my hon. Friends' sake, I shall refer to the legislation simply as "the order".

When the order comes into force, it will cover general fire precautions in different categories of workplace and public place and abolish the use of fire certificates. It will signal a move to a risk assessment-based approach to fire safety—that is one of the key issues. In addition, a series of guides will be produced to assist those preparing risk assessments. Although my hon. Friends, the trade unions and I do not necessarily have difficulty with the principles of the order, we are concerned about the proposition that it will remove the regulations for sub-surface stations. That is a really important point. We feel that sub-surface rail stations are a special case and require an assured minimum standard of protection, which cannot be afforded by risk assessment and guidance alone.

Mr. Hollobone: I have the privilege of being a member of the all-party group on lighting, which discussed that very issue at a meeting earlier this week. Making third-party approval for personal safety equipment mandatory is an important issue for the lighting and security industry, which favours a proper system of accreditation for those conducting the inspections.

Ms Barlow: I thank the hon. Gentleman. The issue was also considered by the Regulatory Reform Committee in July 2004, following representations by my hon. Friend the Member for Hayes and Harlington (John McDonnell), who had a strong interest as secretary of the FBU parliamentary group. The Committee also had strong reservations about the Government's proposals. It argued that given the nature of sub-surface railway stations and the substantial number of people who use them every day, there was a strong public interest in ensuring their safety from fire. I am sure that the Minister agrees with that. Importantly, the Committee did not accept the Government's view that the regulations placed a disproportionate burden on the management of sub-surface railway stations. It also argued that it had not been demonstrated that fire safety in such stations would be improved by the removal of the regulations in favour of the risk-based approach contemplated in the order.

David Taylor: Does my hon. Friend agree that the enforcement activity of fire authorities when the new approach is in place will be crucial to the success of the order? Does she hope that the Minister will announce that the Deputy Prime Minister will have powers to direct fire authorities in their enforcement activity to provide information and to report to him on particularly sensitive installations or networks?

Ms Barlow: That is certainly an interesting idea that I hope the Minister will take on board.

The Committee concluded that sub-surface railway stations were indeed a special case and that the Office of the Deputy Prime Minister had not yet made a convincing case for removing the regulations. The Committee recommended that the regulations should remain, but that if they were removed, any guidance issued could include all elements of the protection prescribed in the regulations.

I understand that the Minister's predecessor considered the report following the recommendations, along with representations from other interested parties. Stakeholders were then informed that the Government accepted the need not only for protections to continue, but for them to be clearly seen to continue. The Department advised that it intended to retain the regulations until substantive guidance on fire precautions for sub-surface railway stations had been published. Stakeholders are now being consulted on the guidance. I welcome that move, but it remains my view and that of many others that the guidance and the order will not offer the same level of protection as the regulations. There are a number of compelling reasons for a rethink.

First, it is self-evident that the protections will be lessened, because nowhere does the order specify minimum standards that equate to the current regulations. Furthermore, unlike the regulations, the proposed guidance to accompany the order will have no legal force. There is also concern that the guidance being

developed could be too general in respect of transport premises and not specific enough to take account of the unique needs and dangers of sub-surface stations.

Secondly, removing the regulations will change the burden of proof and might make it easier for unscrupulous rail operators to reduce the current standards below those specified in the regulations. Now, the fire authority must be satisfied with a specific requirement at a particular location, or unhappy that the standard is inappropriate, unnecessary or not reasonably practical. However, I believe that under the Government's proposal it will be for the fire authority to show that the rail industry has failed to carry out a sufficient risk assessment.

Thirdly, there is the question of whether the regulations are too prescriptive and bureaucratic. However, the current arrangements are flexible enough to allow rail operators to seek exemptions from the regulations if they can satisfy the fire authority that a minimum standard at a particular location is inappropriate, unnecessary or not reasonably practical. I hope that the Minister will reflect on the fact that the regulations are not necessarily a blunt instrument, as they have been described, that imposes disproportionate requirements on the rail industry.

I note from an answer to a written question tabled by my hon. Friend the Member for Hayes and Harlington that the Department does not keep records of requests for exemptions to regulations and does not require fire and rescue authorities to supply them. Whatever the reasons for that—I will not go into whether it is the correct approach or not—I hope that the Minister will forgive my bluntness in saying that it is difficult to see how we can conclude that the regulations are too prescriptive and bureaucratic if the Department has no record of when requests for exemptions are made or even whether any ever have been made.

Fourthly, I hope that the Minister accepts that the need for minimum standards is arguably greater now than at the time of the King's Cross fire. One reason is that the number of passengers using the railways has increased significantly since then, in line with the Department's policy and for many other, ecological reasons. Also, management of the various systems has unfortunately been fragmented.

Finally, I know that the Minister will agree that the need for the public to have confidence in railway fire safety is greater than ever following the appalling terrorist attacks on London in July. The views of rail workers and those in the emergency services, who performed so honourably, professionally and bravely, need to be taken very seriously indeed. Anyone who was a passenger on the underground on the morning of 7 July, as I and many of my constituents were, must be grateful to the emergency services for their prompt and heroic response, and we must listen to their undoubted expertise. Owing to the implementation of the Fennell report, passengers travel with greater regulatory safety than ever before. I urge the Minister to retain the system.

The Minister has sought to address some of the concerns that I have raised by stating that when the order is introduced its provisions and associated guidance will run concurrently with those of the regulations for six to 12 months. It is argued that that will allow the Department to compare the effectiveness of the new arrangements with the regulations. At the end of that period the need to remove the regulations can be assessed. I welcome that as a sign that the Government take our representations seriously, but I am not sure how that process will be the most effective way of informing the Department's thinking, because it is not clear whether the regulations or the order will take priority during that six to 12-month period. In any event, will there not be a temptation for the rail operators not to act so as to test the new arrangements during that period, thereby leaving the Department none the wiser about the order's effectiveness?

The Government have stated that they will allow more time for business and fire safety experts to get ready for the order, which would probably not be implemented until later this year or even in 2007. I hope that the Minister will use that time to reflect on the arguments for retaining the regulations and positively consider the representations that he receives from hon. Members and stakeholders, as he has been doing.

I am hopeful that a solution can be found that will allay our concerns. Perhaps the basis of such a solution is an acceptance that the regulations should be modified to take into account the need for any changes that has arisen since their introduction, coupled with support for the principle that sub-surface stations are a special case and that that fact needs to be reflected in a statutory approach. I sincerely hope that, at a time when the threats have never been greater, we can all work together to find the right solution and ensure that the terrible events at King's Cross are never repeated.

9.49 am

Mr. Andrew Dismore (Hendon) (Lab): I congratulate my hon. Friend the Member for Hove (Ms Barlow) on making it here today and commiserate with her on her rather rushed introduction; I was pleased that she got into her stride. Her presentation was excellent.

I must declare an interest as the chairman of the Fire Brigades Union parliamentary group. Perhaps more importantly, before coming to this place I was the FBU's solicitor for 17 years. I would like to bring that experience to today's debate, although not by a legal analysis; my hon. Friend gave a good analysis of the regulations, the order and the interrelationship between them, and gave a detailed argument regarding the problems that they cause.

I also bring a more direct experience through my involvement with the inquiry into the King's Cross fire. At that time, I represented the family of the fire officer who was killed at the fire, who was later posthumously awarded the George medal for bravery, other firefighters who were physically and mentally injured by the fire, and railway workers. I sat through most of the 93 days of the public inquiry into the fire held by Sir Desmond Fennell, as I was representing those victims, the FBU, ASLEF and their members. Indeed, I gave evidence to the inquiry on various aspects of fire safety. I remember dealing with my hon. Friend the Minister at that time in his then capacity as an FBU official representing London, so I know that he has a lot of experience of the issues relating to King's Cross.

I visited King's Cross station on the Sunday after the fire, three days later. The sights that I saw then will haunt me for ever. The blackened debris and wreckage

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and the utter destruction caused by the flashover were indescribable. A flashover is terrible at any time, but particularly so in the circumstances at that station. It is not just the physical things that one sees; the horrible smell stays in one's nostrils for days afterwards and remains in the memory. The smells of fire are appalling, particularly when one knows what happened.

I still get a shiver when I use the Northern line escalator in King's Cross station, which I have to do from time to time as the Northern line serves my constituency, because I know that that is where the fire started; I know the point on the escalator where it started. I still get a shiver when I use the underpass toward St. Pancras, where many people died so tragically and horrifically, including Station Officer Townsley, who tried—in vain, unfortunately—to rescue members of the public who faced such a horrible death, and when I walk past the memorial to the 31 victims who died in one of the underpasses under Euston road.

The statements that I took from firefighters and railway workers after the fire were some of the easiest that I ever took. All I had to do, more or less, was to switch on my dictating machine and let them talk. The tales they told of what happened and what they saw and experienced were some of the most horrific I have heard. When those statements were presented at the inquiry, little cross-examination was necessary because it was all there. Everybody used those statements as the primary evidence of what happened. I never want such a thing to happen again.

That is the stage at which I became a lawyer who campaigned on issues such as fire safety and corporate manslaughter, on which I hope my Government will deliver in the not-too-distant future. The young, campaigning lawyer of 20 years ago has ended up being the now rather more cynical, but still campaigning, Member of Parliament for Hendon you see before you today, Mr. Gale. I never thought that I would see the day when my Government would consider watering down fire safety protection as the regulations will. The recommendations made by Sir Desmond Fennell in his report are still valid, if not more so given the current situation with London Underground.

David Taylor: The fire certification system that has been in place since 1972, I think, has widely been seen by travellers in London and elsewhere as a public safety net in which they broadly have confidence. The order that might replace it would mean that the safety net will have a rather wider mesh through which people might fall. Does my hon. Friend agree that we need more detail on how it will be enforced before there is a switchover? As my hon. Friend the Member for Hove said, running the changes in parallel for six or 12 months is fine, but let us have the detail on how the order will be enforced.

Mr. Dismore: My hon. Friend makes an important point. The difficulty with guidance notes is that they are not legally enforceable. They do not even have the force of a code of practice, which would be rather more useful than mere guidance notes. I have nothing particular against safety assessments, but they should go hand in hand with the underpinning of the detailed regulations that we are debating. It is not either/or; let us have both. I am concerned that there will be a watering down.

There have been many improvements on the tube since the King's Cross fire. The fact that we now have steel escalators rather than the old wooden ones that caught fire is the most visible and obvious example; which everyone can see. However many other underpinnings are important. The tube is used so much; there are, on average, 3 million passengers a day—far more than at the time of the King's Cross fire—and use is growing. That puts greater pressure on the underground system and staff and means that there are greater safety risks.

A key element of the Fennell report was his criticism of the fragmentation of the management, which was then operating under one company, London Underground Ltd. He also criticised the inability of the management to communicate within itself and the lack of clear lines of responsibility. Through the public-private partnership, of which I was not a great advocate—although I recognise that it is bringing investment to the tube—there is fragmentation within London Underground. Although residual responsibilities lie ultimately, I suppose, with the Mayor of London, several companies are now involved.

For the Northern line, the infrastructure company responsible for the track, tunnels and signalling is Tube Lines; a separate company, Alstom, runs the train maintenance contract; and London Underground has overarching responsibilities. That fragmentation has the potential to create the sort of gaps that the Fennell inquiry identified, and the situation could be made worse if the proposed safety regime is introduced.

We must be sure that there is seamless management of safety. The recent problems on the Northern line in particular with the failure of brake systems that was identified in autumn, are an example of where such gaps arise—obviously not in the context of fire, but with train maintenance. That highlights some of the potential problems with gaps. It is a case not of "Mind the gap between the platform and the train", but of mind the gap within the management. That is one of the key criticisms in the Fennell report, and it is not answered by the proposals.

There was also some criticism of the lack of record keeping. My hon. Friend the Member for Hove identified that as a problem when she so ably opened the debate. We must recognise that one product of the PPP is the huge investment that there will be in the underground to modernise tracks, signalling and stations. Huge, large-scale engineering works will affect the network for years to come. They are welcome and long overdue, but engineering works are hazardous and might give rise to fire risks. That is an inevitable consequence of major engineering works, but, in those circumstances, now is not the time to start downgrading fire protection.

Those engineering works are necessary because of the long-term neglect of the underground over many years and under successive Governments. Until those works are complete, the underground will remain subject to various safety risks or problems, such as the problem with the signalling system that was identified at Camden Town last year. Therefore, until the underground is running properly and modernised, and until we deal with some of the core management problems, we should not start messing around with safety regulations.

I end my remarks by reminding people of what happened on 7 July and the work that the emergency services did then. Their ability to function through the correct levels of staffing, skill and co-ordination enabled them to deal so effectively with the consequences of that day. The Metropolitan Police Commissioner warned us of the inevitability of further terrorist attacks; we must be prepared for the risk of further attacks on the underground. In those circumstances, I ask my hon. Friend the Minister to think again.

Would my hon. Friend the Minister like to be responsible were there to be another terrorist attack and the London underground system was not able to cope because of the effect of the changes that he is proposing? I ask the Government to postpone their move to bring in the new arrangements, at least until the modernisation works to the tube are completed. We can then review safety in the round with a new modernised tube until we have seen some progress towards dealing with the appalling terrorist threat that bedevils our country in general, and our capital city in particular, which is served so well by our transport workers.

10 am

John McDonnell (Hayes and Harlington) (Lab): Let me declare an interest as the chair of the National Union of Rail, Maritime and Transport Workers parliamentary group and the secretary of the Fire Brigades Union parliamentary group, as noted in the Register of Members' Interests. I too congratulate my hon. Friend the Member for Hove (Ms Barlow) not only on securing the debate, but on her superb detailed exposition of the argument. I shall not go over the ground that she covered, but I just want to make a few comments.

As has been explained by my hon. Friend the Member for Hendon (Mr. Dismore), we all bring to the debate our personal experiences as does the Minister. In my earlier career, I was chief executive of the then Association of London Authorities and on the evening of the King's Cross fire I had a meeting at Camden town hall. Instead of travelling by tube as I usually would do to King's Cross, alighting and going to the town hall, I walked and missed the fire. I would have been on the train at the time. I was attending the social services committee at Camden town hall and that night we had to suspend the committee to enable officers and members to prepare emergency morgues for the bodies coming from King's Cross.

The debate is of personal concern to several hon. Members, especially those who represent London constituencies and had any experience of the King's Cross tragedy. That concern has now been replicated on several occasions by accidents on the tube, of which Chancery Lane is an example. We come to the debate as a result of the King's Cross fire on the basis of a strict precautionary principle: that we do not do anything that undermines or may undermine the safety of the travelling public; that we will not take any measure that may enhance the risk and that we will do everything we possibly can to reduce the risk.

The Fennell inquiry was a model of an inquiry. It took evidence in detail from front-line workers. It arrived at several conclusions, which, on a consensual basis, were accepted by those on all sides of industry—management, front-line workers on the London underground, firefighters and the Fire Brigades Union. On the basis of a precautionary principle and the combined consensual wisdom of the various authorities at the time, the inquiry behoves the Government to have a strong justification for moving forward or moving away from the Fennell recommendations.

Many arguments have been advanced this morning, but when the proposals were brought forward, they were reviewed by the Regulatory Reform Committee. Although I was not a member of that Committee, I spoke at the meeting. It is important to remind ourselves that a Select Committee said to the Government at the time—clearly it did not endorse the introduction of the order—that

> "On the evidence presently before us, we are not convinced that the provisions will be adequately carried forward under the general provisions of the draft Order . . . We consider that the provisions . . . should remain in force."

The Minister responded by saying,

> "Having considered the Committee reports, together with other representations received . . . we do accept that there is a need not only for this protection to continue but also that it can be clearly seen to be continued."

The Committee expressed its worries about any change and the Minister responded accordingly. At the time, I thought that we would have a more fundamental review of the order itself. Instead, all we have experienced is delay and the order's reintroduction with virtually no amendment to the original proposals. The debate is taking place today on that basis.

There is confusion about the Government's real intentions. As a result of the delays, some consultation has commenced on guidance but, as has already been said, it will have no legal basis or any firm use whereby it can be used to secure safety on the London underground. Instead of having more detailed consultation of the order and considering a fundamental amendment, all we have had is limited consultation on the guidance. That goes against the spirit of what the Regulatory Reform Committee was arguing for at the time.

The Committee had firm views. At paragraph 126 of its report, it said:

> "In our view the Department has not yet made a convincing case for the revocation"

of the existing regulations.

Since then, the Government have not put forward a subsequent case. They have certainly not reported back to the Regulatory Reform Committee with a case that could change the Committee's mind. The first step that the Government should have undertaken—it is not too late to undertake it now—is to have gone back first to the Regulatory Reform Committee to see whether it could be convinced of the need for change. The Committee set out its arguments as to why the order should not go ahead in one of the strongest reports that it has produced. Such matters should be considered by the Government and there should be a proper debate.

As my hon. Friends the Members for Hove and for Hendon have said, time has moved on in respect of the practices of the London underground. More than 700 million people use the underground each year. There has been a 20 per cent. increase in passenger traffic. Management systems are now dramatically different, even within the past two years because of the

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fragmentation of London Underground's management. The proposals need to be reviewed in the light of the day-to-day practices of the London underground now as against two years ago. As my hon. Friend the Member for Hove said, the Government should go back to all the stakeholders about the detail of the order, not only the guidance.

People are becoming confused by the different orders that have been issued. The latest statement made by the Government on 12 January advised us that they had put back the date of the implementation of the order. I believe that there is an attempt to coincide that with regulations in Scotland, too. We are told that the change is to allow businesses and fire safety experts more time to get ready for the new regulations, not to consult on the detail of them or to secure amendments to them. We are now in a state of absolute confusion about when the regulations will come into effect.

A carry-over period between six and 12 months when both systems will run in tandem will cause even greater confusion. As my hon. Friend the Member for Hove said, it will hardly be a realistic trial of the new order because companies will fail to act on it and will put off any changes until the 12 months are over to avoid the onus being placed on increased investment or any change of practice desired as a result of the new system.

The Government need to give us clarity on where we are going. What is the status of the order? What is the time scale for its introduction? What consultations will take place? In the light of discussions that have taken place so far, we need to step back again and have a more fundamental consultation with the stakeholders. We need to go back to the Regulatory Reform Committee and discuss matters to see whether it would be satisfied with any new proposals coming forward after that consultation. In addition, we must recognise that things have moved on within the industry.

My hon. Friend the Member for Hendon mentioned the fact that, as a result of the Government's significant investment via the public-private partnership—although some of the investment has been diverted—we are now seeing major infrastructure projects on the system. I am not talking about the result of the PPP, as that is a waste of resources. Is now the time to confuse matters with the establishment of new orders, new systems and new regulatory principles in such a sensitive part of the system itself?

This is a special case. My hon. Friend the Member for Hove has it exactly right. As experts will tell us, underground fires and underground risks are so much more difficult and hazardous than they are on the surface, purely because of access and other arrangements. That is a key lesson of Fennell. If the access arrangements and the problems of underground working will be made worse as a result of the current significant investment and works, the last thing that we will want to do is to interfere with existing practices that have served us well over the past 20 years or so.

The Government have delayed again, so it is not too late to think again, to put the matter out to consultation again, to take on board the expert advice or to take into account changes. I dread us introducing such measures as a result of what is almost a stubborn belligerence about not taking other views into account. Sometimes there is almost a sense of bloody-mindedness, and a sense that Governments will not change their mind once the wheels of Government mechanisms start in motion. I just thank God for the Regulatory Reform Committee, which halted that process over a year ago.

I hope that this debate will contribute towards our telling the Government that just because an element of momentum has built up around the order, they do not inevitably have to proceed to make a mistake that we will live to regret, and that some people may not live to regret. The key element is consultation and involvement.

The process involves a step change; there is a change in the onus of responsibility. At the moment, it is clear in law where responsibility lies; we rely on those providing the service to ensure that they meet the regulation requirements. The proposal will mean that the onus shifts to the fire authorities, who will have to prove that the providers are not meeting the requirements. That is a significant principle change and, in practice, will be a dramatic change to what went before. It would undermine the practices of the fire authorities, which will have to cope in that way. In addition, it would undermine the confidence of the travelling public and those who work on the system.

There is an element of trust involved in this issue, too. Why are the Government making the proposals at this point in time, and what pressures are on the Government to move in this way? What reason is there for the haste with which the Government tried to introduce the regulations previously, with, we believe, inadequate consultation? I am at a loss to see why that change in principle needs to take place at this moment.

Finally, I ask the Minister to clarify where we are and where we are going. More importantly, I appeal to the Government to step back from this hazardous measure, which will put lives at risk and undermine the confidence of the travelling public.

10.12 am

Mark Hunter (Cheadle) (LD): I appreciate this opportunity to make a brief contribution. First, I compliment the hon. Member for Hove (Ms Barlow) on securing the debate and thank the hon. Member for Hendon (Mr. Dismore) for rightly reminding us of the appalling tragedy of the King's Cross fire.

I am pleased that the hon. Member for Hove made clear the wider relevance of this debate; I am one of many Members from the Greater Manchester and north-west area who have pressed for an extension to the Metrolink system. As a regular rail user myself, I share concerns about fire safety issues on the railway network.

Like others, I shall be interested to hear the Minister's views on whether the delay, announced a couple of weeks ago, in implementing the Regulatory Reform (Fire Safety) Order 2005 means that the Office of the Deputy Prime Minister will reconsider what many think is at best a discretionary approach to, and at worse a relaxation of, regulations on the facilities concerned. Of course, the proposals come at a time when Members do not need reminding of possible threats in the places concerned.

The regulations made under section 12 of the Fire Precautions Act 1971, which were inspired by the Fennell report, have been a key part of safety on the underground for a number of years, so I would appreciate any assurances that can be given today on those regulations, and indeed on the wider issue of fire safety on the underground and on subterranean railway stations. Also, can we assume from the delay that the Government are in the mood to compromise on the wider issue of fire safety regulations? Will the Minister tell us this morning whether that mood extends to the specific regulations to which I, and others, have referred?

On the new fire safety order, I wholeheartedly agree with the Minister's statement of 12 January that we should not seek to impose new regulations on stakeholders without giving them the necessary time to implement them, so I suppose that the announcement is to be welcomed. However, I should be grateful if the Minister told us why the guidance documents are apparently not yet available.

As I said, I did not intend to make a long contribution. It is obvious that I am not alone in seeking assurances not just on the future of fire safety on the underground, but on the future of the wider regulations.

10.15 am

Mr. Robert Syms (Poole) (Con): I, too, congratulate the hon. Member for Hove (Ms Barlow) on securing this debate, which is a useful opportunity to air a number of issues and concerns felt by hon. Members. We have had a short but good debate.

It is important that we get this matter right. On occasions, I felt that I was more in sympathy with the Minister than some of his own Back-Benchers were; I do not get the impression that the Government are rushing the proposal. They have put the decision off and they seem to be consulting. We do not know exactly what the final package will be, but it seems to me that they have taken a very sensible approach to complex regulations.

Broadly speaking, Her Majesty's Opposition support the review of fire safety regulations. Moving a system to risk assessment is sensible. Clearly, one has to look at the guidance, and some sensible points were made about the force of that guidance in determining how successful the system will be when implemented. Earlier, the matter of the accreditation of inspectors was raised, and that, too, was a sensible point.

I know that the private sector, in particular, has raised the issue of cost. There have been some concerns on that point, so we have to keep an eye on whether there is to be a transfer of resources. The difficulty with such regulations, particularly on subjects such as fire, is that things can be very much set in stone, and there can always be arguments for no change. There is an argument for change, but it is a question of getting it right. This is a useful opportunity for the Minister to stand up and give some assurances.

I noticed earlier in the week that the Government have announced further fire prevention grants—another £11.4 million. Under the Housing Act 1996, we dealt with houses in multiple occupation and aspects of their rating to do with fire. Quite a lot has been happening across the piece in terms of fire prevention and fire reform.

I listened carefully to what the hon. Member for Hendon (Mr. Dismore) said and was interested to hear his comments about the King's Cross disaster. Clearly, if one had to encapsulate the matter and say which one area gave concern, it would be sub-surface regulations. I hope that the Minister can give reassurances on that subject today. When the hon. Gentleman was a young, thrusting, campaigning lawyer, I was perhaps not quite so young, but I was certainly on Wiltshire county council's public protection committee, which dealt with the fire brigade. Our concern, post-King's Cross, was that there were major underground workings underneath Corsham and Box in Wiltshire, where the Ministry of Defence has major stores. Although the principal people dealing with the fire would have been the MOD fire service, the Wiltshire fire brigade would have been asked to support it. The key problem that the chief fire officer found was the issue of command and control underground, because radio equipment does not work as effectively there. So there are certainly special issues to do with sub-surface working and disasters; I hope that the Minister can give some reassurances on that subject.

The hon. Member for Hayes and Harlington (John McDonnell) asked some very challenging questions, in his customary way. He pointed out the Regulatory Reform Committee's concerns about that aspect of the regulations. I hope that, at the end of the debate, we will have a little bit more sketched in about Government proposals on this subject.

We need to know a little more about the time scale—that is one issue that has come out today—and when the order will be implemented. We have already heard that both systems will run in tandem. What will be the cost of that? One hon. Member asked whether it would be fair to run the new system with the old regulations still, effectively, in force. We need to hear a little bit more about time scales. Certainly, if the private sector and public corporations are going to have to take on a larger role, it is right and proper that we should at least give them a reasonable warning and a reasonable opportunity to adjust their working practices to carry out the new regulations. The key issue, which was raised by the hon. Member for Hendon, is management—including line management and joined-up management—particularly when it comes to major organisations, such as the tube.

We need a somewhat clearer view than we have had from the Government over recent weeks. I hope that the Minister is able to reassure us today about the time scale and the sub-surface regulations, about which there is general concern and that he will, perhaps, say a little bit more about the guidance, and the force of the guidance, and how it will effectively underpin the new system that the Government wish to implement.

10.20 am

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): Mr. Gale, it is a pleasure to see you in the Chair this morning, sir.

We have had an interesting, useful debate and many points have been raised. I congratulate my hon. Friend the Member for Hove (Ms Barlow) on successfully securing this debate, and I congratulate all hon. Members on their contributions. I will try to address as many of the points raised as I can, but it is important to

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say clearly, from the outset, that we have a fundamental disagreement about the impact of the new orders. I hope to reassure hon. Members that we are not weakening the degree of public protection, but are doing the opposite and strengthening it.

My hon. Friend opened the debate by asking about the use of guidance to demonstrate necessary protections for sub-surface railway stations. I particularly want to set the record straight on that, but if you will allow me, Mr. Gale, I should first like to place two important references on the record.

On the fire safety order, the Regulatory Reform Committee said in its 11th report of the 2003–04 Session:

"We consider that the provisions of the Fire Precautions (Sub-surface Railway Stations) Regulations 1989 constitute necessary protections. On the evidence presently before us, we are not convinced that the provisions will be adequately carried forward under the general provisions of the draft Order and the Railway (Safety Case) Regulations 2000, as amended. We consider that the provisions of the Fire Precautions (Sub-surface Railway Stations) Regulations 1989 should remain in force. We therefore recommend that Schedule 5 to the draft Order be amended to remove the references to the Fire Precautions (Subsurface Railway Stations) Regulations 1989, the Fire Precautions (Sub-surface Railway Stations) (Amendment) Regulations 1991 and the Fire Precautions (Sub-surface Railway Stations) (Amendment) Regulations 1994.

We note that once the Order is in force the Secretary of State may make regulations under article 24 which would revoke the 1989 Regulations. Any decision to keep the 1989 Regulations, as amended, in force beyond the entry into force of the draft Order is therefore by no means irrevocable.

Another solution might be the provision of guidance by the Secretary of State on the operation of fire safety requirements in sub-surface railway stations. We note that London Underground Limited, in its response to the consultation on the proposal, stressed the need for guidance on implementation of the proposed Order. Such guidance could include all the elements of protection prescribed in the 1989 Regulations."

That last point is particularly important in relation to what has been said today and to the comments that I am about to make.

Mr. Dismore: The key difference, of course, is that guidance is not in any way, shape, or form binding, as regulations are. If there were a code of practice, at least that could be taken into account, if that were necessary, before a court if the issue ever arose—I hope that it would not. Will my hon. Friend consider providing at least a code of practice instead of guidance? That would have greater force in supporting the new regime.

Jim Fitzpatrick: My hon. Friend effectively made that point in his contribution, and I shall try to respond to it in due course. I am about to develop my point about why we believe the provision that we have put in place is adequate.

John McDonnell: Just so that we have it clear for the record, and as the Regulatory Reform Committee did not address the difference between guidance and codes of practice in the existing regulations, or their potential use in law, can we clarify that?

Jim Fitzpatrick: I will certainly try to do so in my comments.

We agreed with the Committees involved and made a statement on bringing the Regulatory Reform (Fire Safety) Order 2005 before the House for scrutiny the second time:

"However, to ensure public certainty and confidence, the Department accepts the view expressed by both Committees that if the highly prescriptive 1989 regulations are to be revoked then substantive guidance must be in place so that the protection can clearly be seen to be maintained. Consequently, the regulations will be retained on a temporary basis and only removed once guidance has been produced in consultation with all parties. We have therefore removed reference to the regulations from Schedule 5."

John McDonnell: Just to clarify the process, does that mean that at this point in time the Government's proposals will be going back to the Regulatory Reform Committee for consideration and report?

Jim Fitzpatrick: If my hon. Friends will allow me to develop my answer we will get to an explanation, at least partly, if not in full.

Some confusion seems to have arisen about what was meant by the statement that I have just quoted. It is our view that the fire safety order maintains all necessary protections, particularly when taken with other safety legislation, which will continue to apply. However, it is essential not only that these protections should exist, but that they can clearly be seen to exist. We are producing guidance to do that.

I want to make it absolutely clear that we have no intention of using guidance instead of legislation. We are using guidance to show how the law—the 2005 order—provides, and in our view enhances, the necessary protections currently provided by the Fire Precautions (Sub-surface Railway Stations) Regulations 1989. For example, the 1989 regulations do not cover the protection of firefighters, contractors or modern suppression systems. The new regulations enhance the old regulations. We think that doing that is more straightforward, simpler and more in keeping with all the legislation that we have passed recently than having a choice between the new regulations or upgrading the old ones. I will try to emphasise that later. The law, not the guidance, provides the protections. The guidance will just explain the protections, so that they can be clearly seen.

Mr. Dismore: I am sorry to keep badgering the Minister on this point, but there is a significant difference in law between the effect of guidance as opposed to a code of practice. Whatever he may say about the guidance referring to how the law will be enforced or taken into account, guidance notes do not have legal force. Codes of practice have some legal force. Will he consider ensuring that guidance notes are issued in the form of a code of practice, to give effect to what he has said he wants to achieve?

Jim Fitzpatrick: My hon. Friend the Member for North-West Leicestershire (David Taylor) also raised the point about the guidance not being statutory. We consulted on making the guidance statutory, but there was no clear majority in favour of that. We consider that statutory guidance that could effectively impose a list of requirements does not fit with the risk-based regime that we are trying to introduce.

John McDonnell: It would be useful if the Minister could comment today, at least in a note, on the views expressed by the individual parties consulted on whether there should be guidance.

Jim Fitzpatrick: I shall be happy to write to my hon. Friend, if I do not cover the point in due course. I shall deal with his question on consultation a few pages further on in my speech.

The secondary point about the Fire and Rescue Services Act 2004 is that it requires a fire and rescue service to have due regard to the national framework that we have set up, which includes producing integrated risk management plans for the protection of the community and encompasses enforcement of fire safety. The 2004 Act also provides powers for the Secretary of State to intervene, where the integrated risk management plan that has been prepared does not come up to scratch.

As I was explaining, we are using the guidance to show how the law and the fire safety order provides, and in our view enhances, the existing provisions. I have said before, and I am happy to repeat now, that we will not remove the 1989 regulations until and unless it can be clearly shown that all necessary protections are continued under the new regime. I will come in a few moments to the points about the timing and how we will demonstrate why running the two systems in tandem will improve on safety.

John McDonnell: I just want to put this matter on the record so we are not confused in any future debates, because this one might run and run. The Minister talked about areas where the existing orders did not apply, or where the Government thought that they did not cover things adequately in terms of the consultation that has taken place. That is why the consultation with the Fire Brigades Union and others has been on the basis of strengthening the existing orders rather than relating things to guidance. The issues could be addressed under the existing system without that being transformed into something based simply on guidance that has no statutory effect.

Jim Fitzpatrick: I hear what my hon. Friend says, but the guidance being drafted will cover other transport premises and facilities as well as sub-surface stations. The stakeholders working with us on that include representatives of the operators, through London Underground, of the enforcers, through the London Fire and Emergency Planning Authority, and—most importantly for my hon. Friends—of the trade unions, through the National Union of Rail, Maritime and Transport Workers. The guidance needs to be, and will be, clear about the protections and how they apply.

In response to the question put by my hon. Friend the Member for Hayes and Harlington (John McDonnell) about the thoroughness of the consultation in the previous instance, I should say that the regulatory reform order was developed with stakeholders after a lengthy period. Subsequently, we consulted formally for four months, sending out more than 10,000 consultation documents. We received 257 responses, and the final order was developed on the basis of that consultation. On the guidance, a working party including London Underground, the RMT—

John McDonnell: I should like to be clear for the sake of the record. There is consultation, and there is consultation and listening. The RMT position was set out clearly yet again on 20 January. It clearly stated:

> "The Section 12 regulations lay down fire-safety measures that are simply not specified in the new Fire Safety Order, and RMT, alongside the Fire Brigades Union and Aslef, has been campaigning hard to keep them in place. We hope the government will now use the delay to think again about the wisdom of abolishing specific fire-safety measures in favour of what amounts to a discretionary approach. Relying on employers not to cut corners is simply not good enough, as far too many people—transport workers and passengers—already know only too well."

I would not want the Minister's statement about consultation with the RMT to be construed in any way as meaning that the RMT had supported the Government's approach on this matter.

Jim Fitzpatrick: I was not trying to mislead the Committee in any way. During my last meeting with the RMT only a couple of months ago, we discussed and decided to run the new reform order in tandem with the 1989 sub-surface regulations. The RMT put its points clearly across the table and we responded clearly with the details of why there will be enhanced protection for subcontractors on the underground and for firefighters, who may have to attend emergency incidents; neither group is covered at the moment. We also gave details on the two other issues that I mentioned and several others that we put across the table at the same time.

Mr. Dismore: Nobody is suggesting that the groups to which the Minister has referred—firefighters and others—should not be protected. Personally, I would have no problem if the two regulations ran in parallel and indefinitely. My concern is that once the regime is set up, the original regulations will quickly fall by the wayside and we will be left with the subsequent regime, which in our view will weaken protection for people who work and travel on the underground.

Jim Fitzpatrick: If I make some progress, I shall be able to answer some of the other points made. Looking at the clock, I am sure that we shall have time towards the end of my contribution for colleagues to make further interventions.

On the point about the burden of proof, I believe, with the greatest respect, that my hon. Friend the Member for Hayes and Harlington has the position wrong. Under the fire safety order, it is not for the enforcer to prove that the requirements have not been met, but for the person responsible to prove that they have been met. Article 34 of the fire safety order is clear on that; it is what is known as the reversal of the burden of proof, and changes the position established under the Fire Precautions Act 1971.

With regard to the point about flexibility, the enforcer currently has the power to allow a lesser standard if the case is made by the person running the sub-surface railway station concerned. The case that needs to be made is an assessment of the risk, and there is no reason

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to suppose that a case could be made under the fire safety order if it cannot be made under the 1989 regulations.

In any event, the body that has to be satisfied that the premises are safe under either regime is the local fire and rescue authority, and the lead enforcer for that sector—the London Fire and Emergency Planning Authority—has already confirmed that the fire safety order provides it with adequate powers to ensure safety at least of the level provided now.

John McDonnell: With the greatest respect, there is a role for the Government. My hon. Friend the Member for Hove pointed out clearly that even under the existing system, when there is potential for the use of discretion with exemptions so that the system can operate flexibly on the ground, there is a role for the Government in monitoring how that should operate.

When, to clarify the Government's role in monitoring the existing system, I asked the Minister how many exemptions had been applied for, I got the response that the Government did not know. How can we be confident that the Government will have a leading role in monitoring the new system when the new regulations come in? So far, they have not involved themselves even in the basic monitoring of the existing system.

Jim Fitzpatrick: My hon. Friend is anticipating a later section of my speech, when I shall talk about exemptions.

I was saying that the London Fire and Emergency Planning Authority had already confirmed that it considered that the fire safety order provided it with adequate powers to ensure safety at least at the level provided now. I must add that the LFEPA view remains current following a review that it conducted after the appalling events of 7 July, to which my hon. Friend the Member for Hove referred.

Hon. Members will have noticed that the underground station officer will have to convince the same enforcing authority—the fire and rescue authority—about the adequacy of the fire precautions, regardless of whether the 1989 regulations or the fire safety order are being used. In addition, the lead authority for the enforcement of fire safety in sub-surface stations has already informed us that it expects to serve alteration notices on all sub-surface stations under article 29 of the fire safety order. That means that the station operator will have to tell the enforcer if it proposes to make any changes to the premises or the use of them, or to the services, fixtures, fittings or dangerous substances used or stored. That extra protection will allow the enforcer to consider any changes proposed and the ongoing adequacy of the fire precautions, including the availability of staff to put into effect the emergency plan that the fire safety order requires in respect of action to be taken in the case of fire.

In common with the other requirements of the order, failure to comply with an alterations notice is an offence. The penalties are a fine up to the statutory maximum—currently, £5,000 on summary conviction—up to two years' imprisonment or an unlimited fine or both on conviction or indictment.

John McDonnell: It would be useful if the Minister described the layers of management, the number of companies and the tiers of operation in which that line of communication will have to take effect. As my hon. Friends the Members for Hendon and for Hove have said, times have moved on. With the PPP system and the infraco management systems, we now have an immensely complicated structure and line of communication. Will the Minister describe what that line of communication would look like?

Jim Fitzpatrick: If my hon. Friend will forgive me, I shall write to him on that point as well, rather than go into the detail this morning. I should like to get through the rest of my contribution. I am sure that we can clarify that for him in due course.

I hope that what I have said clarifies the position, but we are always open to further discussions about safety and we are maintaining an open dialogue on the issue with the RMT and hon. Members. I shall take away with me the suggestions made by my hon. Friend the Member for Hove as well as other points made by hon. Members today.

The fire safety order is perhaps the last significant piece of the legislative jigsaw that makes up a much broader reform. When, as a new junior Minister in the Office of the Deputy Prime Minister, I was asked to sign the regulatory reform order that involved the technical withdrawal of the Fire Precautions Act 1971, which had been the fire services' bible for some decades, I assure hon. Members that I took—*[Interruption.]* My hon. Friend the Member for Hayes and Harlington is being very flippant.

I took considerable time to make sure that the order would not in any way reduce public safety, but would enhance it, before being persuaded and convinced by the experts to whom I spoke. In the cut and thrust of debate, the suggestion that one is signing a reduction in public safety could be taken as mildly offensive.

John McDonnell: I just want to reassure the Minister that none of us taking part in the debate has in any way impugned his intent. We understand his commitment to safety, particularly bearing in mind his background as a firefighter. What we are concerned about is his judgment, which we believe is incorrect in this instance.

Jim Fitzpatrick: I am not sure whether that was a compliment or not, but I will accept the reassurance offered by my hon. Friend.

The fire safety order underpins the move of the fire and rescue services to prevention-based services, but, in turn, that move underpins the order. I can assure hon. Members that that is a solid foundation. The Fire and Rescue Services Act 2004 created a new statutory duty on fire and rescue authorities to promote fire safety, which places fire prevention at the heart of fire and rescue services activity. That is a cultural change for the service and we are working with the service to achieve it. It has been long in the arrival. In future, the fire and rescue service will be focused on prevention. The Government are committed to helping the fire and rescue service prevent fires: for example, we are introducing a new system of fire and rescue cover based on risk to life. Historically, the system was based on the

density of buildings in an area. We are delegating responsibility to the local fire and rescue authority, its elected members, the communities and chief fire officers to ensure that things are decided in the most effective way at a local level.

The fire safety order is a key element in the move to a prevention-based service. It provides prevention-based tools for business and promotes prevention-based enforcement. In turn, the Fire and Rescue Services Act promotes and provides a prevention-based service to enforce the law.

Mr. Dismore: The Minister seems to be suggesting that there is an either/or situation, but that is not the case. If one considers recent developments in health and safety law more generally, one can see the trend, particularly in Europe, towards risk assessments and so forth. Risk assessments are more general and are aimed at prevention, but in certain key industries, such as construction, they are underpinned by basic regulations, which set out the detail. The case that we are putting to the Minister is quite simple: let us have both. Let us have the preventive approach and the more general duties, but, in this particular case, let us also have the underpinning of detailed regulations.

Jim Fitzpatrick: I have been trying to reassure my hon. Friends that we are trying to have the best of both worlds, that we have a solid basis of law and that the guidance is enhancing the protection. I will come on to the points made by Opposition Members about the guidance, its implementation and the delay.

The two regimes are part of one and the same thing and they will benefit our society whether taken together—as they should be—or separately. During the passage of the order, the House was concerned that business and enforcers should have adequate time to familiarise themselves with the new regime and the guidance that will accompany it and that the coming-into-force date should, as far as practicable, be timed to coincide as closely as possible with reform of the fire safety law in Scotland.

The hon. Member for Cheadle (Mark Hunter) asked why the guidance was not yet available. When we took the regulatory reform order through the House, we said that it might not be possible to get the guidance drafted for 1 April 2006—the coming-into-force date. It has turned out that the task of producing a suite of 11 sets of guidance documents could not be completed in that time. If we are to get the application right—and it will be right—we need to ensure that there is adequate time for business and organisations to gain that familiarity. Despite extensive work with stakeholders, it is clear that all the guidance documents will not be ready in time to have a full 12-week gap between publication and coming into force on 1 April 2006, as was hoped.

Mr. Dismore: I am sorry to keep nipping at the Minister's ankles about this, but he is still talking about guidance. It is quite clear that the Government are talking about producing a suite of guidance notes. I return to the basic question about a code of practice. Will he give us a clear answer today? Will he say whether the Government will consider turning the guidance notes into a code of practice, which would have a much greater legal effect?

Jim Fitzpatrick: I am not in a position today to give my hon. Friend that assurance, but I undertake to take his request away and write to him in due course about the point that he has just raised.

John McDonnell: I wonder whether the Minister will help us by enhancing that response. It would be invaluable if he would meet Members to discuss this point in more detail, and possibly meet an element of the stakeholders as well, to talk about the transference of the guidance into a code of practice.

Jim Fitzpatrick: I think that my hon. Friend knows that, when it comes to safety issues, my door is generally open. As I have indicated, I have accepted requests from the RMT for meetings and I have met with the Fire Brigades Union on a number occasions. I think that I have already written this week accepting a request to meet with officers of the Fire Brigades Union parliamentary group and that I have acceded to a request to meet members of the all-party fire safety and rescue group.

John McDonnell: Is that a yes?

Jim Fitzpatrick: I would be slightly hurt if my hon. Friend thought that my door was closed to any request from Members in respect of fire safety, given the changes that are being undertaken, which are fundamental to the fire service and to the way in which we try to protect the public. We want to ensure that we have given the best possible reassurances to ensure that people understand what we are trying to achieve.

In the light of the commitments that we have given to the House and our commitment to ensuring that the reform is properly backed, I announced on 12 January that the coming into force of the substantive provisions of the Regulatory Reform (Fire Safety) Order 2005 should be put back, as was mentioned by the hon. Member for Cheadle. Recently, as he also mentioned, the Scottish authorities announced that more time should be allowed for reform north of the border, and the new rules in Scotland are now expected to come into force in October 2006 at the earliest.

There will be further discussion with colleagues in Scotland and I hope, following that, to announce the revised coming-into-force date very shortly. However, as the point of delaying is to give more time, the publicity campaign to promote the regulatory reform order has started, with seminars taking place around England and Wales between January and March. They have been well attended so far and all sectors of business and the enforcing authorities have been well represented. The feedback from the seminars so far has been positive. Many share the general opinion that more time is needed for stakeholders to familiarise themselves with the new fire safety regime and accompanying guidance. We are agreed that it is important that the guidance is not rushed and that we must get it right.

John McDonnell: I can see that the Minister may be running out of notes. Before he concludes, I would like him to clarify the parliamentary process from here on in. Will the Regulatory Reform Committee be consulted again? Will there be some reference back to it and will there be any engagement with its members, given the

[John McDonnell]

significance that they have attached to this matter in the past and their recommendations? In addition, are there any elements that will require a parliamentary process to be employed—using either the affirmative or negative procedure—in relation to the order, which Members may be able to come to a view on? Are there any further elements in the parliamentary process?

Jim Fitzpatrick: I will have to research that and respond to my hon. Friend in due course. My understanding at this point is that we have concluded the parliamentary procedures, but that we have obviously not announced the date for the implementation of the guidance notes. I am advised that the order to change the coming-into-force date will go to the Regulatory Reform Committee, so there will be additional scope. I have given a commitment to my hon. Friend that we can certainly have a meeting. I have done exactly the same to representatives from the RMT. Hopefully, I have demonstrated to their satisfaction that by running the two procedures in tandem, we will be able to demonstrate that improvements and enhancements are being used under the new system that could not have been used under the old system. In that instance, they remain to be convinced. I understand that scepticism; I do not underestimate it or regard it as offensive. I take the point that my hon. Friend made earlier; I was not suggesting that he was being offensive. There is some way to go before we fully convince all partners. We may not get to that point, but I hope that we do.

John McDonnell: Now that the matter will be referred back to the Regulatory Reform Committee, it would be invaluable if the difference between the Government's approach to guidance and that recommended by a number of Members here today in relation to the construction and installation of a code of practice were pointed out to the Committee and addressed by it. A helpful note to the Committee on the Government's arguments would be invaluable.

Jim Fitzpatrick: I am sure that that will form part of the course. Given the nature of the business and the fact that this debate has taken place and even if we were not to produce such documentation, members of the Regulatory Reform Committee may well have done their own research and identified that issues have been raised which it would be appropriate for them to consider, prior to the order being laid before them.

John McDonnell: I apologise to the Minister for continuing to intervene. Will he clarify the timetable? It is an issue that we have all raised. Will he provide an indicative timetable for the process, including if and when matters will be referred back to the Regulatory Reform Committee; whether any further orders will lie before us; whether there will be any conclusion on the points about consultation on guidance and implementation; and when the contiguous six-month and 12-month periods will take place?

Jim Fitzpatrick: We are not in a position today to identify a definitive date. As I mentioned, the Scottish Executive expect the new regulations to come into force in Scotland from 1 October. We have undertaken to try to ensure that the timing is parallel. I cannot give a commitment to that now, but we will make an announcement shortly. The parallel running cannot take place until the guidance notes are produced. I have no problem with hon. Members intervening as they have, given that we have had the opportunity to respond to the serious points that have been made.

My hon. Friend the Member for Hove asked that the necessary regulations be updated from 1989. I have said that we believe we have done more than that: we have not only updated but reinforced them. We are monitoring carefully and listening to representations.

I have given several commitments about taking further representations. I hope that when the new guidance notes are published and implemented, colleagues in the House and the wider community will be reassured that the changes that we are introducing not only in this narrow regard but generally, in respect of the fire community and the public's protection from fire and other risks, will be enhanced by the cultural changes being made through the modernisation process that the fire service is going through as a result of the Bain inquiry and the 2004 Act.

Those modernisation proposals go back to the 1960s and '70s, as hon. Friends on the Government Benches and, I am sure, hon. Members on the Opposition Benches know. I hope that we have offered some assurance this morning, and I am grateful to have had the opportunity to put it on record.

10.53 am

Sitting suspended until Eleven o'clock.

Easington Primary Care Trust

11 am

John Cummings (Easington) (Lab): Easington primary care trust, which is coterminous with the district of Easington local authority boundary and located in the county of Durham in the north-east of England, is responsible for providing primary health care services in 17 GP practices with 56 GPs and for commissioning acute and mental health services for a population of almost 99,000 people, covering an area of 56 square miles.

Easington has some of the worst health experiences, the highest need for health services and the lowest financial allocation in the country. Having said that, the Government must be given credit, because the shortfall in resources is being corrected with a substantial uplift in the three-year allocation, beginning this year. The PCT has complex relationships with partner organisations, but an excellent record of performance against nationally set health service targets. The financial allocation awarded to the PCT for 2006 to 2008 will enable it to achieve improved performance, including implementation of "Standards for Better Health" and performance targets. The allocation will facilitate the development of local services, which will result in a radical difference to residents and enable the PCT, with local partners, to tackle the health inequalities experienced by people in the district of Easington.

At this time of change for PCTs, it is critical that the particular characteristics of Easington are understood in any future configuration. Sir Nigel Crisp visited my constituency in September to open officially the new urgent care centre in Peterlee, and he gave generous praise to Easington PCT for its record of improving the service infrastructure and the health of the local population. A strong locality focus is clearly required to retain the emphasis on tackling the health inequalities that are adversely affecting my constituents if we are to ensure continued health improvement and service development.

The purpose of this debate, for which I am grateful to Mr. Speaker for allocating me time, is to highlight the position of Easington PCT in terms of health experiences, financial allocation and complex relationships with partner organisations. I also intend to draw Ministers' attention to the excellent record of performance against key national targets achieved by the PCT, and to put the case for retaining Easington PCT, at least in the short to medium term, in the reconfigured structure of primary care trusts in the county of Durham and the Tees valley.

The health and disability domain of the index of deprivation 2004 identified areas with high numbers of people who die prematurely, whose quality of life is impaired by poor health or who are disabled. All but one super-output area in the district are ranked in the 20 per cent. most deprived nationally. Easington is the most deprived local authority district in a shire county. Its population suffers lower average incomes, high levels of worklessness and lower educational attainment at age 16.

Easington suffers some of the poorest health and worst deprivation in the country. Life expectancy for men and women in Easington falls below the national average. The PCT area has one of the highest rates of smoking in the region and nationally. It has one of the highest conception rates in girls under the age of 18 in the region. The two major causes of death in Easington are circulatory diseases, including coronary heart disease, and cancer. The death rate for circulatory disease is one of the highest in the northern region, and the population has one of the highest lung cancer rates.

A study undertaken by the Sainsbury centre in 1999 highlighted the fact that the prevalence of mental health problems was greater in Easington than anywhere else in the country outside inner London, and that the need for mental health services in Easington was 30 per cent. higher than the national average.

Easington is the most underfunded PCT in the country, at 86 per cent. of target. Historically, the PCT has been significantly underfunded against its fair share of national funding available to the national health service. I am talking about a shortfall of about £26 million per annum. The January 2005 announcement of allocations to the PCT from 1 April 2006 to 31 March 2008 appreciably addressed the underfunding. Even at that stage, Easington will be 3.5 per cent. below capitation, but it has been promised an additional £43 million.

Mr. Kevan Jones (North Durham) (Lab): I congratulate my hon. Friend on securing the debate and on the work that he has done to ensure that his local PCT receives funding to fight the deprivation that he has outlined. The position is similar in my constituency. Does he agree that one fear that our constituents have about the proposals for a single county-wide PCT is that that money, which has been targeted at the worst deprivation, is likely to be disbursed to more affluent parts of County Durham?

John Cummings: I thank my hon. Friend for his intervention. Only too well do we know that in the past moneys that should have been directed to Easington were subsumed into the old County Durham, and I certainly have similar fears for the future. One reason why Easington PCT has inherited a very low capitation is that each time there has been a change or reconfiguration of boundaries or commissioning arrangements, Easington has lost out because of the complexity of provider relationships and the relative smallness of our population compared with the populations of major urban centres.

In respect of commissioning for acute services, there are relationships with North Tees and Hartlepool NHS Trust, City Hospitals Sunderland NHS Foundation Trust and County Durham and Darlington Acute Hospitals NHS Trust. There are also commissioning relationships with South Tees Hospitals NHS Trust and Newcastle upon Tyne Hospitals NHS Trust for tertiary services. For mental health and substance misuse services, there are partnerships with Tees and North East Yorkshire NHS Trust, South of Tyne and Wearside Mental Health NHS Trust and County Durham and Darlington Priority Services NHS Trust.

Easington PCT is a member of both the County Durham and Darlington and the Tees emergency care networks. It is a member of the Northern Cancer Network, covering the north of Durham, and of the Cancer Care Alliance, covering south Durham and Teesside. Whereas other networks are split in the same way based on patient flows, the PCT is a member of both.

[John Cummings]

In developing local integrated services, particularly for older people, children, people with mental health problems and people with learning disabilities, effective partnerships with Durham county council and Easington district council have been critical. The PCT has strong relationships with the councils in developing services and tackling health inequalities. There is no forum that spans all those areas, so to ensure that the health needs of the residents of Easington district are not marginalised or viewed by the major players as peripheral, Easington needs a strong, locality-focused PCT to prevent regression to former times, when Easington lost out substantially on resource allocation and local service developments.

As regards performance against targets, Easington PCT has strengthened considerably its approach to performance over the past year and has in place robust arrangements to deliver the performance targets, "Standards for Better Health" and financial balance in 2005–06. Easington PCT has an excellent record of recent success. It is working in partnership to develop children's centres across the district, with 11 to be in place by April next year. Two are already open, and two are about to open. An urgent care centre in Peterlee opened in October 2004 on an appointment-only basis; it has been open 24 hours, seven days a week since March 2005. More than 22,000 patients have been seen to date. At Christmas, more patients attended the urgent care centre than the accident and emergency department. Furthermore, 1,254 smokers have successfully quit after four weeks.

With a 52 per cent. success rate, the PCT is the second best performing service in the country. On 31 March 2005, 1,512 patients were waiting for an in-patient appointment, representing a 21 per cent. reduction in the year from April 2004. The PCT has appointed four dentists since April 2005, including a vocational trainee. GPs with specialised interests have been accredited by the Deanery in substance misuse services, and there are plans this year to establish and accredit four new areas—in dermatology, coronary heart disease, emergency care, and sexual health and contraceptive services. A new door-to-door transport scheme funded by the PCT is now available in the district of Easington for people with mobility problems. The scheme can be used only for appointments with hospitals and primary care providers. There have therefore been substantial improvements in service delivery, which are a testament to the valuable work being carried out by Easington PCT.

In shaping up for the future and addressing the proposed changes to PCT boundaries, there seems to be considerable pressure from the centre and at strategic health authority level to accept a single PCT for County Durham. Although I fully understand and support the overall philosophy of delivering primary health care and, indeed, all health services in an efficient and cost-effective manner, with savings from a reduction in management and administration costs being reinvested in front-line services, there is a danger that the improvements in local services and infrastructure that Easington PCT has made to date will be put at risk unless the necessary safeguards on resource allocations are put in place.

There is also the issue of the loss of local accountability, which causes me grave concern. The non-executive directors of Easington PCT are drawn from a range of local people with differing backgrounds and experiences. They have done an excellent job in consulting patient user groups and stakeholders to determine a set of local priorities within the overall NHS Plan. Who will act as champions for Easington's primary health care services in a County Durham-wide PCT, and what assurances will we have that resources earmarked for Easington will not be redirected to other, perhaps less needy areas?

In conclusion, there are six key points that I would like the Minister to note and comment on. First, health experience in Easington is worse overall than in most other areas of England. Secondly, the financial allocation to support interventions to tackle that poor health experience was, until this year, the lowest in the country, with Easington ranking 302 out of 302 PCTs, although that position will improve significantly over the next two years, with an additional £43.6 million on top of the baseline allocation promised by the Department of Health from 1 April 2006 until 31 March 2008. Thirdly, Easington has complex relationships with partner organisations because of patient flows.

Fourthly, Easington has a good record of performance against nationally set health service targets. Given the funding allocation to Easington for the years 2006 to 2008, there is a real opportunity to make a difference to the health experience of the people of Easington. Fifthly, if that funding is diluted or lost to Easington, there is a serious risk that the progress that has been made in recent years will be stopped in its tracks or even reversed. Finally, a unique case can be made for the retention of Easington PCT in the short to medium term, with Easington PCT coming under the umbrella of a merged County Durham PCT at some point in future, but only when the glaring problems of health inequality have been properly addressed. It is critical to ensure that Easington's unique position is fully understood and recognised and that a strong locality focus is maintained to ensure continued progress in improving health and health services in Easington in the future configuration of PCTs in County Durham and the Tees valley.

I am grateful for having had the opportunity to raise these issues, and I await the Minister's comments with great interest.

11.15 am

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): I congratulate my hon. Friend the Member for Easington (John Cummings) on securing this debate on the future of Easington PCT. I also express my thanks, as well as those of my right hon. and hon. Friends at the Department of Health, for his counsel and advice since we were appointed last May. He has ensured that Easington's voice has been heard at the highest levels in the debates over the reforms that we have made.

The level of investment in the NHS is rising rapidly, as my hon. Friend said, from £33 billion in 1997–98 to more than £92 billion in 2007–08. That increased investment, along with the hard work of 1.3 million NHS staff, is transforming our hospitals, reducing waiting lists and lowering mortality rates for some of the diseases that afflict my hon. Friend's constituents.

There can be no resting on our laurels, however. Over the weeks to come we shall be explaining how the next phase of health reform needs to take the health service forward. The vast majority of patient contact with the NHS—90 per cent.—takes place in a primary care setting. Having spent seven years reducing waiting lists to record lows, we now face the challenge of strengthening primary and community services as well. We need to meet the needs of patients with long-term conditions far better, which my hon. Friend will welcome because it is such a priority in his constituency. There are still too many people waiting far too long for treatment.

Mr. Roger Gale (In the Chair): Order. I am sorry to interrupt the Minister, but could he address the Chair? He is off microphone and *Hansard* is finding it difficult to hear.

Mr. Byrne: Of course.

We have debated the need to bring down waiting lists, particularly for diagnostic scans. Too many people, especially in disadvantaged areas such as Easington, cannot find a GP, or when they have a family doctor they cannot get an appointment at a time that suits them. Too many patients are admitted to hospital because the care that they could have received or which they might have preferred to receive at home is not available in the right way at the right time. Patients want far more control over their own care. They want to make choices about where and when to use services and that is exactly what we will address in the forthcoming White Paper.

I was pleased that my hon. Friend rooted so much of his argument in the need to tackle health inequalities. He commented on low life expectancy in his constituency, which is a problem that afflicts many of our poorer communities. As we move into the next phase of health reform we must surely focus on a much broader mission for the NHS and our social care system, which is not just about delivering a service that helps people when they are ill. We must bring the health service much closer to local government, so that together they can get down to the business of transforming health inequalities in some of our poorest communities. I do not think that there can be any community where that mission is more important than in Easington.

Mr. Kevan Jones: I am listening carefully to the Minister, but that is exactly what is happening in the county of Durham. Local PCTs work closely with district councils and others to tackle some of the issues that my hon. Friend the Member for Easington (John Cummings) raised, so why does the Department want to break up what has been a successful partnership in my constituency and his?

Mr. Byrne: I am grateful to my hon. Friend for his intervention, as I want to address that point directly in the last third of my remarks.

To add a few facts to the analysis that my hon. Friend the Member for Easington gave, almost 29,000 adults in Easington consider themselves to have a long-term limiting illness. That is 30.8 per cent. of the population, which is the highest in England and Wales. More than 16,000 adults in Easington describe their health as not good. At 17.3 per cent. of the population, that is the second highest figure in England and Wales. Some 11,000 people in Easington would describe themselves as permanently sick or disabled, which is the highest rate in England and Wales. The north-east is classified in the index of multiple deprivation as the most deprived region in the country, and Easington is the most deprived area in the north-east.

Against that background, my hon. Friend has raised three important points. The first is about money: how do we ensure that Easington continues to receive the resources that it needs to tackle deprivation and health inequality? The second is about services: how do we ensure that the boost to resources in Easington delivers world-class health services to his constituents? The third and final point, which was the subject of the intervention from my hon. Friend the Member for North Durham (Mr. Jones), is about structures: how do we ensure a PCT structure that delivers those benefits, working in partnership with local government and other players?

First, I shall talk about money, because money is often the route to so much progress in health. Following the sustained lobbying campaign in which my hon. Friend the Member for Easington played a vital part, Easington PCT is to receive another £43.5 million in funding for the two-year period to 2008. He is therefore entitled to an assurance that, should Easington PCT be merged with any other PCTs, its funding allocation for the period up to 2008 will reach the areas for which it was originally intended.

It will be for strategic health authorities and the newly formed PCTs to manage and to continue to use in the best possible ways the funding available to them in order to deliver Government targets and make service improvements. We expect those organisations to continue to direct funding towards areas of greatest need. The reconfiguration exercise should not be used locally to move resources from high-performing areas to underperforming areas and vice versa.

There are two important policies that will strengthen the process. The first is practice-based commissioning, which places far bigger budgets under the control of local doctors' services, working in local wards. It supports the allocation of resources according to the movement of PCTs towards target "fair share" budgets for practices, based on the health needs of the local population. Further, practices will be able to re-allocate freed-up resources to services that better meet the needs of the patient. That will allow GPs to focus more health services on tackling health inequalities.

The second policy involves retaining the high priority that has been given to tackling health inequalities in 2006 and 2007. That policy is important. We expect PCTs to focus their work on meeting locally agreed delivery plans that make the most progress towards reducing health inequalities by 10 per cent. by 2010—concentrating on life expectancy at birth. The focus on tackling health inequalities will be at the centre of the forthcoming health and social care White Paper.

Secondly, I want to talk about how the money will be turned into services to help my hon. Friend's constituents. Several important initiatives are already under way in his constituency. He mentioned some of them: the two urgent care centres in the district; the

[Mr. Byrne]

young people's centre, which provides a new focus on the treatment of substance misuse and sexual health; and the PCT-run, second most successful quit-smoking programme in England.

In the PCT's business plan for the next three years, there are new ambitions, including the improvement of life chances for children, new access to high-quality services and the creation of more opportunities for good health. The PCT has already made much progress, with some key headline indicators already moving in the right direction.

John Cummings: Is the Minister able to assure me that the three-year plan will be adopted and carried out by any future reconfiguration of primary care trusts in County Durham?

Mr. Byrne: If I may, I shall check the guidance being issued around the consultation process, so that I can give my hon. Friend chapter and verse on how those local delivery plans will be taken forward. I do not want to give him a glib answer now. The matter is of such importance that I shall write to him with as full an answer as possible.

The final point about structures is important to this debate. Primary care trusts need to earn the trust of the people whom they serve every single day. That means that they need to get better every day at securing the best possible services, representing good value, from a growing range and diversity of health care providers. The creation of foundation trusts and the planned introduction of payment by results will mean that the hospital sector gets stronger in relation to primary and community services. That new hospital sector might well tend to suck resources towards it unless it is counterbalanced by an equally strong organisation that buys services for the community and represents patients' interests in designing and locating services.

We need strong PCTs to design, plan and develop better services for patients, to work more closely with local government, and, in some cases, to hold GPs to account for the services that they deliver. As my hon. Friend will know, SHAs were invited to submit reconfiguration proposals to the Department of Health by 15 October last year. An external panel, representing a wide range of stakeholder interests, was established to advise Ministers on whether the proposals for reconfiguration submitted by SHAs adequately engaged local stakeholders and met the criteria set out in "Commissioning a patient-led NHS". Following debate and, where necessary, some reworking by Ministers, we forwarded proposals for the reconfiguration of PCTs, which were fit to go forward for a 14-week consultation period starting on 14 December. With some PCTs, that included a wider range of proposals for reconfiguration than was originally put forward, because our objective was to ensure that the consultation on PCTs covered the broadest and most appropriate range of options for reconfiguration.

My hon. Friend is concerned about the two reconfiguration options that are currently out to consultation in County Durham and Tees valley, both of which propose the merger of Easington with Derwentside, Durham Dales, Sedgefield, and Durham and Chester-le-Street PCTs to form a single organisation for County Durham. Those options are out to consultation until 22 March, and no decisions on the future of any PCT will be taken until those local consultations are complete.

Mr. Jones: Is that not a bit of a sham? Why has Darlington, which was part of the original merger in County Durham, been taken out? Is it because the former Secretary of State for Health, my right hon. Friend the Member for Darlington (Mr. Milburn), has been lobbying hard? If that can be done for Darlington, why can it not be done for Easington and other PCTs in Durham?

Mr. Byrne: Ministers felt that the two options on the table for County Durham would adequately reflect the criteria that were put forward. We felt that those options warranted going out to public consultation. There can be no pre-judgment of that consultation. Ministers will need to be satisfied, when consultation responses come forward and the SHAs finalise their proposals, that there are reassurances on the way in which local delivery plans will be taken forward.

My hon. Friend the Member for North Durham made an important point about the way in which the current structure puts in place a range of successful relationships with local partners—I have seen how that works in my constituency in east Birmingham. Those relationships will be extremely important—particularly those with social care departments. In a health economy in which we seek to put care far closer to home and to give people the opportunity to live in their homes for longer, which is what most people want, the relationship between primary care organisations and local social services departments is absolutely critical. We have talked about the Berlin wall that has separated the NHS and social care departments for many years. We need to start taking that wall down, so if Ministers think that certain reconfiguration options take that process backwards, they cannot be approved. We have asked the SHAs which have proposed options to explain how they will ensure that the range of local partnerships in place will continue.

My hon. Friend the Member for Easington also asked how we can ensure that champions for Easington are intimately involved in the new organisation. That has to be part of the advice that comes back. Unless there is specific advice about how champions for his local health economy are to be kept involved, we cannot be satisfied that any new arrangements will take health and social care forward in his constituency.

In conclusion, I stress that—

It being half-past Eleven o'clock, the motion for the Adjournment of the sitting lapsed, without Question put.

Healthcare Services (Shropshire)

2.30 pm

Mr. Philip Dunne (Ludlow) (Con): I am extremely grateful for this opportunity to the draw hon. Members' attention to the crisis that is currently engulfing the NHS in Shropshire and I am pleased that hon. Members from all parties are hoping to participate. That crisis is affecting not only Shropshire, but its neighbouring counties, and that is indicative of a systemic problem; one that has only just started to reach the public consciousness. That problem is the chronic mismanagement of the NHS, which stems from a sustained period in which the Government have imposed targets, interfered in clinical priorities and introduced new cost structures, while at the same time seeking to abdicate any responsibility for the financial management of health care at the local level.

The consequence of that crisis, and the reason why I have called this debate, is that all three community hospitals in my constituency—in Bridgnorth, Ludlow and Bishop's Castle—are under imminent threat of closure, along with the community hospital in Whitchurch, in the constituency of my hon. Friend the Member for North Shropshire (Mr. Paterson), about which I am sure we shall hear more shortly. That could result in the closure of all four community hospitals in Shropshire. Such things are, however, happening all over the country, not only in Shropshire.

I have joined the steering group of Community Hospitals Acting Nationally Together, which is a campaign group that exists to save community hospitals throughout the country. CHANT has evidence that 80 of the 322 community hospitals in England are at risk of closure or are threatened with substantial cuts in services, and I cannot overstate the impact that such closures would have on my constituents. With no hospital in an area of more than 600 square miles, and no hospital near the boundary of my constituency, many of my constituents would have to travel more than 30 miles to reach an acute hospital. The Minister may not know this, but given the lack of public transport infrastructure in much of Shropshire, it could take the best part of a day to make the round trip for an out-patient appointment or to visit a relative.

That is but one of a host of reasons why, on the first Saturday in January, more than 10,000 people marched through sleet and rain in all four of the towns where Shropshire community hospitals are at risk to support the continued provision of services at those hospitals. I addressed crowds of more than 4,000 people in both Bridgnorth and Ludlow that day and I am glad for the Minister's sake that it was me who addressed those crowds, not her, such was the clear strength of feeling. I do not know whether she has ever faced a crowd of that many people who were determined to preserve their hospital, but if she has not, I would be very happy to arrange a meeting—she would get the message soon enough.

To reinforce the point, I delivered two petitions on the Floor of the House last week. They contained more than 22,000 signatures—one third of the electorate in my constituency—in support of our community hospitals. Today, I have announced the results of a survey that I conducted among all the GPs in my constituency, and everyone who responded confirmed their full support for our community hospitals. The League of Friends of Ludlow Hospital has received letters in support of maintaining all existing services at Ludlow community hospital from all nine of the consultants who hold periodic clinics there.

Let me set the funding crisis in Shropshire in context by explaining the scale of the problem that our health care services face under the Government's funding rules for the NHS. Between them, the four NHS trusts in Shropshire and the unitary authority of Telford have a historic debt that is currently estimated at £36 million and are running a collective annual deficit of £25 million. Under the Government's current funding rules for the NHS, that historic debt must be repaid over the next three financial years and the annual deficit must be eliminated in the financial year starting in April. That means that the Government have tasked local health care managers with finding cuts of £37 million from the health care budget for the area of more than £400 million, which represents a cut of nearly 10 per cent. in the amount spent on health care in Shropshire effectively for each of the next three years.

I wish to ask the Minister three main questions. What went wrong? What does it mean to our local communities and, on a more positive note, what can be done? Two decisions affect Shropshire specifically, when the Government have to accept some responsibility over and above the overall impact of their so-called management of the NHS nationally. I refer first to the decision back in 2003 when the two trusts that ran the acute hospitals, the Royal Shrewsbury hospital and the Princess Royal hospital in Telford, were merged into a single NHS trust. At the time, the trusts had debts in the order of £6 million.

I understand from the new chief executive of the combined trust that it is clear from his review of the merger agreements and the drafts, in particular, of the agreements that part of the political price for securing public acceptance of the merger, which was controversial at the time, was for the debts to be assumed by the Government. At the last minute, that did not happen so, in my view, the Government shoulder direct responsibility for at least part of the historic debt, which has now compounded considerably.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): On my hon. Friend's last point, one of my constituents, Mr. Frank Jones, cast the deciding vote to merge the two hospitals. Unfortunately, he died last month, but he had told me how much he was influenced by the promise that the debts would be written off.

Mr. Dunne: I am grateful to my hon. Friend for confirming the historic state of affairs.

David Wright (Telford) (Lab): I opposed the merger at the time that it took place, but I recall a debate in the House when the then Under-Secretary of State at the Department of Health, the Under-Secretary of State for Culture, Media and Sport, the hon. Member for Tottenham (Mr. Lammy), made it clear in response to my question that no deal was on the table to wipe off the historic debt. I agree with the hon. Member for Ludlow (Mr. Dunne) that there was certainly confusion between what was happening in the health economy in

[David Wright]

Shropshire and what was being said in London, and that it became mixed up in the debate about the merger proposals, which I say again that I opposed at the time.

Mr. Dunne: I am grateful for clarification of the debate in the House. From my understanding, it still stands that, in the penultimate draft of the merger agreement, the debt position was due to have been assumed by the Government.

Mark Pritchard (The Wrekin) (Con): My hon. Friend is generous to give way to so many hon. Members. To be helpful in the context of the comments of the hon. Member for Telford (David Wright), I know that in a letter dated 17 October 2004 the then Under-Secretary of State for Health said that there would be no reduction in services as a result of the merger. Clearly, reductions are on the way.

Mr. Dunne: I am sure that we shall be getting into the implications of the reductions during the debate.

The second issue that I hold at the Government's door is that there has clearly been chronic financial mismanagement within the acute trust since its formation. The scale of the financial difficulties of the trust only became apparent last year. Those directly responsible were finally found out and fired. It transpired that the chief executive of the trust had got his job on or around the time of the merger on the basis of a fake CV. The whole appointment process for senior administration and board positions within the trust was at fault. There was inadequate monitoring of the financial performance and control. Nothing was done about the mounting debt and deficit until they had escalated last year into the present crisis management. The whole sorry saga raises fundamental questions about the Government's failure to impose proper oversight of board appointment decisions, financial monitoring and the governance of NHS trusts.

Lembit Öpik (Montgomeryshire) (LD): I agree with the hon. Gentleman's accurate and erudite analysis of what has gone wrong. Does he also agree that one reason why we did not spot the problem before is because as parliamentarians we were misled by the management? In other words, to compound the developing financial crisis, there was also a cover-up; a cover-up that has now been terminated by the much more effective and transparent management who have taken over the trust's operations, and for whom I am very thankful.

Mr. Dunne: I am very pleased to see that the hon. Member for Montgomeryshire (Lembit Öpik) has joined this debate, because a number of his constituents use the services of Shropshire hospitals. The issue to which he refers pre-dates my appearance in this place, but I agree with the thrust of what he says. Had Shropshire MPs been aware of the position during the past few years, it is clear more would have been made of it at the time.

Daniel Kawczynski: I wrote to the Secretary of State for Health about the issue of the chief executive with the fake CV. In the Secretary of State's reply, she regretted its occurrence, she apologised and she promised to put in place a better system for checking the CVs of applicants for the position of chief executive. However, in her letter she appeared to take no responsibility for that travesty of justice.

Mr. Dunne: I am grateful to my hon. Friend not only for taking the initiative and posing those questions, but for raising the question of where responsibility lies for management of the NHS. Last week, I received a copy of a letter that had been sent to one of my constituents, not from a Minister but from an official in the Department of Health. The letter made it crystal clear that the Department has abrogated any management responsibility for the provision of services at a local level. The buck certainly does not appear to stop with Ministers.

I should like to address some questions about what the crisis means for health care in Shropshire. If the Government insist on forcing through those cuts, local health care managers have some unenviable decisions to make in the next couple of weeks. Management consultants have been drafted in to help present those choices in purely financial terms, which they set out in a report that was published in November.

Those are the same consultants who were responsible a few years ago for the report on neighbouring Worcestershire which led to the closure of Kidderminster hospital's accident and emergency department and thus to the arrival in this place of the hon. Member for Wyre Forest (Dr. Taylor), who I am delighted to see has joined us for this debate. I am sure that the Minister will have been briefed on the report. It has been the subject of much comment in Shropshire, very little of it positive, since many of the comparisons that the report seeks to draw do not reflect the health care realities on the ground.

Shropshire is very rural. My constituency is the most sparsely populated of all constituencies in the county. The sheer geography and demography of the area inevitably creates higher costs to provide acceptable health care services than the national average, especially in primary and community care.

For several years, Shropshire has not received funding settlements that reflect those cost pressures. Much of the report's analysis ignores rural costs, too. It ignores also the significance of Shropshire hospitals to the residents of mid-Wales, where many thousands rely on the Royal Shrewsbury hospital, in particular.

Lembit Öpik: That is the reason why I am present in this debate. The hon. Gentleman is right to say that we depend on the Royal Shrewsbury hospital more than on any other for our accident and emergency care and substantial services. Does he agree that the debate is about not only the people in Shropshire, but the more than 100,000 people who depend directly on the services of the Royal Shrewsbury hospital and cottage hospitals that he describes? We are looking for a response from the Minister to assure our constituents that their quality of life will not diminish as a result of a debt caused by no fault of the citizens themselves.

Mr. Dunne: I agree completely with the hon. Gentleman. In fact, I should go further: as I said at the

outset, the crisis in Shropshire is indicative of a general malaise that is affecting the entire NHS. We have seen reports of deficits of £620 million anticipated for the current year, a figure that the Department of Health acknowledges. The most recent figure I saw was from the Royal College of Nursing, which estimates the deficits at £1.2 billion, a sum that will escalate in the future. The issue will have resonance well beyond this Chamber and our constituencies.

I want to concentrate on what some of the cost-cutting choices would mean to my constituents. I will touch briefly on each of the three community hospitals that I know well. Bridgnorth hospital serves the south-east of Shropshire. It has 25 beds and four theatre beds and employs 110 people. Last year, 700 in-patients, 11,000 out-patients and 13,500 minor injuries were treated at Bridgnorth hospital. After many years of hard-fought campaigning, Shropshire county primary care trust last year started a flagship redevelopment of the hospital to bring all health care services in the area on to a single site. That is very welcome in the community.

Construction is mid-way through on this £6.5 million project. Ironically, it is celebrated by an enormous sign on the hospital wall that proudly proclaims:

"Department of Health: Building for the Future".

Underneath, it says:

"Bridgnorth Hospital Redevelopment, Investing for Improvements to Buildings and Standards".

There are uncomfortable parallels with what happened in Kidderminster immediately after a substantial capital investment under this Government's stewardship. According to the management consultants, closure of the hospital would "save" a mere £600,000 a year. The hospital in Telford is nearly 20 miles from Bridgnorth, which has a population of 11,891. Last week, the petition that I have referred to was signed by 11,871 residents, who objected in the strongest possible terms to the closure of Bridgnorth hospital or a cut in services there.

The community hospital in Ludlow serves most of the district of South Shropshire. It has 72 beds and treats 810 in-patients annually, including those in the mental health ward and the maternity unit. The maternity unit is housed in a building that was originally the town's workhouse. It may even be one of those places often cited, although not by name, by the Secretary of State to justify the modernisation programme. Last year, the hospital treated 11,000 out-patients, including X-ray and physiotherapy patients. Doctors and other health professionals in the town and the surrounding area would like to see services at the hospital maximised to consolidate their activities on the site, as is happening in Bridgnorth. Instead, it is threatened with closure because that would save £1 million, according to the same management consultants' report.

The hospital is one of the largest employers in the town, with some 150 jobs at stake. The Royal Shrewsbury hospital is 25 miles from Ludlow, up a busy and dangerous road. According to the 2001 census, Ludlow has a population of 9,250. Last week, I presented a petition signed by 10,220 residents who were protesting at the threatened closure of Ludlow hospital or a cut in services there. Perhaps some people signed twice, such is their anger. I could hardly blame them.

The community hospital at Bishop's Castle serves the south-west of my constituency and the area across the Welsh border. No savings have been assumed in the management consultants' report since Shropshire county primary care trust has advanced plans to close the hospital anyway, to offer its site to the neighbouring residential home operator and to commission nursing home beds, under the supervision of local doctors, from a redevelopment of the enlarged site. This time last year, there were 24 beds in Bishops Castle hospital; today only 18 are being commissioned. The threat posed by the review is that the number of beds will be reduced further, with the loss of up to 35 skilled staff. I am concerned to ensure that this proposal does not fall victim to the same cost-cutting mantra afflicting other services in the county. I will seek reassurance that the number of PCT-commissioned beds will not fall further and that the contract offered will be a genuine, long-term one so that rehabilitation beds with proper nursing care under doctors' supervision are maintained in Bishop's Castle in the long term.

The precedents are not encouraging. The old cottage hospitals in Broseley and Much Wenlock—both in my constituency—were turned into residential care homes some years ago. Each retained PCT-commissioned beds, but the number of beds the PCT committed to fund has gradually been whittled away over the years so that all remaining beds are once more threatened with termination, at the end of the financial year.

The so-called saving that will come from the closure of the three community hospitals amounts to £1.6 million. In my view, that is not a saving, but a mirage. It is a short-term quick fix with much longer-term and higher cost implications. It completely ignores the cost to the community of having to travel miles to visit their loved ones or an outpatient clinic; these are just some of the challenges posed by distance and rurality to health care outcomes. I have received many letters from constituents detailing the problems that closure of the hospitals would pose to asthmatics, diabetics, pregnant mums and the mentally ill, to mention a few.

People who live in those communities will still get ill, unfortunately. If community hospitals are closed, the acute hospitals will come under intense pressure. Admissions will rise and discharges will slow because the vital rehabilitation role of the community hospitals will have gone. That will reduce productivity in acute hospitals at a time when management consultants require significant improvements in productivity. The acute hospitals do not have the capacity to cope, especially not in winter. They are already operating at above optimal occupancy rates. I have hard evidence of that in an e-mail, dated 19 December 2005, from a senior manager at the acute trust:

"Shrewsbury and Telford Hospital NHS Trust are under acute pressure from emergency admissions and in the night were on the verge of declaring a major incident. I should be grateful therefore if you would consider all possible options before taking the decision to refer a patient for admission. The options will vary in the different areas and as the community hospitals will be endeavouring to accept as many transfers as possible from the Royal Shrewsbury hospital and Princess Royal hospital it would be preferable if you would consider intermediate care and rapid response as a first line although these services also have a limit on how many patients they can care for at any one time."

This e-mail was sent to all GPs in Shropshire.

[Mr. Dunne]

On 5 January, the same manager appealed to GPs throughout Shropshire to suspend the referral of patients, saying that the trust

"are experiencing acute post Christmas break pressures and are currently operating at Level 4 of their Escalation Plan and will therefore potentially be declaring a Major Incident. Please could you once again consider the potential for re-routing patients."

Last week, a district councillor in Ludlow had evidence of acute hospitals begging to offload patients into the community hospital because they could not cope. The Shropshire ambulance service wrote to me to voice its concern about closure.

Mr. Stephen O'Brien (Eddisbury) (Con): I have been following my hon. Friend's argument closely and—before he moves on to the ambulance service—he quoted the expected saving from the threatened closure of the three cottage hospitals in his constituency as £1.6 million. According to my own research that appears somewhat illusory. I could not establish whether that was cited in the Finnamore report as a net figure, after taking into account all consequential ramifications and losses, or whether it was an estimate of the cash-flow saving, which is a year-on-year management issue, rather than one of true patient care delivery.

Mr. Dunne: My hon. Friend makes a characteristically strong point. I posed the same question to the author of that report, and I was assured that it was an estimate of a net saving. However, as I shall go on to say, there are many other ramifications for the acute trusts—including additional costs for the ambulance service—of having to cope with the extra bed-blocking and so on that would arise. The estimate is clearly based on very flimsy data; I shall return to that point presently.

The ambulance service is very concerned about the closure of community hospitals, because closure will place it under additional pressures. A letter to me from the ambulance service says that closure

"may produce an increase in demand and as Shropshire ambulance service resource configuration is finely balanced and matched to available resources, i.e. Acute Trust and Community Hospital facilities, this potential increase in demand may require additional funding".

These factors are not taken into account in the Finnamore report.

Personally, I believe that the costs of patient stays at community hospitals are less than at acute hospitals. When I sought a breakdown of costs for Shropshire hospitals in order to prove that point, I received the following reply last week in the name of the Minister, which I hope that she will not mind my repeating:

"There is no data collected centrally at individual patient per bed level. Data is collected on a finished consultant episode basis and at National Health Service trust level, within which one or more hospitals will operate."

The fact that those data cannot be given does not inspire confidence that such critical decisions for our community hospitals are made on the basis of proper information.

Our community hospitals are vital to deliver key Government health care priorities. In urban areas, care in the community may work without hospitals, but rural Shropshire does not have the pool of nursing talent that is needed to deliver such care. The community hospitals provide a hub around which community nursing services can be delivered. The management consultants' report seeks to reduce the cost of the district nursing skill mix within the Shropshire county primary care trust to the same skill-mix cost as Telford district nurses, who provide what is essentially an urban service. That entirely ignores the extra time and cost involved in serving a widespread rural area. Moreover, the current hiring freeze in Shropshire raises a host of questions about how the services will be provided in the coming years without trained nursing staff coming through the system.

The review has other implications, and I do not have time to go in detail into them all. However, I shall just mention the impact on mental health services in the county. Shropshire performs very well in financial terms. Its mental health team operates without deficit at substantially less than the national average cost of such provision—21 per cent. less, in fact. That is partly because most beds are in Shelton hospital in Shrewsbury, which is one of the last two Victorian asylums left operating in England. Much work has gone into developing advanced plans to replace it with a modern facility, but all of that is now on hold, so Shropshire now looks set to have the unique distinction of operating the very last Victorian asylum in the country.

Lembit Öpik: I am sure that the hon. Gentleman is aware that mid-Wales depends on the facilities in Shropshire for its mental health provision. Does he agree that we are jeopardising not just the welfare of individuals but their families and relatives as well, as a direct result of the under-investment in this absolutely essential service?

Mr. Dunne: The hon. Gentleman anticipates what I am going to say. It is absolutely true that the families of these most vulnerable people are those who will suffer from having to travel such long distances.

That has not stopped health chiefs insisting on finding savings of between £1.2 million and £2.2. million from next year's mental health budget, despite current efficiency. There are advanced plans for closure of the two remaining mental health wards, both at Ludlow and Whitchurch hospitals, placing further pressure on their viability, and presenting the families of existing patients and staff with enormous stress, not to mention the patients themselves, who, as the hon. Member for Montgomeryshire was saying, are some of the most vulnerable people in our community. In my recent survey of the GPs in my constituency, 87 per cent. regarded closure of mental health wards in our community hospitals as short-sighted, given the ageing demographics that apply particularly to Shropshire.

So what can be done? To try to adopt a slightly more positive note for the Minister, I shall set out three areas in which she could help local health chiefs in making such critical decisions. The first would be to acknowledge that the historic debts are a Government responsibility. Returning those debts to the NHS would clearly be the first choice, but a second best would be to provide a substantially longer period for their repayment. A 10-year repayment term would reduce the annual cuts by £8 million.

The second way in which savings could be made without compromising the community hospitals is through prescription charges. I have discussed this with several doctors in my constituency. The recommendation in the management consultants' report gives rise to hope that significant savings could be made from reducing prescription charges, and many of the doctors believe that that could be achieved over time at no cost to health care quality and at relatively little cost to the community. Those savings would dwarf the notional savings from closing community hospitals.

Thirdly, I draw to the Minister's attention the fact that there is no mention of administrative savings in the management consultants' report. Given that the current reconfiguration consultations are under way for both the strategic health authority and primary care trusts in Shropshire, surely any review of health care spending in the county should take account of what savings can be made from those administrative reconfigurations before cuts in patient services are actioned.

I appreciate that I have been given a great deal of time, although there have been some interruptions. I conclude my remarks by saying that the Minister will doubtless give us in her winding-up speech a litany of how much has been invested and how many more doctors and nurses are now working in Shropshire than in 1997. Well before she embarks on that journey, I must tell her that the people of Shropshire will not wear it, especially when they see savage cuts in services or, God forbid, hospital closures.

The Prime Minister, we are led to believe, is looking to his legacy. In Shropshire, he risks being remembered as the axe man who has closed community hospitals, slashed hospital beds and cut off rural communities from local access to health care. I look to the Minister to ride to his rescue, and to offer my constituents and the people of Shropshire concrete evidence that the NHS is indeed safe in his hands.

In closing, I have a simple question for the Minister, to which I, and I suspect the many people in Shropshire who are listening to the debate, would be grateful for an answer in her closing remarks: will she instruct the strategic health authority to rule out the closures of Bridgnorth and Ludlow community hospitals as options for formal consultation? If she did so, she would make many thousands of people in Shropshire sleep easier tonight, and she would absolve the Prime Minister of blame for his legacy to Ludlow.

Several hon. Members *rose—*

Mr. Roger Gale (in the Chair): Order. I intend to call Front Benchers at half past three. Five Back Benchers are standing, all with a constituency interest. I have no power to curtail speeches, but I do have the power to note if anyone is self-indulgent.

3.3 pm

David Wright (Telford) (Lab): Thank you, Mr. Gale. I will heed your advice.

First, may I congratulate the hon. Member for Ludlow (Mr. Dunne) on securing this very important debate and say how pleased I am that all five Shropshire MPs are present this afternoon to ensure that we have a comprehensive overview of what is happening in health services in Shropshire? It is also important to note that we are joined by hon. Members from the Welsh borders and by the hon. Member for Wyre Forest (Dr. Taylor), who obviously has had some experience in these matters in recent years.

Mr. Stephen O'Brien: And by MPs from Cheshire.

David Wright: Indeed, my apologies. I start by saying that I agree with the hon. Member for Ludlow that Shropshire has a unique rural structure, but it is also important to note that health care services were originally designed very much with that rural status in mind. There is a large hospital in Shrewsbury, as well as smaller community-based hospitals.

The advent of Telford new town in the 1960s placed greater pressures on the health economy in Shropshire; that is just a fact. Telford is now the largest town in Shropshire, and several of its wards exhibit significant deprivation. The community in Telford fought extremely hard throughout the '70s and '80s to secure a district general hospital, and it very much wants to protect it and ensure that it provides comprehensive services for the largest population centre in the county. That throws up significant challenges; that, too, is just a fact.

Because Telford is new and continues to grow, the challenge facing us is how to provide health services for a growing population. Telford is a regional housing growth point. According to the regional planning guidance and the local development framework, between 2001 and 2021 a net increase in housing provision of 20,300 dwellings is envisaged in the Telford and the Wrekin area. That is a significant number of new homes in the county, based in Telford. It is crucial that any design of services acknowledges that point. It is also fair to say, and I think I would get agreement throughout the House, that both Shrewsbury and Telford deserve full, district and general hospital services—the services that they have enjoyed for some years.

In setting the scene for this debate, it is important that we remember that staff are working hard in our hospitals throughout Shropshire and in Telford and the Wrekin; they do an incredible job and I pay tribute to them today. It is important that we manage this debate carefully, so we can sustain their morale and ensure that they continue to provide high-quality services to people at the front line. They deserve our thanks and I am sure that colleagues will join me in passing those on today.

It is also important to say that the two main acute hospitals are meeting six of the seven national targets laid down by the Government. They are meeting their access targets on in-patients and out-patients, 98 per cent. of people visiting accident and emergency are seen within four hours, and they are on-target in terms of beating MRSA. On cancer, they are meeting the 14, 31 and 62-day targets. They are following the Government's agenda on booking and they are signed up for "Agenda for Change". The only area in which they are failing is financial balance.

The hon. Member for Ludlow outlined in some detail a story—it almost sounded like fiction—about the management, and the financial mismanagement, of the health economy in Shropshire in recent years. I am

[David Wright]

delighted that we have a new chief executive and management team. Tom Taylor is a dynamic individual with whom all Shropshire Members can do business. He takes a constructive approach to what is happening in the local health economy.

It is important to consider some of the conclusions that the strategic review document has come up with. That document was produced on behalf of all the health trusts in the county. It concluded that the primary care trusts spend £20 million less than the national average on general acute and accident and emergency services, and £20 million more than the national average on community services and primary care. That is a real challenge. In examining the wider health economy, we must ensure both that primary care services and community based services are extremely efficient, and that our general acute and accident and emergency services are receiving the funding that they deserve. That is important in the context of the community hospitals debate, which the hon. Gentleman mentioned. I am concerned that if community hospitals close, we will not be able to deal with some of the bed-blocking problems that will arise in the acute sector. I hope we will not pursue that false economy.

The other conclusions of the strategic review of the two acute hospitals are that they are low-cost providers per patient, above-average performers in terms of patient activity, and their commissioners are driving down acute sector income. Interestingly, however, the hospitalisation rate in the county is still rising. Too many people are coming into the acute hospitals and not being dealt with in the community. That is a real challenge for us in terms of primary care.

It is also true to say that the two acute hospitals do not recover all the income for the work that they do. Under payment by results, our local hospitals would gain significantly, but we have a problem because we cannot wait for full implementation of payment by results. We have to sort out the financial issues as they are presented to us now.

The hon. Member for Ludlow went through a series of options produced by Finnamore, the financial consultants, in relation to the health economy in Shropshire and in Telford and the Wrekin. The options referred to a range of issues, including reconfiguration, rationalisation of sites and referral management—there is a raft of proposals. Finnamore produced what it called an abacus of options between lower and upper quartile levels of savings from each of those options. We need to pursue those options, but we have to bear several points in mind. Patient services must come first. There must be a more open dialogue within the county about what is happening in the health service in Shropshire—clearly there has not been the openness with elected representatives, officials and the public that we deserve and that would help us to understand what is happening.

The county must retain two district general hospitals with A and E services. I am delighted to say that, a week last Monday, at a meeting I attended with the Telford and Wrekin senior citizens forum, Tom Taylor, the chief executive of the acute hospital trust, made it clear that he is committed to trying to ensure that we retain those two hospitals with their A and E services. That is crucial. I should particularly like to hear the Minister's comments on that in her winding-up speech.

In any examination of the county's health economy, it is important that there is an understanding of the population trends that I outlined at the beginning of my speech. Telford people should receive the services that they deserve because it is a growing town and the largest population centre in the county.

We should focus on the points made by the hon. Member for Ludlow about options for resolving the financial crisis. I hope that the Minister will say something about historic debt, which we should reconsider. We must have greater brokerage on the time scale for the repayment of debt on which the acute hospital sector and, indeed, the PCT are working.

The hon. Gentleman's point about prescription charges is also important. We must get the maximum level of efficiencies and administration savings out of the system if we are to protect our acute and community hospitals and our primary care services. All five of the Shropshire Members want to achieve that.

Several hon. Members *rose—*

Mr. Roger Gale (in the Chair): Order. I remind hon. Members again that there are four Members standing and not many minutes left. If Members can confine themselves to four minutes each, everybody will get in.

3.12 pm

Mark Pritchard (The Wrekin) (Con): I congratulate my hon. Friend the Member for Ludlow (Mr. Dunne) on securing the debate. I shall have to make my 10-minute speech in four minutes.

I shall address directly some of the comments made by the hon. Member for Telford (David Wright). He talked about sustaining staff morale. I suggest that one of the best ways of doing that is to retain existing services and allow staff to retain their jobs. We know that 280 jobs are under threat, including those of front-line staff such as doctors and nurses. That would, of course, affect front-line patient care. He also said that patient services must come first. Of course, both back-office support and front-line staff such as doctors and nurses are needed to ensure that patients continue to come first.

I do not believe that Health Ministers lie awake at night wondering how they can make life more difficult for patients or our constituents in Shropshire. The Government have introduced many well intentioned reforms to the health service, but unfortunately things have gone badly wrong across the country. There is no doubt that changes are needed to health care provision and the way in which customers, consumers and clients of health care view and receive it.

We have discussed increasing primary care and care in the community, or community care, and about having super-GP surgeries and a beefed up and thriving independent sector. That is fine in principle, but only if those things are in place before services at the acute hospitals are reduced. In my constituency, in which the Princess Royal hospital is located, we do not have super-GP surgeries or a thriving independent sector and—unlike Ludlow—we do not have community hospitals, although some of my Albrighton constituents use the community hospital in Bridgnorth.

It would be easy for Members to say that we should have one or the other, but given the sparsity of the population and the size of Shropshire, which is the largest inland county in England, I think that we need both. One might say that that is unreasonable, but is it? Every week we hear the Prime Minister remind Members from the Dispatch Box that all the money from tax rises has gone to improve health and public services, particularly education and the health service. A lot of my constituents are saying, "Where has all the money gone? We have paid the taxes. We deserve the health services." Now, they are being asked to accept that they will have to pay more taxes over a long period but get fewer health services in return. It is a massive swindle of the taxpayers of Shropshire.

The changes will affect patient care. I should like to ask the Minister some brief questions. Can she guarantee that the accident and emergency unit at the Princess Royal hospital will remain consultant-led, not nurse-led? The hon. Member for Telford supported the principle of an accident and emergency unit and referred to the comments of the trust's chief executive that one will be retained at the Princess Royal, but nowhere has it been said that there is a cast iron guarantee that that unit will be consultant-led. It is no good people in the most densely populated part of the county—Telford and Wrekin—only having a nurse to patch them up, when for very serious incidents people have to be rushed by blue-light ambulance down to Shrewsbury. In extremis that will cost lives. If someone has a heart attack in Shifnal, Newport or Wellington in my constituency, by the time they get to Shrewsbury they may well be dead. That is hardly patient care.

Will the Government consider a debate on whether the two hospital trusts should de-merge? Has it worked? If it has not, let us have a mature debate about it. Let us de-merge the hospital trusts. It is a large county as hon. Members have said. We are a large county and we deserve a full district general hospital in both Telford and Shrewsbury and the other hospitals too.

Finally, can the Minister give a guarantee that there will be no land disposals at the Princess Royal hospital that would jeopardise plans for the new Severn hospice or the mental health unit that may well be placed on the site of the hospital? In conclusion, the Government's plans to rationalise, which is a euphemism for cutting services at the Princess Royal, are flawed. They will cost lives. I humbly ask the Government to rethink in the interests of patients and, indeed, their own interests, given that Telford is now a marginal seat.

3.18 pm

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I feel extremely passionately about this issue, but the length of the debate has obviously forced me to shorten my speech. The Minister will know that I always treat Ministers with respect and courtesy, but I find it very difficult to do so today because of the way the situation is developing in Shrewsbury. We have excellent clinical efficiency at the Royal Shrewsbury hospital. Last week I brought Tom Taylor, the chief executive, to a meeting with the Secretary of State, who was delighted and surprised that the Royal Shrewsbury hospital had met the target of 62 days for cancer treatment because, as she admitted, it is an extremely difficult target to meet.

Our problem is the hospital's £36 million debt, to which my hon. Friends have referred. I believe—I put this point as strongly as I can to the Minister—that a former chief executive got the job with a fake CV. The finance director covered up the losses, and he has had to go as well. Where are the checks and balances, if such a major hospital can be run by people who have fake CVs, and people who cover up debts? It is truly astounding. Surely the Minister must take some responsibility for the situation at the Royal Shrewsbury hospital. We would benefit to the tune of £15.3 million every year if we had foundation trust status—and the only thing preventing us from securing that status is our debts. I lay the blame for those on the Government.

I should like to raise two more points. Some specialist nurses came to see me at my surgery on Saturday. I shall not reveal what type of specialist nurses they are, for fear of revealing their identities. Many people who work for the NHS and come to speak to MPs are petrified of telling us about their experiences, because of the culture in which, if someone dares to criticise the Government, the Government will come down on them like a ton of bricks and they will lose their jobs.

The nurses who came to see me said, "Look, we're being paid on band 6 for our job, but if we go 15 miles down the road to Wolverhampton the same job is band 7." Therefore, they would be paid an extra £5,000 a year if they made a 15-mile journey every day, left the Royal Shrewsbury hospital and went to work in Wolverhampton. That is a huge threat to us in Shrewsbury, because if those people can be paid £5,000 a year more for doing the same job in Wolverhampton, they are likely to be poached, leave the Royal Shrewsbury hospital and go to Wolverhampton. That is all part and parcel of the regionalisation of health care provision.

In Shrewsbury a cancer clinical review is under way, and the talk is that although we are brilliant at cancer provision in Shrewsbury, the services could be moved to Stoke or Wolverhampton because the Government want larger catchment areas for those services. That is a tremendous threat, and I should like the Minister to look into it. I shall, of course, fight any proposals to move cancer services away from the Royal Shrewsbury hospital to Stoke and Wolverhampton. As the hon. Member for Montgomeryshire (Lembit Öpik) knows, it is not just my constituents who use the hospital. People all the way to Aberystwyth, on the Irish sea, come across the border to use it.

I want to keep my remarks within the time that you specified, Mr. Gale, so this will be my final point; it is for members of the public as well as hon. Members. I have just been visited by representatives of the Parkinson's Disease Society and other organisations. There are two neurologists in our two hospitals, for the whole of Shropshire—an area covering 750,000 people, if mid-Wales is included. In Germany an area of that size would have 20 neurologists, and in France it would have nine. I should like the Minister to take that point on board. Shropshire cannot survive long term with two neurologists to cover such a large area.

3.22 pm

Mr. Owen Paterson (North Shropshire) (Con): I congratulate my fellow Shropshire MP, my hon. Friend the Member for Ludlow (Mr. Dunne), on landing this debate. It is of great importance and real relevance to all our constituents.

[Mr. Owen Paterson]

Before Christmas I went to a public meeting in Whitchurch, the town where I was born. There were 500 in the hall and at least 100 outside, standing in the cold. We had a petition, which my hon. Friend and I handed in last week, with 10,000 signatures—and it is growing, so I have not put it behind the Speaker's Chair. We had a march, with more than 2,000 people, on a freezing cold Saturday morning. That is an expression of feeling about the importance of primary care to my constituents, which cannot be ignored. We had representatives from Market Drayton, Wem, Ellesmere and Audlem, over the border in the constituency of my hon. Friend the Member for Eddisbury (Mr. O'Brien).

Those people are not just nimbys who want to hang on to their services. They have a real case. To bring the subject down to earth, I shall outline the example of Mrs. Schofield. She had a near fatal accident and was in an acute hospital for three months. She said:

"If I had had to stay in my acute bed for a further three months, this would have cost double the amount for my bed alone and added to the hospital waiting lists; I cannot see how, on this basis, closing our Community Hospital will save money. The local hospitals in this area i.e ... The Royal Shrewsbury and The Princess Royal ... will end up with dozens of 'bed blockers' because once the small community hospitals have been closed there will be nowhere to send the patients for rehabilitation."

Rehabilitation is vital. Mrs. Schofield had four months more rehabilitation in Whitchurch community hospital, and as she said:

"I could not physically have undertaken this journey"—

to Shrewsbury—

"as my muscles were weak from four months inactivity."

That is a quick glimpse of the sort of service that those primary care hospitals offer. They take the pressure off the district general hospitals about which other hon. Members have spoken so eloquently.

That is flagged up in the famous Finnamore report, which states:

"An alternative approach to the community hospitals has been discussed that maximises the utilisation of community hospitals."

But, incredibly, it then says:

"The financial implication of this approach has not been modelled at this stage but this could be carried out at the detailed option development stage."

May we have a cast-iron guarantee that there will be a real study of the value of the community hospitals? My hon. Friend the Member for Ludlow flushed out the fact that the Minister does not have a clue what the comparative costs of running primary care and acute care are. Will she take up my suggestion, which was proposed by doctors whom I met over Christmas, that social services should run the hospitals? We know that the PCTs will not be able to be providers and that there is already 93 per cent., and sometimes 99 per cent., bed occupancy in Whitchurch. If there was better liaison with social services and better co-ordination, the needs of someone who has had a fall, or who wants a lift, a commode or another piece of equipment could be met more efficiently by the community hospitals.

I hope that the Minister gets the message. It is absolutely out of the question to consider the option of saving £800,000 a year, which is a completely bogus figure in my opinion. It is politically a non-starter, and I would like the Minister to say today that she accepts that.

The Minister knows about my patch. She kindly met doctors from Ellesmere and Wem in July, who told her that with better primary care centres they could reduce referrals to the expensive acute hospitals, where costs are running up, by 20 per cent. The doctors gave her a telling example: diabetes will double in the next 20 to 30 years, and whereas 75 per cent. of diabetics in Shropshire are treated by GPs, in Birmingham 75 per cent. of diabetics are treated in district general hospitals. It is impossible to imagine the impact on the two main acute hospitals if the ratio for treating diabetes, let alone any other ailment, were the same as that in Birmingham.

As for the financial position, we touched on savings, which were flagged up in the report and show possible productivity gains of £10 million; the possible figure for prescribing is £10 million, for referral management £2.5 million, and for reconfiguration £2.1 million. My deal is that for enhanced primary care, and an absolute guarantee not to touch the community hospitals, I would go along with any sensible efficiency savings within the two main acute sites, so long as they did not reduce services. To my constituents it would not matter which of those sites provided the services, because in either case it is a 15-mile drive.

I was alarmed by a report in *The Sun* by George Pascoe-Watson, under the headline "Blitz on NHS big spenders". It stated:

"Hit squads of money men will be ordered into overspending hospitals."

I believe that it referred to a letter from the Secretary of State last night to me and to other hon. Members stating that KPMG are to be brought in, "driving large-scale financial turnarounds". Like the hon. Member for Telford (David Wright) and my hon. Friend the Member for The Wrekin (Mark Pritchard), I admire Tom Taylor, who has come in to an appalling mess, which was the result of thoroughly bad mismanagement. It is laughable that we had a chief executive who had faked getting a first at Nottingham university. We may not like what we hear from Tom Taylor, but he tells it to us as it is, because he has had time to get a grip on the problems. The last thing we want now is a lot of expensive busybodies from KPMG muddling around with yet more meetings. If anybody understands how to sort out the mess it is Tom Taylor and his team.

I want to know how long the busybodies will be in, how much they will cost and who is going to pay for them. I very much hope that it will not be the trust. I hope that it will come out of central funds, run by the Minister.

In my last two minutes I want to ask the Minister about mental health in Shelton. How far advanced are the plans to redevelop the second to last Victorian asylum?

Finally, the picture is not all gloom. There is a world-class hospital in my constituency at Gobowen, which is in the top tier for cleanliness and already has three-star status. There were only two MRSA cases per 10,000 patients at the Robert Jones and Agnes Hunt hospital, which is going for foundation status. However, one of the brakes on gaining that status is the fact that it needs

clarification of the tariff for work done to put right mistakes made in other orthopaedic hospitals. Only four orthopaedic hospitals in the country can do that work, and my local hospital needs to know the details. May I bring the chairman and the chief executive to see the relevant Minister to discuss this matter so that they can push on and get foundation status? I invite the Minister to come to Shropshire at any time, and we will show her the value of primary care, and how to take pressure off the expensive acute hospitals.

Mr. Roger Gale (in the Chair): Briefly, please, Dr. Taylor.

3.29 pm

Dr. Richard Taylor (Wyre Forest) (Ind): I shall briefly make two points in support of the 20,000 people in south Shropshire who used to use Kidderminster hospital but who no longer do so, and who will now be subject to the double whammy of losing their minor injuries units and community hospitals.

First, may I ask the Minister about the credentials and experience of Finnamore consultants? For Worcestershire they have suggested some quite ridiculous changes, which the acute trust immediately threw out and will not include in its paper. Their suggestions for community hospitals are completely ridiculous: they are not common sense, they do not make economic sense and they do not fit in with Government guidelines on keeping the NHS local, which are well worth referring to.

The only other thing that I shall say in the brief time available to me is how pleased I was to hear that the hon. Members representing the acute hospitals in Shrewsbury and Telford did not try to paint a picture suggesting that we should protect acute services at the cost of closing community hospitals—something that was tried in Worcestershire.

I should also like to tell the hon. Members for Telford (David Wright) and for Shrewsbury and Atcham (Daniel Kawczynski) about an article by Andy Black, the well-known hospital management consultant, which appeared in the *British Medical Journal* in January 2004. In it, he said:

"If the price of moving the complex emergency to an appropriate centre of expertise is that this patient is accompanied by another nine or 10 patients who are not complex acute cases then another set of problems is launched."

Wyre Forest has seen those problems, which have been very difficult. There has been loss of access and loss of quality.

Finally, I commend the independent reconfiguration panel, which can be brought in to advise on such matters, and which will act as an independent impartial adjudicator.

3.31 pm

Lembit Öpik (Montgomeryshire) (LD): I, too, congratulate the hon. Member for Ludlow (Mr. Dunne) on securing this debate. I express my solidarity with those who have raised concerns on a cross-party basis, or on a non-party basis in the case of the hon. Member for Wyre Forest (Dr. Taylor), who is, indeed, a champion of the people. Those concerns are shared in Shropshire and across the border in mid-Wales.

On 13 April 1998, the Royal Shrewsbury hospital saved my life. I had a very serious paragliding accident, in which I fell about 30 m, broke my back in 12 places and smashed my ribs, sternum and jaw. It was a 64-mile journey to the Royal Shrewsbury, partly by car, but primarily by ambulance, and there is no doubt that the hospital's quick, expedient and highly professional service prevented me from dying that day. As a result, I am forever in its debt. It so happens that it was me who had that experience, but thousands of other individuals in Shropshire could have a similar one. I am sure that such people would testify to the benefits and importance of community hospitals. Indeed, it was Llanidloes hospital that initially stabilised my condition so that I could travel the remaining 48 miles in the ambulance to Shrewsbury.

Hon. Members are therefore completely right to talk about the essential nature of what could be described as a hub-and-spokes infrastructure. The district general hospitals provide certain facilities—they have been accurately described, so I do not need to repeat them—while the community hospitals play an essential supporting role. It is little wonder, then, that so many thousands of people marched—once again, on a cross-party basis—to defend the facilities in Shropshire, and I pay tribute to the hon. Member for Ludlow for working with Matthew Green and Labour representatives on those marches to show that this is not a party political issue, but a people political issue. In that sense, the Minister can be in no doubt that no one is trying to score points off the Government—*[Interruption.]* To be precise, I am not trying to score points off the Government. People are, however, working hard in the interests of those whom we all represent.

On the specifics, there is no question but that there was a cover-up. Members of Parliament and others were misled about the financial circumstances in the trust and in Shropshire, to such an extent that one would not need parliamentary privilege to say so. Indeed, it was a scandal, and the individuals concerned would not dare to sue anyone who condemned them unreservedly for playing roulette with the services in the area. As has been said, Tom Taylor has already secured the trust and recognition of hon. Members from all parties in a way that his predecessor did not. I have a slight difference of opinion about who is to blame for that, but the Minister will be delighted to know that I do not blame her. It would be difficult for her to keep such a detailed eye on various appointments throughout the country that she or, indeed, many of the rest of us, would spot a fake CV or someone who was utterly hell bent on getting a job through false means.

However, as the body politic, it is our responsibility to make sure that the citizens who evidently were not responsible for the debt problems do not end up being the victims of those debts. Others have already described the consequences of the debts and I hope that the Minister will take seriously our worries that, in Tom Taylor's efforts to resolve the enormous eight-figure debt, he is not forced to compromise the services that have so eloquently been described by others today.

Will the Minister respond to the suggestions either to write off the debt or to renegotiate the repayment period for the reasons that have been given? Secondly, will she comment on the hub-and-spokes arrangement that is so important in rural areas and which has done so much

[Lembit Öpik]

good for individuals? I wish to highlight the importance of recognising that it is cheaper to put people into a community hospital bed to recuperate than it is to force them to go to a district general hospital because of the lack of community hospital spaces. Moreover, maternity units themselves are highly treasured by the communities and, once again, ease a further burden on the district general hospitals.

In non-technical language, community hospitals do lots of bits that do not have to go to the big hospitals. That is one reason why they are cheaper, why they are loved by local people and why I believe that they aid convalescence, especially for the elderly. They find it easier and less stressful to be in the more homely environment of a community hospital where their relatives and friends can visit them more easily than being transported many tens of miles on occasion to a hospital that, by its nature, will tend to be a less personal and slightly more sterile environment in which to recover.

My third and final point concerns the various alternatives to save money, one of which is productivity savings. The hon. Member for North Shropshire (Mr. Paterson) estimates that £10 million could be saved. I consider that perhaps £7.5 million could be saved, but let us recognise that we are to some extent splitting hairs on the detail because, if the Minister cannot provide us with an assurance that the Government will be amenable to helping us resolve such a crushing debt problem in other ways, services will necessarily need to be cut. It is not Tom Taylor's fault. His only crime is to be honest with the public and the politicians. It is not the public's fault. Their only crime is to live in an area that has had its health services mishandled to some extent and, by virtue of rurality, they pay more for health services because there is no other way in rural areas.

As we hear the Minister's response, we will be listening to see if she is willing to debate the facilities with us. There is no downside for the hon. Lady in working with us on a cross-party basis. There is an enormous downside for the local population if she does not. I think that she can show that the Government are serious about the promises that they have made repeatedly on the Floor of the House to work in the interests of the public and to ensure that the significant investments that they have made in the health service are actually used to enhance it, a situation that is the antithesis of what faces Shropshire at the moment.

In thanking the Minister in advance for acceding to every request that we make today, I also invite her to visit the facilities that we are discussing. She would perhaps be whinged at a little bit, but she would also be praised a lot for being willing to go and see what we are discussing. She could be a heroine and if she takes that route, we will be the first to sing her praises.

3.40 pm

Mr. Stephen O'Brien (Eddisbury) (Con): First, let me add my congratulations to my hon. Friend the Member for Ludlow (Mr. Dunne), who secured this important debate. All four of my Shropshire hon. Friends, as well as the hon. Member for Telford (David Wright)—together they represent all the constituencies in Shropshire—have championed and campaigned for their constituents and local health services without fear or favour. I should declare that I am a patron of CHANT, which was referred to earlier.

As we heard in the outstandingly powerful speech made by my hon. Friend the Member for Ludlow, there are four trusts responsible for health care in Shropshire, under the umbrella of the Shropshire and Staffordshire strategic health authority: the Shrewsbury and Telford Hospital NHS Trust, covering the two hospitals; Shropshire County primary care trust; Telford and Wrekin PCT; and the Robert Jones and Agnes Hunt Orthopaedic and District Hospital NHS Trust, Oswestry's world-famous orthopaedic hospital.

Shropshire's financial problems, which arose across those four trusts, consist of a £36 million accumulated debt, which, by Government edict, must be paid off over the next three years. That will necessitate instalments of £12 million per annum, and a current annual running loss of £25 million. That will be £18 million from the Shrewsbury and Telford Hospital NHS Trust—today announced as being one of the 18 that needs urgent intervention, alongside my local PCT in west Cheshire—and £7 million from the Shropshire County PCT, which the Government requires to be in balance by April 2007. On those figures, the trust needs to find £37 million a year after current spending.

Finnamore Management Consultants, already rightly doubted in an interesting contribution by the hon. Member for Wyre Forest (Dr. Taylor), has put together a report on how to achieve those savings from a current total budget of £400 million. Its findings would amount to a cut in Shropshire's health funding of an eye-watering 10 per cent. in each of the next three years. Whatever the Minister says, not one Member of this House—let alone one citizen of Shropshire, south Cheshire in my constituency or mid-Wales—will believe that a cut of that size will not lead directly to deep, harsh cuts in patient services.

So why is it the Government's fault and liability that the beleaguered patients of Shropshire have to suffer that bill and lost patient and health services? As we heard, the chief executive of the Shrewsbury and Telford Hospital NHS Trust was sacked for incompetence, and was subsequently found to be a fraud. The financial director has gone, too, as he was complicit, and the Labour crony chairman has also chosen to resign. That, to start with, is pretty damning evidence when looking for where liability lies. That is all the more important as it is in that trust that the vast bulk of the deficits were allowed to balloon.

The two PCTs are running at a deficit of £2 million, the Robert Jones and Agnes Hunt Orthopaedic and District Hospital NHS Trust is running at a deficit of £5 million, but the Shrewsbury and Telford Hospital NHS Trust is running at a deficit of £29 million. The largest debt in Shropshire comes from the trust that was administered by a fraud. In substance, the position is not changed by the Government's new payment-by-results regime, which shifts £15 million per annum of the acute trust's annual running costs to the PCTs.

Who, it is fair to ask, designed the structure? Who set up the processes and the standards for the appointment of the key people at the top of the very organisation that incurred the debt, people who have now all gone? Who

set the targets by which those people were judged and had to manage? The answer to all those questions is clear: we need look no further than the Department of Health, the Minister and her predecessors under this Government. In addition, in the light of the confused expectations that the historical debt would be assumed by central Government, why should the people of Shropshire and the dedicated front-line staff—doctors, nurses and many others, including some of the managers—have to pick up the tab of Government and Whitehall failings?

The Government must own up to their serious failings in respect of the people of Shropshire, and they must recognise that the contingency fund is there as a Government self-insurance policy—albeit that it uses taxpayers' money, centrally—to fund its contingent liabilities. This is a contingency, as it would be in any walk of life. There has been a manifest failure of Government policy, and of the processes ensuring the provision of adequately managed patient services for the people of Shropshire, my constituents in south-west Cheshire, and people across the border in Wales, notwithstanding the incredible confusion that devolution throws up.

There is a clear line of responsibility, but this Government seek instead to duck their liability, and to pressure the local trusts and force them to look in on themselves. Thus to save £37 million per annum, Finnamore has suggested various cuts. One is to close or to threaten the community hospitals at Bishop's Castle, Ludlow, Bridgnorth and Whitchurch. Whitchurch serves hundreds if not thousands of my constituents in Marbury, Malpas, Tushingham, Cholmondeley and the whole southern district of Eddisbury.

Will the Minister say whether she is aware of the enormous public outcry and the outrage at the idea of closing those hospitals? Using the very apt analogy of the hub and spoke that the hon. Member for Montgomeryshire (Lembit Öpik) just used, has the Minister noticed that the whole wheel comes off if one takes away the spokes?

Given the petitions of more than 10,000 names being presented to the Secretary of State, crowded public meetings and huge marches—I pay tribute to my colleagues and others for their campaigning—this simply does not make political sense. Nor does it make financial sense. It saves only a notional and, as we have heard, largely illusory £2.4 million a year of the total amount required, despite an estimated net figure, but excluding the intended consequences, let alone the unintended ones that we can all predict and which were very ably outlined earlier in this important debate. That will put even more pressure on the already hard-pressed acute trust.

The proposal certainly does not make medical sense. The long-term rehabilitation and mental health units lost will exacerbate, not reduce, the problem. As we know, because of the misdirection and the mismanagement engendered by this Government, their agencies, their quangos and other creatures, 80 of the 322 community hospitals in this country are under threat of closure so that trusts throughout England can meet their financial deficits. That is a direct hit on patient services, and is laid firmly at the Government's door.

So far as Shropshire is concerned, if the Minister feels that she cannot, without the Chancellor's sanction, access the contingent fund to meet the Government's own liabilities—I have outlined the chain of causation—at the very least will she now stand up and undertake to extend the payback period to 10 years? In the best-case scenario, £25 million of annual savings can be attained without closing these valuable community hospitals.

Increasing efficiency to improve performance to the upper quartile level in the Robert Jones and Agnes Hunt trust and in the acute trust will yield savings of about £5 million in the former and up to £7.5 million in the latter. An additional £2.5 million could be saved by improving efficiency in the operating theatres of the acute trust. Further, a reduction in over-prescribing, in the light of a survey of GPs in Shropshire who recognise the extent of this inefficiency, would lead to a saving of approximately £10 million a year. I am very grateful to my hon. Friend the Member for Ludlow for conducting that survey.

There is the £25 million. The Government could then write off the £12 million in historic debt for which they are responsible, and the job would be done. Patient services and community hospitals would be saved, thanks to the support of all the Shropshire MPs of all parties. There just may be a chance of making good the ills of the Government's own making without inflicting real cuts on the front-line patient services for the people of Shropshire, all of whom have been so ably represented in the Chamber today in this crucial and urgent debate. We just have to hope that the Minister has both listened and learned.

3.48 pm

The Minister of State, Department of Health (Ms Rosie Winterton): I, too, congratulate the hon. Member for Ludlow (Mr. Dunne) on securing the debate. All contributions from hon. Members on both sides of the House have illustrated how important health is to our constituents and how important it is to have a good national health service. That, frankly, is why the Government make the national health service such a high priority.

My hon. Friend the Member for Telford (David Wright) paid tribute to the hard work and dedication of NHS staff in the local area. I certainly add my thanks to those staff for their hard work. I totally reject the allegation made by the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) that we would go around attacking people if they complained about conditions. Indeed, the introduction of the whistleblowers charter has indicated our view that that attitude is not the right one at all. The hon. Member for Montgomeryshire (Lembit Öpik) brought his own experiences to the debate to illustrate the importance of our health services.

I certainly recognise that the health community in Shropshire faces a challenging financial situation; there is no doubt about that. I am not going to reel off figures on doctors and nurses as the hon. Member for Ludlow said I might, but I point out that the increases in funding in recent years have meant that the two PCTs—Shropshire County and Telford and Wrekin—are receiving record levels of resources.

This year, Shropshire County primary care trust has been allocated £276 million, a cash increase of £23 million on the previous year. That kind of increase

[Ms Rosie Winterton]

has been made available locally and will continue, to reach something like 19 per cent. over the two years within the local area. I think that Telford and Wrekin's percentage increase was the eleventh largest in the country.

That is some of the background to the new investment. I hope hon. Members accept that; the hon. Member for Montgomeryshire was kind enough to acknowledge it. However, there is still a grave difficulty with the financial challenges faced locally. One of the major factors in the financial position is the Shrewsbury and Telford Hospital NHS Trust, whose end-of-financial-year deficit could be something like £29 million.

As the hon. Member for Eddisbury (Mr. O'Brien) said, there has been poor financial governance at that trust. That view was backed up by the external auditors' investigation and the strategic health authority's own independent report, published on 27 October last year, that made 35 recommendations, all of which were accepted by the SHA and the trust. I am glad to see that the trust has put together an action plan to meet the recommendations. As many hon. Members said, a new management team is in place. It was heartening to hear hon. Members praise the new chief executive, who has taken over in what are obviously difficult circumstances.

Beyond that financial report, as hon. Members have said, a current review is taking place that has been commissioned jointly by Shrewsbury and Telford Hospital NHS Trust, the Robert Jones and Agnes Hunt Orthopaedic and District Hospital NHS Trust, Shropshire County PCT and Telford and Wrekin PCT. Hon. Members have talked about local interest in the services, and that indicates the importance of the decisions being taken at local level.

It is important that people should be consulted about the options available and able to make their views known without some idea that, as some hon. Members have in a sense suggested, we from Whitehall and Westminster then overrule them. The whole principle is to make sure that transparent decisions are made at local level and that the priorities reflect the needs of the local community. In its initial work, to which many hon. Members have referred, Finnamore advanced a series of options for the future of health services in the county. The purpose of the report was to look at the baseline provision of services in the area, consider the options for long-term provision of quality services and financial balance, and look at the implications for each organisation and consider acute service provision, as well as community services. The work is being developed further. Some of the options may not be practical, but they have been included in the report for pre-consultation, to which hon. Members are responding. However, beyond that, the options can then be further developed with key stakeholders.

Any proposals for change will be subject to a 12-week formal public consultation; then, if there are significant changes, there is a statutory duty for organisations to consult the local overview and scrutiny committee. The hon. Member for Wyre Forest (Dr. Taylor) referred to the fact that the matter can still go to an independent reconfiguration review panel. There is a system in place for looking at the options.

Dr. Taylor: Will the Minister give way?

Ms Rosie Winterton: I really want to finish, if the hon. Gentleman does not mind.

Because these things may come before the Secretary of State, it is difficult for me to respond to all the comments about hospitals, but I can refer to a couple of matters. For example, my hon. Friend the Member for Telford and the hon. Member for The Wrekin (Mark Pritchard) said that the chief executive of the PCT has, as I understand it, said publicly that he would like the accident and emergency departments at both hospitals to be retained. If that suggestion went forward, it would go through the public consultation process. My hon. Friend has had a long-standing dialogue with the chief executive on that matter.

The hon. Member for North Shropshire (Mr. Paterson) mentioned community hospitals being handed over, perhaps, to local authority control. Under "Commissioning a Patient-Led NHS", we will make it possible for local authorities, acute trusts or the voluntary sector to manage community hospitals. However, I have to emphasise again that that would be a local decision. I understand, from the strategic health authority, that the current review is considering that as a possible option.

I should like briefly to move on to the historic deficit and the idea that the Government should meet it. I hope that hon. Members will understand that there has been massive, increased investment in the NHS, but we need local NHS bodies to ensure that they are dealing with some of the financial problems that they are facing. Simply to hand money over means that somewhere else in the NHS has to find it; there is no other place that it can come from. It is important to be honest when we are discussing that matter. That money would have to come from other areas.

Hon. Members talked about the period of paying back. The SHA has to consider the local health economy and look at ways to meet the financial balances. In some instances they can be extended, but that would be an SHA decision.

Finally, the turnaround teams that hon. Members have mentioned will be important in helping local trusts to manage some of the problems. I have visited places where teams have been working with staff and managers and I should like to reassure hon. Members that that should not be seen as a threat; that arrangement is to give assistance to sort out some of the problems about which hon. Members have talked.

Mr. Roger Gale (in the Chair): Order. This is not an easy room in which to work. Will hon. Members who are leaving please do so quietly?

Traffic Congestion (Manchester, Withington)

4 pm

Mr. John Leech (Manchester, Withington) (LD): I thank Mr. Speaker for giving me the opportunity to raise the important issue of traffic congestion in my constituency. I also thank the Minister's office for contacting my office before the debate, so that the Minister could get a feel of what I wanted to say and respond to the issues that I shall raise. I accept that some of my points will be outside her area of responsibility, but I ask her to pass on my comments on issues beyond the subject of traffic.

For the benefit of the Minister, it is worth my explaining briefly the geography of Manchester, Withington—I could not tell the Minister the geography of her constituency, and I doubt whether she could tell me the geography of mine. The River Mersey forms a boundary to the south of Withington. That means that commuter traffic coming through my constituency towards central Manchester is channelled along a number of heavily congested roads throughout the constituency. One of those is Princess road, some stretches of which are also known as Princess parkway. It runs from the M56 all the way into the city centre. I have never seen this proved, but I am told that it is the busiest road outside the M25.

All the main routes through my constituency to Manchester are heavily congested with cars, which has resulted in significant displacement of traffic from those major routes on to the more minor roads, such as Parrs Wood road in Didsbury. That has had a major effect on the safety of those roads, including for pedestrians and schoolchildren, because the roads simply were not designed to take the level of traffic that they now do.

The problem is not confined to north to south routes, from the constituency to the city centre; there is also a major problem with traffic flow across the constituency. Many people not only live in south Manchester but work there, and they travel from east to west, to places such as Salford Quays, Stockport or Cheadle. That has resulted in a major strain on traffic flow, especially from Didsbury to Chorlton along Wilmslow road and Barlow Moor road. That has created gridlock through the district centre of Chorlton.

The congestion has had a knock-on effect on the reliability of bus services, as they struggle to stick to timetables. That has dented public confidence in bus services in the constituency, so people have stopped using buses. It has also had a worrying effect on Chorlton district centre. Shop owners complain about losing business as shoppers actively avoid going through the district centre because of the congestion. That has quickened the decline of local shops, which are being replaced by evening trade businesses, such as bars, restaurants and takeaways, because traffic congestion does not have the same impact at night, and they can make money.

It would be easy for me to argue that poor public transport and lack of investment is responsible for too many cars being on our roads, and all the congestion. The situation is not as straightforward as that, however. Deregulation of buses has certainly had a negative effect by creating more congestion, as gaps in the bus network have to be filled by people using cars, but it is also true that deregulation has increased bus services in parts of the constituency—for instance, the Wilmslow road corridor, where people can get a bus every 10 seconds. That is an example of deregulation working. Unfortunately, the bus companies are not prepared to run decent bus services across the constituency, because it is far more cost-effective just to pile all their buses on to the routes that make them money. They expect to receive significant subsidies from the Greater Manchester passenger transport authority before running services east to west, and the PTA just does not have the funds available.

I shall give a couple of examples of deregulation clearly not working. The No. 46/47 circular service that runs through my constituency and into the city centre was profitable during the day, but in the end the bus company decided to cut the evening part of the service because it was not making any money. Of course, the knock-on effect of that is that people using the bus service in the morning to get across the constituency cannot get the bus back, so they have to make alternative arrangements for both journeys, which makes the bus less profitable in the morning as well. That has had an impact on passenger numbers, and the knock-on effect is that more people use cars.

The other example is the No. 86 bus service, which ran from one of the most deprived estates in the whole of my constituency, through Chorlton and into the city centre. The section of the service from the estate to the centre of Chorlton was not profitable, because congestion meant that it was not running to time, so fewer people used it. That meant that over time the bus company just decided to reduce the level of service and run the vast majority of the services from the bus station, which meant that the few people who still wanted to use the bus from Arrowfield road—from the estate—lost confidence in the bus service. Rather than arriving every five or six minutes, the buses were supposed to arrive every 20 minutes; in fact, it was every half an hour, if people were lucky.

Moving on from buses, I do not think that I could discuss congestion in my constituency without briefly mentioning the delays to phase 3 of Metrolink. In the past few years, lots of people have moved to Manchester, Withington because they genuinely believe that they are moving to an area where they will be close to a Metrolink station in the near future. Indeed, developers have been actively promoting property for sale on that basis. However, due to the recent uncertainty about funding and how long it is likely to be before we see Metrolink running through the constituency, one particular developer, as an alternative to promoting Metrolink as a reason to buy a property, is now offering a free car as part of the package when someone buys a flat in that development. Clearly, that will increase congestion.

My final point on the causes of congestion is about overdevelopment in south Manchester. I accept that that is not within the Minister's area of responsibility, but my constituency has become a victim of its own success. People quite rightly want to live in south Manchester, because it is a great place to live and work. As the Member of Parliament for the area, I do not think that you would expect me to say anything else, Mr. Gale, but it really is a great place to live.

[Mr. John Leech]

Unfortunately, because it has become so popular, every developer wants to build a block of flats on a postage stamp of land.

Both the Government and the local council must bear some of the responsibility. For example, the council, in its wisdom, decided to sell a piece of land on Beech road, a heavily congested local road with serious parking problems. The council decided to sell off a car park and allow an additional block of flats to be built on a road that was already suffering from congestion and traffic problems. Similarly, the Office of the Deputy Prime Minister recently approved the council's decision to redevelop an old school playing field and build yet more houses and flats.

The problem is not just about the council selling off land, and the situation is not just the council's fault. It is also about developers taking advantage of weak planning laws that do not really protect local communities. In the Parrs Wood area of my constituency, a new entertainment complex was built a few years ago. That new development was undertaken in an already congested area, without first devising any sort of plan to deal with the traffic implications. When the council finally brought forward a scheme, we were told by the traffic officers that they could not come up with a scheme that solved the problem, but that the one that they had come up with was about as near as they could get. So it was a half-baked measure that annoyed all the local residents and did not deal with the traffic problem. More recently, just across the road from that same development, two further blocks of flats have been approved. The council's traffic office has already said that it cannot deal with the congestion problem in that area, yet two further blocks of flats and houses have been approved there, and they will cause extra traffic.

Those developments have been approved despite massive opposition locally. The planners argued that there was no justification for refusal, because the extra traffic would not significantly increase the amount of traffic already on the road. If traffic is at a standstill, however, any increase in traffic is unacceptable.

Mark Hunter (Cheadle) (LD): I thank my hon. Friend for giving way, and I apologise for not being in my place when he started his speech. Does he accept that the knock-on effect of traffic congestion in surrounding constituencies such as my own also has a negative impact on the traffic problems suffered by constituents in his constituency of Manchester, Withington? Does he further accept that the completion of the A555 relief road, which heavily impacts on the neighbouring Cheadle and Hazel Grove constituencies, would help residents not only in those areas but in his area?

Mr. Leech: I agree with my hon. Friend, and it would have been useful if that link road had been completed one or two months ago when I was spending time travelling to Cheadle during the recent by-election there. I am not sure whether my hon. Friend heard my remarks about a number of people who live in south Manchester and travel to Stockport and Cheadle and back again. The relief road would have a significant impact on the traffic that goes along the residential streets between Cheadle and Didsbury.

What is the solution? That is the million dollar question. The response to traffic congestion in my constituency has been the QBC—the quality bus corridor. In theory, it is a good idea: encouraging bus companies to improve services and local people to use them by improving bus reliability and prioritising buses along Wilmslow road and Barlow Moor road. Unfortunately, the QBC alterations have resulted in more congestion on minor roads, where cars have been forced on to alternative routes. At Chorlton Cross, for instance, cars have been banned from turning right on to Barlow Moor road from Wilbraham road, to make it easier for buses to turn right. That has resulted in additional traffic on High lane, as cars use it as the alternative route.

There has been no significant increase in bus services along the QBC route; in fact, later this week, the No. 46/47 Sunday service will be discontinued. The reality is that there is little incentive for bus companies to run services more frequently and to provide new routes, when those routes will never be as profitable as the north to south routes on the Wilmslow road corridor.

People and passenger transport authorities throughout the country require and support a level of regulatory control, so that transport authorities can decide what bus services will be provided. The current system of subsidised services is inadequate for the provision of a comprehensive bus network. In order to get more people on to buses, we must consider how to make bus travel more attractive.

I do not always agree with Brian Souter, the head of Stagecoach, but he rightly points out that we should consider bus park-and-ride schemes, which were very successful in my constituency during the Christmas period. However, outside that period there is not one single scheme. We must consider permanent park-and-ride schemes, so that people park outside Manchester and take the bus into the centre.

The Government must also acknowledge that the best solution for south Manchester is Metrolink. Although the start-up costs can be high, time and again such a scheme has proved to be the most successful way of bringing about a significant modal shift away from the car. The fact that people move to be near to the Metrolink is testament to that, and the success of the Altrincham to Bury line proves it.

Unfortunately, I have serious reservations about current Government policy, in that it will not deliver Metrolink through to Chorlton and out to Didsbury without a commitment to road-user pricing. I seek further assurance from the Minister that additional Government money would not be dependent on road-user pricing. Manchester cannot go down that route until a decent network is in place to begin with.

Finally, tighter regulation of buses and the investment of more money in Metrolink would help the situation but not completely solve the problem. The Government must accept that unless steps are taken to deal with the problem of overdevelopment and its effect on congestion, the problem will remain. Councils need to be given more powers to tackle areas of congestion, and I propose that local authorities should be given the option to introduce congestion zones in their development plans. Where congestion zones are set up, a developer would have to demonstrate that a proposed

development would not significantly increase traffic congestion, either through increased volume of traffic or as a result of additional traffic measures required to facilitate the development.

I trust that the Minister will pass on my comments to the Office of the Deputy Prime Minister on that point, and I look forward to her response.

4.16 pm

The Parliamentary Under-Secretary of State for Transport (Ms Karen Buck): I congratulate the hon. Member for Manchester, Withington (Mr. Leech) on securing the debate and on making some important points, a number of which I agree with, as I hope I shall make clear in my contribution. I shall raise with the Office of the Deputy Prime Minister any issues that he has flagged up today that do not fall within the remit of the Department for Transport.

My Department worked closely with Greater Manchester in the development of the Greater Manchester integrated transport strategy. The hon. Gentleman may be aware that his constituency is in one of four priority corridor partnerships, which are being developed through work on the strategy with the transport innovation fund and through the local transport plan process.

Since 1997, we have more than doubled spending on transport infrastructure and invested substantially in public transport to provide greater choice. Greater Manchester has received a total transport allocation of £823 million during this period and we need to ensure that this substantial investment is converted into real improvements that deliver real value for money. For 2006–07, Greater Manchester received total block funding of £68.62 million in the local transport capital settlement, with an additional £7.358 million for major schemes and £3.5 million through the transport infrastructure fund. That included £6.744 million for the south-east Manchester multi-modal study. That investment reflects our recognition of the important role played by the Greater Manchester authorities. We will work closely with them in supporting improvements in services for all those who live and work in Greater Manchester.

As the hon. Gentleman has said, in Manchester and in many towns and cities throughout the country, congestion is a growing problem. It is important that in developing strategies, whether they relate to public transport or the management of roads, we must consider not just the situation in 2006, but that of 10, 15 or 20 years in the future. The reliability of journeys in the context of increasingly congested roads is a growing problem. Manchester city suffers the second highest average delay time for drivers in the whole of the UK—second only to London.

It is a complex problem, varying from place to place, and with time of day. Although it is important that we increase capacity on some roads, we cannot solve the problem of congestion by simply building more and more roads. There is not the space to do it, especially in urban areas such as Manchester.

Mr. Leech: The Minister makes a valid point; in certain areas it is impossible to build extra roads, and I would not advocate the building of extra roads through my constituency. The difficulty with the current infrastructure is that money may be spent on the quality bus corridor, but it is physically impossible to implement a scheme and create a lane in which buses can travel at reasonable speed without bringing everything else to a standstill. Houses would have to be knocked down to put in extra lanes so that buses could run freely. Money has been spent on the quality bus corridor but it has been pretty ineffective because there is not the space to provide the sort of scheme that is necessary.

Ms Buck: Without wishing to comment on the specific problem in that area, I accept that that can be the case. We are working in a very constrained space in Manchester as in other urban environments. That is why we need to look at these policies in the round.

We are looking at a range of measures to tackle the problem, including the introduction of new congestion targets for urban areas, including Manchester, and for strategic roads. The targets are about improving journey time reliability and managing the impact of growing demand. There are a number of different approaches. One is the investment in technology to improve road management, particularly on the strategic roads where we are investing £2 billion over the next three years. Technology can help to tackle congestion by increasing capacity during the times of day that it is most needed.

The Traffic Management Act 2004 has given local authorities powers to keep traffic flowing and to co-ordinate roadworks to minimise disruption on local roads. Since November, local authorities who have decriminalised parking powers, such as Manchester city council, have also been given powers to enforce bus lanes. That should give them a further incentive to provide bus priorities and ensure that they are working effectively.

As a medium to longer-term solution, we have started a debate on road pricing. We have established the transport innovation fund to develop and pioneer smarter, innovative, transport strategies. In order to support work on scheme development by local transport authorities, we have earmarked £18 million during the period 2005–06 to 2007–08. That is £3 million in the current year, £5 million next year and £10 million in the third.

We very much welcome the recent bid for TIF development funding from the Greater Manchester authorities and the recognition in Greater Manchester that bold approaches will be needed to tackle the future impacts of traffic congestion on the well-being of the city. They have been awarded £1.25 million funding over three years to support the development of an innovative package to tackle congestion in the conurbation through a combination of hard-edged demand management and investment in public transport.

In any package of measures to tackle congestion, improved public transport is absolutely essential. As the hon. Member for Manchester, Withington emphasised, buses are the most used public transport option. They make up nearly two thirds of all public transport journeys in England.

Mark Hunter: I am sure that the Minister recognises that although the continued investment in bus services,

[Mark Hunter]

and quality bus corridors in particular, is more than useful, the magnitude of the problem in Manchester requires seismic change if we are to get people out of their cars and on to public transport. To many of us coming from and representing constituencies in that area, that means investment in the Metrolink expansion. I wondered whether the Minister, in her response to my hon. Friend the Member for Manchester, Withington (Mr. Leech), was going to say something more about the funding for Metrolink, on which so many of these solutions depend.

Ms Buck: I will comment briefly on Metrolink, but let me concentrate for a moment on buses. Compared with rail and light rail, buses are a flexible, low-cost option. They can contribute to tackling congestion, especially in conjunction with policies to restrain car use. We recognise that some conurbations such as Greater Manchester and others are experiencing difficulties with bus services. There are issues of bus quality; standards of reliability, frequency and cleanliness are not always met by some providers. I accept completely that we need to get that right.

We have no plans to return to the regulatory regime of the 1980s. Current options available to local authorities include voluntary and statutory partnerships, and there are a number of examples of good partnership working across the country. However, if local authorities are prepared to propose a comprehensive system for managing traffic demand, such as road pricing, we are prepared to consider introducing further measures to control bus services.

The current statutory framework for bus services gives local authorities a number of options to suit their local circumstances. One option is quality partnerships. Those cover both the provision of facilities by the local authority, such as bus priority measures, and improved standards of service by the bus operators. In a PTE area such as Manchester, the involvement of the city or borough authorities that manage the highways is crucial to the success of a quality partnership. Their participation is essential if traffic regulation orders are needed.

The quality bus corridor, which both hon. Gentlemen mentioned, is the main thrust behind the Greater Manchester bus strategy, as improvements in bus journey times have been recognised. I understand that there is a commitment to address quality bus corridor enforcement in 2006. On the Chorlton and Didsbury bus corridor, there has been some local opposition to the scheme, which is part of the south Manchester scheme being rolled out across that part of the conurbation.

In recognition of recent newspaper coverage and some of the residential concerns that were raised with local councillors, Manchester city council has undertaken a full review of the scheme by a team independent of those involved in the design. The report of that study has been presented to Councillor Neil Swannick, who is the executive member for highways and transportation. The scheme has addressed a wide range of transport issues including improving pedestrian facilities, defining parking and loading bays, reducing the impact of congestion and introducing the bus lane. Those using sustainable modes of transport will be better served as a result.

Generally, non-statutory partnership agreements between operators and local authorities have proved successful in many areas, but there is room for improvement in bus services in other places. We are therefore discussing with bus operators and local authority representatives a range of options to make bus services more effective within the partnership framework.

A more radical option is the quality contracts scheme, which can be approved only if it is the only practicable way of implementing bus strategy policies and is economic, efficient, effective and in the public interest. We recognise that those are exacting tests, but they are not impossible to meet. A guidance document was published in February last year for English local authorities. The range of measures, including legislation and other options being considered as part of a broader package of demand-met management measures, will give PTEs such as Greater Manchester a range of tools with which to ensure that their bus services in particular, as one strand of the public transport model, are developed effectively and complement other measures that may be necessary to deal with demand management.

The Department and I recognise that buses are not the sole means of public transport to be promoted, and I echo the commitment of my right hon. Friend the Secretary of State to work with the Greater Manchester authority to ensure that light rail will continue to be a major part of the solution for Manchester, particularly for congestion. We recognise the achievements of Metrolink—which has played an important role in supporting Manchester's economic success, carrying more than 19 million passengers a year—and that it suffers from overcrowding. We have recently approved a scheme to renew and enhance the capacity of existing tram lines, and have committed £520 million of public sector funds to Greater Manchester, subject to the development of a satisfactory plan for the areas covered by Metrolink phase 3. We will continue to work with Manchester on the proposals for tram extensions, which could be a major part of the solution for Manchester as part of the overall package of transport improvements, which includes other measures recognised by the Greater Manchester transport authorities, such as better buses and trains and better management of traffic levels.

I hope that I have gone some way toward reassuring the hon. Member for Manchester, Withington that we recognise the seriousness of the issues that he has raised today, and that past, present and future investment, together with the innovative thinking that is going on at a national level, which we are encouraging local and passenger transport authorities to develop with the support of the innovation fund, give us a real opportunity to make what the hon. Member for Cheadle (Mark Hunter) rightly described as a seismic change.

We need a change in thinking and investment. We need investment to be supported by choices that are sometimes difficult and involve brave political leadership to ensure that demand management plays its part alongside investment in additional public transport. We are working closely with a range of stakeholders nationally and regionally to address the problems that the hon. Member for Manchester, Withington outlined and will continue to do so.

Process Industries (Tees Valley)

4.30 pm

Mr. Iain Wright (Hartlepool) (Lab): It is a real honour to secure an Adjournment debate on what I believe is a quality industry and one that is becoming increasingly so, especially in the area in which my constituency is located. I am also extremely pleased that my hon. Friend the Member for Stockton, South (Ms Taylor) and my hon. and learned Friend the Member for Redcar (Vera Baird) have joined me to discuss the important process industries on Teesside. I intend to cut short my speech to allow them to make contributions if they so wish.

I want to do two things today. First, I wish to showcase the growing significance of the process industries to the regeneration of the Tees valley and the wider north-east and United Kingdom economy. Secondly, I wish to raise with my right hon. Friend the Minister several matters that the process industries on Teesside fear may hinder their ability to succeed and grow, and provide further prosperity in my constituency and elsewhere.

I outlined in a previous Adjournment debate how the north-east economy is still in the process of recovering from the seismic shocks of the decline of its heavy manufacturing base. A failure to innovate and an abandonment of the region and of manufacturing industry by central Government in the 1980s led to the rapid decline of much of what had made Teesside and the north-east prosperous since the Victorian era. It led to mass structural unemployment in the region. Between 1981 and 1997, some 110,000 jobs were lost in manufacturing—90,000 of them in the Tees valley. That has contributed to the fact that the Tees valley economy now lags significantly behind the UK economy. As a sub-region, we have to grow much faster to catch up with the rest of the country.

Yet, amid such a depressing tale, there is much to be positive about. Despite the massive knocks that the area received in the 1980s and 1990s, we still have a resilient manufacturing industry, of which firms such as Corus are a leading part. What has struck me recently is how, in a quiet way, a modern manufacturing sector has emerged from the Tees valley that is leading the world. The process industries are by far the single biggest wealth-generating industrial sector in the north-east, and certainly in the Tees valley. The sector employs directly about 14,000 people in the Tees valley, with an estimated 140,000 indirect jobs in the sub-region that are reliant on the process industries. Some 60 per cent. of the contribution to the regional economy made by the north-east process industries comes from the Tees valley and, bearing in mind the importance of the sector to the regional economy, some 15 per cent. of the entire north-east gross domestic product is derived from process industries in the Tees valley.

The area has a range of firms that specialise in chemicals, pharmaceuticals, biotechnology and renewable energy. Firms such as Huntsman Petrochemicals provide high-quality chemicals and polyurethanes. Hart Biologicals in my constituency, led by Alby Pattison, is at the cutting edge of clinical diagnostic tools for hospital pathology laboratories. Firms such as Petroplus manufacture petrochemicals and push the boundaries of the future application of biodiesel. Those firms are providing high-quality, well-paid jobs to the people of the Tees valley. In the process, they are producing high value-added goods that improve our quality of life and help to redress the environmental damage that has occurred over the past century, and which can be exported throughout the world, improving the wealth of this country.

The nature of the industry means that innovation has to be a constant part of life. Research and development is a major part of process industries and I hope that the Government continue to ensure that an appropriate environment is provided for in that sector. Thankfully, I think that that is happening. The Centre for Process Innovation has been established in the Tees valley, with the support of the regional development agency, One NorthEast, as a major UK national resource that is designed to stimulate innovation within the chemistry process sector. The CPI employs 50 researchers and has close links with universities and businesses to ensure that the process industry has the best chance of succeeding. After only 18 months in operation, it has developed innovation projects that are worth £36 million for the Tees valley.

New processes that are being developed include the continuous oscillatory baffle reactor. I am sure that that is the first time that that phrase has been used in Parliament, so I am proud of having said it. I have no idea what it does, so "baffle" is an appropriate word, but I know that the process quickens chemical reactions and makes industries on Teesside more efficient, and therefore more able to retain our competitive advantage over the rest of the world.

The area of innovation about which I am the most excited is the development of renewable energy. Long-established skills in the region from the chemicals and oil industries make the Tees valley the best possible area to develop cutting-edge technology. Teesside is leading the way in the use of hydrogen to help to produce environmentally friendly energy, either through fuel cells producing lighting or as a substitute for petrol. Biomass technology is also being developed. SembCorp Utilities is building a £60 million power station on the River Tees, which will use surplus timber from forests and recycled wood to generate carbon-neutral electricity, and Biofuels Corporation, with One NorthEast funding, is building a new facility at Seal sands on the Tees estuary to produce alternative fuel from rape seed oil.

I have no doubt that with appropriate Government support the Tees valley will become in the next few years the most developed area for green energy not just in the UK, but in the world. I passionately hope that that status will produce well paid green jobs for the Tees valley, bringing the same prosperity to my area that Aberdeen saw from oil in the 1970s and 1980s, or that Teesside itself saw from heavy manufacturing in Victorian times.

Despite all that good news, the sector hid its light under a bushel somewhat until recently. There appeared to be reticence about promoting the good work being undertaken. Thank goodness that is no longer the case. About 200 companies in the sector in the Tees valley have come together to form the north-east process industries cluster—NEPIC. Under the chairmanship of Bob Coxon and with Dr. Stan Higgins as chief

[Mr. Iain Wright]

executive, that group is promoting the sector and pursuing initiatives such as raising investment in overseas trade, productivity improvement, raising skill levels and closing the GDP gap between the north-east and the rest of the UK. Those activities are designed to ensure the sector's continuing development and worldwide status.

I was lucky enough to attend the annual dinner of the north-east process industries cluster group last Friday in the constituency of my right hon. Friend the Prime Minister. Some 420 people from the process industries attended the event. There was a positive buzz and a great deal of confidence about the future of the industry on Teesside, and a recognition that what is being done is world class and will make a growing contribution to the continuing economic renaissance of the Tees valley.

Despite that, there are concerns that may hinder the process industry's progress. In winding up, will my right hon. Friend the Minister respond to those concerns, to ensure that the sector has the maximum opportunity to grow? The key concern relates to energy pricing. To me, that seems ironic given that a key pillar of the future of the process industries is indigenous energy regeneration. Many companies have seen gas and electricity prices double in the past 12 months. I understand that one company in the process industry on Teesside has seen its energy costs increase by £12 million, putting part of its business operations into loss and thereby questioning its continuing viability. The firm has some 500 employees in Hartlepool and is a vital concern to me and to the economy of my constituency.

Energy costs have resulted in the closure of plants such as that owned by Terra Nitrogen in the constituency of my hon. Friend the Member for Stockton, South, which is next door to mine. That plant employed a large number of people from Hartlepool, who have written to me to express their concern. I am worried about the domino effect of Terra's closure. The firm supplied basic raw materials to a large number of other companies in the Tees valley and elsewhere. Those companies now rely on foreign supplies and tell me that if we experience a bad spell of weather, meaning that North sea tankers are unable to supply, a number of Teesside plants will shut down and might not reopen. The situation is unsustainable and detrimental to the prospects of development for the process industries on Teesside. Firms on Teesside hope to see a concerted effort by the Government to achieve forward price stability and equitable energy pricing with competitors in Europe. I urge my right hon. Friend to do what he can to ensure that companies in Teesside are competing on a level playing field with overseas firms.

Another concern is skills. The demographic profile of the process industry is not encouraging. Although the legacy of the old ICI plants at Billingham and Wilton provides an unprecedented degree of experience, it means that the average age of scientists and engineers is over 50. The industry has been unable to underpin its recent growth with an appropriate number of trainees.

The news is not all bad. I recently had the pleasure of meeting Leanne Hart, a constituent of mine working for AMEC who is the chair of the north-east and Yorkshire young persons network. The aims of that network are to share good practice, promote skills in the industry and act as ambassadors for the sector. Despite her good work, and that of others, we still need to improve the attractiveness of modern apprenticeships. As a country, we also need to do more to help to steer young people contemplating university into science and engineering courses. Will my right hon. Friend respond to that point?

Most crucially, to address the gap, I urge the establishment of a process industries national skills academy. Given that the Tees valley is the premier area for process industries in the UK, I ask that such an academy be based in the north-east, and of course I add that Hartlepool has a wide and attractive range of business premises where it could be located.

My third and final point, which companies have raised with me, is the impact of European legislation, particularly the registration, evaluation and authorisation of chemicals, known as REACH. Firms are concerned that the cost of implementing REACH will far outweigh the benefits. It is having a particular impact on a leading company in my constituency, Oxford Chemicals, led by Dr. Richard Smith. I have been told that the UK authorities are particularly zealous in ensuring compliance with REACH, in contrast, perhaps, with some of our European neighbours. I should be grateful if the Minister explained how he and his Department are working with the European Union to ensure a level playing field for our companies.

The process industries in the Tees valley are examples of how the UK is leading the global economy. Such products will become increasingly important in modern life, and the fact that Teesside is leading the way should produce enormous and sorely needed benefits to prosperity for our region. To fly to its maximum height, however, the sector requires Government assistance and facilitation, and I hope that my right hon. Friend will set out in his reply how that assistance will be provided.

4.41 pm

Ms Dari Taylor (Stockton, South) (Lab): It is a great pleasure to follow my hon. Friend the Member for Hartlepool (Mr. Wright), and I congratulate him on securing the debate, which is both timely and valued.

I wish to talk for a few moments about the north-east process industries cluster, which is an important group for us in the north-east. It employs in excess of 300,000 people, and produces more than 25 per cent. of the region's gross domestic product, which in effect is more than £8 billion of the United Kingdom's GDP. Those figures show just how important that group of industries is. As my hon. Friend stated, it is a crucial part of the regeneration of the Tees valley, most significantly in my constituency. Like him, I should like to hear how the Minister proposes to support the continued development of the process industries cluster in the north-east.

Critically, the group not only employs well, but pays well. The Tees valley has the biggest petrochemical industry in the UK and the second biggest in Europe, and that is crucially valuable to us. Development and investment in that industry in the area demonstrate a growth in confidence, and the spiralling effect of that investment is seen across the whole of industry in the Tees valley.

Teesport is an incredibly valuable port—the second biggest in the UK. It is in the constituency of my hon. and learned Friend the Member for Redcar

(Vera Baird), although its headquarters is in Middlesbrough. It is another very valuable piece of the whole kit of developing and delivering a new industrial structure for the north-east. I would greatly appreciate it if my right hon. Friend the Minister acknowledged that leaving Teesport out of the development of a national port strategy is profoundly wrong and very damaging for the north-east.

In only three years, more than £1 billion has been invested in the process industries cluster, and we have seen what that investment has achieved: the creation of 1,600 jobs. This is powerful and it needs to be appreciated. We need to acknowledge the risks that are being taken by the industrialists who deliver such things.

I have so much more to say, but my hon. Friend the Member for Hartlepool has said it for us. There are concerns about energy and the age profile of our skilled engineers, which is over 50—I personally think that that is a golden age, but I understand that we must have a younger profile for industry development—and REACH is problematic, not because it is a regulatory document, but because in Britain we will put it together in terms of dots and commas and we are not confident that people in Europe will.

We have a growing, vibrant, new tomorrow for the 21st century. We want that to be supported. I hope that the Minister, who is hearing the plea from all of us, will accept our statements. With a little support, we will move into the 21st century as we ended the 19th, and as we went through much of the 20th century—with a vibrant region.

4.45 pm

Vera Baird (Redcar) (Lab): I am grateful to my hon. Friend the Member for Hartlepool (Mr. Wright) for allowing me to express my support for the north-east process industry. I congratulate him on securing this debate and thank him for his generosity in being prepared to share it.

I attended the north-east process industries cluster—NEPIC—in London on 17 November, to which both my colleagues referred, which was launched by the Secretary of State for Trade and Industry and the Secretary to the Treasury, my right hon. Friend the Government Chief Whip. That body is intended to support the whole process industry, a major base of which is the Teesside chemical industry, and a large part of which, although by no means all of it, is based at the Wilton International complex in Redcar. I was pleased when NEPIC decided that it was going to put its headquarters at Wilton International as well. I have to tell my hon. Friend the Member for Hartlepool that I am sure that we have one of those battle zones in Redcar, if he has one in Hartlepool, and I am sure that we are working it very hard.

Setting up NEPIC was an excellent move, because it merged the Teesside chemical initiative, which had been the Teesside chemical representative group, with the pharmaceutical groups and other related groups from further north in the county, around Tyneside and Northumberland, thereby potentially generating good links between industries that obviously have a commonality and providing them with an opportunity to help each other. I hope that that is a precursor of better links, generally, between Teesside and Tyneside, which have not always given each other the mutual support that they should.

I want to speak briefly about a key partner for NEPIC in its endeavour to bring us a golden future. A major instrument of its future success is Teesport, which was mentioned by my hon. Friend the Member for Stockton, South (Ms Taylor), and which has recently been taken over by a consortium of investors called Endeavour Ports. It is the second largest port by volume and is—it goes without saying—in Redcar, where all good things are. Its new owners will support and continue the effort that has been commenced to establish and develop a deep sea container terminal at Teesport.

NEPIC estimates that between £8 billion and £10 billion of investment should be pumped into the process industries in the north-east in the next 10 years. Teesport is crucial. It handles 65 per cent. of the chemical and pharmaceutical sectors' goods for export, which is more than £5 billion of the total investment, and NEPIC fears that it could be threatened if it does not develop as we hope it will.

One NorthEast and ourselves had campaigned for the Government to halt expansion at ports in the south—Felixstowe, Harwich and Shellhaven, on the Thames—and instead allow investment to flow into Teesside. The fear was that if Shellhaven, Felixstowe and Harwich all developed, or if most of them did, it would be difficult to persuade shipping lines to move to Teesport with their container cargo. Two of the three consents have now been granted; none the less Teesport, with its new ownership, has resolved to move as fast as it can to apply for a harbour revision order to develop the deep sea container port.

Teesport is renewed in its confidence, because it has recently obtained an Asda import centre, through which a large proportion—90 per cent., I think—of all Asda's clothing line will be imported into the UK through Teesport. That indicates that it is practical to make shipping lines reroute to Teesport, because of the calibre of its facilities, the labour available and so on. Presumably, those shipping lines already appreciate that the climate-friendly elements of a shorter distribution network to the north-east, north-west and Scotland also stand them in good stead.

The whole community backs the development of Teesport, and I understand that the conservation bodies are not likely to cause any difficulties. All the politicians back the development of Teesport, too.

The way in which the process industry does business these days is changing. The industries are more and more specialised, and goods are shipped out not by tanker but by container—a large percentage of them through Teesport, so it is crucial that it should develop.

The chief executive officer of north-east process industries cluster, Professor Higgins, has said:

> "Teesport, of any European port, is the best located for the expansion of Europe. If we are going to take goods to and from Poland, Lithuania, Russia, we would take it though the Baltic or take it across to Rotterdam and drive it across Europe. Which is the best located port for those areas? Teesport."

I hope that the Government appreciate the strategic advantage for the port and for the process industries. It is the view of One NorthEast that the successful development of Teesport as a deep sea container terminal is also of national significance.

[Vera Baird]

If it is feasible for him to do so, I should be pleased if my right hon. Friend would undertake to do his best to ensure that there are no obstacles in the way of the development so that our golden future in the Tees valley will not be held back.

4.50 pm

The Minister for Industry and the Regions (Alun Michael): I will answer as fully as I can within the limited time available. I thank my hon. Friend the Member for Hartlepool (Mr. Wright) for inspiring the debate and being assiduous, as ever, in promoting the interests of his constituency. I am pleased that he endorsed the excellent work of the north-east process industries cluster, which I shall try to avoid referring to by its acronym. It is an unexpected pleasure to have the presence of the well-known parliamentary songbird my hon. Friend the Member for Stockton, South (Ms Taylor) and my hon. and learned Friend the Member for Redcar (Vera Baird). I shall try to cover briefly some of the most important points, but as many issues were mentioned I will also write to my hon. Friends and expand on some of those matters.

I wholeheartedly agree with my hon. Friend the Member for Hartlepool about the important role that the process industry in Tees valley plays in our wider economy now and will play in the future. My hon. Friend's remarks are a testament to the fact that it is not a sunset industry; the sector itself is grasping the opportunities of increasing skills, of taking its place in the knowledge-based economy and of making genuine strides in commercialising new technologies and ways of working.

My hon. Friend rightly said that the industry has responded to the need to operate in a cleaner environment and to avoid the damage that was done in the past. Times have changed; this country can be very proud indeed of our success in getting the REACH proposals agreed in December during the British presidency. The initiative started in the previous British presidency in the late 1990s and came to fulfilment during our latest presidency.

The reason why we should be so proud of REACH is that it was amended from a very bureaucratic set of proposals by the Commission as a result of the UK-Hungarian suggestion of a one substance, one registration proposal. Initially, it had no other supporters, and the new member state worked very closely with us.

I pay tribute to the Chemical Industries Association, especially Judith Hackett, who is about to move on from her role, for the way in which it engaged with environmental campaigners, animal rights organisations and a variety of industries from Ford to Marks and Spencer, the chemical industry itself and downstream users, in putting forward practical proposals. That is why I am slightly surprised by the reference to excessive administration. The proposals were agreed as recently as December, so the company in Hartlepool may have sounded a note of unjustified pessimism.

I believe it was in this room that I introduced the regulations on paint, and Opposition Members—there were Opposition Members present on that occasion—said that they would put fresh burdens on British industry. They had to change their stance when scribbled notes from the industry representatives down at the end of the room pointed out that consistent regulations would be applied across Europe, and that the UK industry, which was already operating to high environmental and health protection standards, would benefit from similar burdens being placed on their competitors in other countries.

I should point out that REACH will replace more than 40 pieces of legislation, and one regulation means better regulation; it will help to reduce the overall bureaucratic burden. As a result of our initiatives, much has been done to streamline REACH and make it more cost-effective. I will happily lay out some of the other benefits of the proposal for my hon. Friend.

My hon. Friend also referred to the importance of skills development within the industry, and I agree with him on that. Service industries in particular have to operate on improving their processes and increasing skills. On Monday I went to see another process industry, a printing plant. I was really impressed by how specific manufacturers and producers in the industry are working to squeeze every last benefit from the improvement of skills, and how they are engaging the work force in how the processes are undertaken. That is why the employer-led sector skills council and the regional skills partnership are so important in starting to deliver; they cover so much of the work force.

I agree with my hon. Friend about the importance of supporting young people in modern apprenticeships. One of the challenges for a region such as the north-east is encouraging young people to be ambitious about their skills and qualifications and, in many cases, about the entrepreneurship that they can bring to bear, either individually by setting up their own business, or as entrepreneurs within large industries such as the process industry. I would be happy to talk to my hon. Friend about that, because the issue of how we get that message across in the north-east is important to young people in the constituencies of my hon. Friends the Members for Hartlepool and for Stockton, South, and my hon. and learned Friend the Member for Redcar.

My hon. Friend the Member for Hartlepool rightly referred to the impact of energy prices, and we certainly understand the tough conditions that high energy users are experiencing. He will be aware that my right hon. Friend the Secretary of State has, at the request of the Prime Minister, promoted an energy review that looks to the long term. We are carefully looking into the surprising prices spike, and the impression that perhaps not all supplies were as readily available in the UK as they should have been towards the end of last year.

My hon. Friend will also be aware that steps taken by Government mean that supplies will be increased considerably in the coming year, what with the new terminals, and what is happening in Pembrokeshire. Also, a variety of other approaches that have been a long time in preparation are coming to fulfilment; that will help us to deal with the faster than expected decrease in availability of North sea gas, other pressures on the energy industry, and the knock-on effect on industry. So steps are being taken to help industry to compete.

My hon. Friends have referred to the development in Teesport. I should point out that PD Teesport has sought a screening and scoping opinion from the

Department for Transport, and the Department has responded. The next stage in the process will be a formal harbour revision order application to the Department. If one or more objection is received, an inquiry has to be set up. It would not be appropriate for the Government to speculate on the merits of the application before it is received, nor once it is under consideration. However, I assure my hon. Friends that careful consideration would be given, and the importance of the port and location of Teesport is fully recognised by the Government.

The work of the cluster arises from the merger in 2005 of the pharmaceutical and speciality cluster and the Teesside chemical initiative. The new and inclusive organisation will co-ordinate intellectual, business and financial support mechanisms for some of the major corporations in chemicals, pharmaceuticals and biotechnology in the region. That is of enormous significance. I agree with my hon. Friend the Member for Hartlepool and his colleagues about the importance of that development, which builds on the sector's many decades of commitment to the region.

My hon. Friend rightly said that the sector had weathered many booms and busts, and that some industries had survived and others had not. The process industry represents 25 per cent. of the whole economy of the north-east; that demonstrates its importance. So I understand why my hon. Friends are so keen to make sure that the Government understand and respond to its interests.

It being Five o'clock, the motion for the Adjournment of the sitting lapsed, without Question put.

Westminster Hall

Thursday 26 January 2006

[ANN WINTERTON *in the Chair*]

Health Services (Developing Countries)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Coaker.]*

2.30 pm

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): I am grateful to Mr. Speaker for allowing this debate on strengthening health services in developing countries.

Achieving better health is vital if the poor are to break out of the cycle of poverty. We know also that better health is central to the achievement of the millennium development goals. Three of those eight goals—maternal health, child mortality, and AIDS and communicable diseases—are directly influenced by the provision of better health services.

The truth is that progress is slow, and without an accelerated effort those millennium development goals will not be met in much of Africa during this century. I am sorry to say that there remains a massive health divide between developed and developing countries. Life expectancy at birth in the United Kingdom is 70 years; in Malawi it is only 35 years. Similar divisions exist also within countries, where child mortality in the poorest groups is typically double that among the richest.

The global health statistics remain stark. Eleven million children still die each year from preventable or readily treated diseases such as measles, malaria, diarrhoea or pneumonia, and half of them are malnourished. We know also that 500,000 women die in childbirth, and 99 per cent. of them are from developing countries.

Despite recent progress with increasing access to antiretroviral treatment, AIDS remains largely unchecked, and some 25 years into the epidemic, 5 million people are newly infected with HIV every year, adding to the 40 million people already infected. About 20 million people have died as a result of the epidemic. Sadly, 120 million women still have no access to reproductive health.

Malaria, tuberculosis and other communicable diseases remain a major concern, but developing countries face a double burden of disease. Chronic diseases are linked also to lifestyle choices such as diet, smoking and exercise. Those are becoming increasingly important. For example, it has been estimated that tobacco use will have been the likely cause of 10 million deaths every year by 2020.

Better health clearly depends on progress in many areas, including economic growth.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Minister mentioned malaria. The World Health Organisation has made it fairly clear that using monotherapies over a long period can build up resistance, which makes them much less effective. Have the Government taken that into account in their investment in tackling malaria in its various forms?

Mr. Thomas: I am grateful to my hon. Friend for that intervention. It allows me to confirm the substance of his question, and to point to the £10 million being committed over the next five years to the Medicines for Malaria Venture, one of the bodies looking at resistance to malarial drugs. It is considering the new drugs that are available and what we can do collectively to spread best practice in treating the disease.

As I said, economic growth is important to better health. Education, particularly of women, is equally important. Access to safe water and sanitation, dealing with social exclusion and challenging gender inequality, too, will contribute to better health. However, accessible and high-quality health services are particularly important in places with a high burden of communicable diseases, where health conditions affect mothers and children and where people have limited access to basic care. Investment in those high-quality services will make the most profound difference.

We know from World Bank research that we could reduce child mortality by up to two thirds and maternal mortality by up to three quarters if we could deliver near universal access to a range of available, proven and affordable health interventions and commodities.

The continuing health divide is a threat to us all in a globalised world. A communicable disease respects no international boundaries, as AIDS and severe acute respiratory syndrome have shown most recently. Following the temporary withdrawal of the polio vaccination in Nigeria back in 2004, the virus spread rapidly to 18 previously polio-free countries as far away as Yemen and Indonesia. Today, people are rightly concerned about the rapid spread of avian influenza to Europe and its potential to trigger a human pandemic that could kill many thousands of people.

The threats of unchecked population growth have largely fallen off the international agenda, but inevitably they, too, remain a concern for those of us who are considering the need for better health services. We believe that by 2050 the global population will rise to 9 billion from 6.5 billion today.

Ms Sally Keeble (Northampton, North) (Lab): Does my hon. Friend accept that although there might not be the same threat of population explosion, the need for reproductive health services continues because of the need to protect people against HIV/AIDS and to ensure that there is proper birth spacing, so that women can recover from births, be healthy, look after their children and protect their health, too? Does he therefore agree that although the immediate threat might have gone, the need for the services is as great as ever?

Mr. Thomas: My hon. Friend is right. We need substantially to improve access to services to promote maternal health for the reasons that she outlined. The support that is being given to women for proper birth spacing, for example, is not as good as we would like it to be, and it is nothing like the support that is given in the developed world. Part of our effort to increase the quality of basic health services in developing countries must be directed to better maternal health.

[Mr. Thomas]

The continuing rapid population growth will make it harder to invest in key social sectors such as health and education, so we also need to continue to focus on that. A newcomer to international health may sensibly conclude that it should be straightforward to strengthen basic health services. After all, we have long known about these health problems, and we have proven, effective and often low-cost interventions for most of them. We know that health workers, often with only limited training, can deliver many of those interventions outside a formal health setting, but we also know that they remain massively underused, particularly by the people who are most in need.

The truth is that health systems in developing countries face many challenges. They often face severe and long-term underfunding, and in some cases they have to deal with a deteriorating infrastructure, unreliable or inadequate supplies of essential drugs, as my hon. Friend the Member for North-West Leicestershire (David Taylor) said, weak institutions and governance, and increasing shortages of trained health workers, particularly in the rural under-served areas, a point that was brought home graphically to me when I visited Malawi with the Minister of State, Department of Health, my hon. Friend the Member for Doncaster, Central (Ms Winterton).

David Taylor: Will the Minister pay tribute to a charity in Leicestershire, staffed at least in part by people from North-West Leicestershire, called Inter Care, which collects surplus medicines and matches them to specific requests from partner health units in Africa? He talked about rural areas. Many rural clinics have the staff to deliver essential basic health care, but cannot afford or obtain essential medicines and basic equipment, while medicines that are of perfect quality but are unwanted are being destroyed in Britain. The charity recycles medicines to a number of English-speaking countries in Africa. Is that not the sort of initiative that can help the main thrust of what our Government are doing?

Mr. Thomas: I pay tribute to the work of Inter Care. My hon. Friend's intervention proves that non-governmental organisations can play a role when the capacity of Governments to provide those health services is not what we would wish for. However, we have to continue to work towards a situation in which the work of an organisation such as Inter Care is not necessary and we have developed health services to such an extent that we do not need to recycle the drugs not needed in developed countries.

Where health services are available, the poor often cannot overcome the financial barriers posed by user fees. AIDS, which has reached every country on the planet, is undermining efforts to improve health and reversing the development gains of recent years. There are a number of critical barriers to progress to which we need to direct our attention if we want basic health services in developing countries to improve substantially.

We have to start with finance. The World Health Organisation estimates that it would cost only approximately £20 per person to provide an essential package of services to deal with the major causes of ill health. Ministries of Health in many low-income countries typically spend less than £5 per head; that is a pretty daunting gap. When we consider that much of that spend benefits the better-off urban populations, that too little is spent on primary care and that, by contrast, the UK NHS budget is nearer £1,300 per head, we get some sense of the scale of the financial challenge.

We need a step change in funding from domestic budgets and international assistance. We need to train and hire staff to ensure a constant supply of life-saving drugs and to enable health workers to reach unserved communities—in short, we need to provide the fuel that keeps a health service running. We also know that aid needs to be longer term and more predictable, rather than in the form of the multitude of short-term projects that we often see.

Ideally, that long-term, predictable assistance should be provided in Government budgets. When services are provided, too many of the poor are precluded from using them because of prohibitive costs, which can push families into crippling debt and intractable poverty. When the Government in Uganda removed formal user fees, attendance at health facilities doubled from 6 million to 12 million over a 12-month period. UK budget support to Uganda has helped the Government there to fund their priorities within that national health plan.

Achievements as a result of that budget support include a doubling of the budget for essential drugs, the recruitment of an additional 2,700 primary care workers, the doubling of doctors' salaries and the construction of 482 health centres. As a result of that investment, national immunisation coverage increased from 41 per cent. of the Ugandan people in 1999 to 89 per cent. in 2005—a huge step change. Although it is too early to demonstrate improved health outcomes in Uganda, more people are clearly able to access better-resourced services.

Sadly, many developing countries do not prioritise health in their national development plans and budgets. There are a few exceptions, such as Sri Lanka and Kerala state in India, which have demonstrated a significant commitment to expanding access to services and to equity and accountability. They have achieved some impressive outcomes. For example, child mortality in Kerala is now 19 per 1,000 people, while the figure is 138 per 1,000 people in Madhya Pradesh.

Our second challenge is to deal with the mounting crisis in staffing health services. Trained health workers are in short supply in many low-income countries. Poor conditions of service and poor prospects have led many to leave the health service to work in other countries or sectors where pastures appear greener. We need to expand training opportunities and find imaginative solutions to retain staff and encourage deployment to under-served areas—rural areas, in particular.

The expansion of our own health service and an ageing population have contributed to the trouble by attracting many nurses to the UK. However, we are working closely with the Department of Health to address that. Many countries are revisiting the use of mid-level workers and training them to provide services that have traditionally been provided only by doctors or senior nurses. In Mozambique, for example, there are

now nurse obstetricians while, in Malawi, there are clinical officer anaesthetists. The problem of recruiting health workers from developing countries faces only the United Kingdom, but Organisation for Economic Co-operation and Development countries in general. By 2015, the United States alone will need an additional 1 million health workers and will inevitably try to import them from other countries. Many countries in Europe face the same challenges. It is undoubtedly a global issue that will require global solutions.

We need to work with all providers of health care in developing countries, such as in the public sector and in the third sector that was highlighted by my hon. Friend the Member for North-West Leicestershire. The information and commodities that can improve health are usually delivered through a range of formal, as well as informal, providers. Faith-based organisations, for example, have a long history of providing services in under-served areas. Non-governmental organisations have a strong presence in many countries, particularly in sub-Saharan Africa and in much of Asia.

The private sector is also a major provider of services in many countries. However, it is often unregulated, separate from the mainstream and works outside the Government plans. Many services are provided informally in small shops that stock a few key medicines and by traditional practitioners. While Ministries of Health in developing countries must provide the overall framework to achieve better health for the population as well as monitoring progress, often they cannot be the main service provider. There is a need to exploit all the opportunities that exist in developing countries to deliver services.

One obvious example is the social marketing through NGOs that has long provided most of the world's contraceptives and is now an important provider of insecticide-treated nets. The private sector is being increasingly drawn in by Governments as a partner as a result of contracting out the delivery of district-level services, leading to a doubling of the use of health services in Cambodia and to the franchising of reproductive health services in Pakistan.

Ms Keeble: Does my hon. Friend recognise the important role played by the private sector in occupational health services? For example, Anglo American has tested all its staff for HIV/AIDS and provided services not only to its employees, but to families and communities.

Mr. Thomas: I join my hon. Friend in paying tribute to the work of Anglo American. Several large multinational corporations in South Africa have set an example for the private sector in testing provisional antiretrovirals in respect of their work force and the communities that they serve more broadly, helping to deal with HIV/AIDS. We need more private companies to be willing to follow that lead, but Anglo American has certainly done an important, helpful job.

Another barrier is the weak voice of civil society and the poor accountability of health service providers to the people whom they are trying to serve. Sadly, no Government of a developing country have fallen because of their failure to provide health services, yet often when we talk to the poor in developing countries it is their health and the catastrophic expenditure that they will have to face when dealing with serious illness in their families that are of major importance to them. We need to support civil society to demand more of Governments on health care and to be more willing to hold them to account.

We also need to deal with weak performance management. With a few exceptions, efforts to monitor performance and demonstrate the results of investment in health have been inadequate and ineffective. More effective information systems will be vital if we are to help to match resources to the delivery of results, and to continue to argue for mobilising additional resources in the pursuit of better health services. There are many challenges and debates on how we can best channel aid. In settings where the health system is very dysfunctional, there are particular attractions in using targeted approaches to deal with the major diseases, and there have been some impressive gains in past years as a result of such approaches. For example, smallpox was eradicated in 1997, and polio is expected to follow in a few years.

David Taylor: It is possible for even a small organisation to have a significant and disproportionate impact on health care. An organisation in Leicestershire provides support to about 2.5 million people in rural communities in Cameroon, Ghana, Malawi, Tanzania, Uganda and Zambia. So it is not just the size of the organisation that counts, because an organisation can lever in and catalyse activity in its own region and country.

Mr. Thomas: My hon. Friend is right that NGOs, regardless of their size, can make a huge contribution in addressing the gaps in health care provision in developing countries. I pay tribute to those British and international NGOs based in his area that are working in sub-Saharan Africa and elsewhere.

One of the most significant targeted investments in recent years has been on AIDS, TB and malaria—three key poverty diseases. There have also been significant reductions in child mortality in very poor countries such as Tanzania, Malawi and Mozambique, again through approaches that deliberately target the major childhood diseases.

However, we need to recognise the limits of focusing on single issues, and we need to ensure that it is not done to the detriment of efforts to strengthen the broader health system. We might prevent deaths from measles through targeted vaccination programmes, but the child that benefits from that programme may then succumb to malaria because there is no constant supply of an effective medicine. The same health worker who delivers AIDS education could deliver malaria treatment, vaccination programmes or maternity care programmes. Those health workers need to be enabled to deliver the full health package. We have learned in recent years that if we are to have a lasting impact, we need to address the problems affecting the whole health sector, rather than just specific parts of it.

The UK has a long and distinguished history in international health work which goes back as far as the 19th century and the establishment of the School of Tropical Medicine in Liverpool. We remain at the

[Mr. Thomas]

forefront of international health policy, maintaining a substantial investment in health in poor countries. In recent years, many new global partnerships have emerged, such as the Global Alliance for Vaccines and Immunisation and the Global Fund to Fight AIDS, Tuberculosis and Malaria, which are partly based on British expertise. They have helped to raise the profile of, and rejuvenate efforts against, particular diseases, and they have helped to raise significant additional resources for health at a time when overall aid declined globally. Also, the private sector has become more engaged with health and philanthropic foundations—notably the Bill and Melinda Gates Foundation—which provide more funding for health than many UN agencies.

Health probably has a higher international profile than ever before. It has been the subject of discussions in the UN General Assembly, and of course last year at the G8 summit and during our presidency. It is one of the obvious recipients for some of the extra $50 billion of aid that was agreed at Gleneagles. We have to ensure that those additional funds are spent on the right things and target those most in need. As I said, that aid needs to be long-term and predictable. Only then will countries have the confidence to scale up their health services and invest in the necessary training, and only then will they have confidence that they can recruit and pay for additional staff at the same time as revitalising their health infrastructure. Only when there is that long-term, predictable aid will Finance Ministers and Health Ministers have the confidence and ambition that we want them to have for health care spending in their country.

It is important that we find the right balance between targeted investment through specific funds and long-term investment in systems building. We must ensure that targeted approaches, such as the Global Fund, complement the broader effort to develop health systems, rather than undermine it or divert resources from it.

As hon. Members know, our aid budget is committed to rise to 0.7 per cent. of gross national income by 2013. In the interim period, we are still looking for innovative ways to front-load investment in health and education. One powerful example is the international finance facility for immunisations, which will provide an additional £4 billion to the global immunisation efforts over the next 10 years and will, we believe, save some 5 million lives in the process. A larger international finance facility is under development and is expected to channel significant support to health and education. With our European allies, we are exploring a number of innovative approaches to increase aid. We are also considering how we can stimulate investment by the pharmaceutical industry in a new generation of drugs and vaccines, through advanced market commitments.

In 2005, G8 leaders committed themselves to trying to secure universal access to AIDS prevention treatment and care by 2010, which is an ambitious goal that will require rapid attention to the systems-wide constraints. In post-conflict and fragile states, we will face particular challenges in building even basic health systems from scratch.

We are trying to work with other donors to simplify the international system for health and AIDS. Too many agencies—be they UN, World Bank, or the various global funds or bilateral donors—are working in developing countries, often with unclear and overlapping mandates. Many of those agencies deal with specific disease areas, without engaging with the broader health system on which they all depend. They operate in a competitive global funding environment in which country-level needs are often only poorly articulated. With OECD colleagues, we need to try to hold those various agencies to account for their performance in providing more and, crucially, better aid. We have to support countries' efforts to achieve the universal access to AIDS services that they want, as well as making progress on the child and maternal health MDGs.

The UK makes a substantial investment in health, through a wide range of instruments. When we are satisfied with a country's policy environment and governance standards, we provide direct support to its budget to implement its poverty reduction plan. However, in other settings, where we do not have confidence in the policy environment and the commitment of leaders to reform, we work with a variety of partners to support country-led efforts to address the whole sector plan, through pooled funding. In fragile states, for example, we employ project approaches implemented by a range of partners, particularly NGOs and private sector organisations.

Of course, we work closely with other Departments, such as the Department of Health and the Foreign Office. Our country efforts are complemented by a substantial research agenda, our current priorities being AIDS and other communicable diseases, reproductive health, maternal and child health, future concerns—about tobacco, for example—and some things that are more neglected internationally, such as mental health.

We are supporting a number of public-private partnerships that aim to increase access to health services or seek to fund research on future generations of vaccines, such as the international AIDS vaccine initiative, or the Medicines for Malaria Venture. Better health has to be at the core of the international development agenda as we look forward to the next 12 months.

Sadly, progress has stalled or been reversed in many countries. Without a major effort, many of them will not meet the millennium development goals on health for years to come. The commitments that were made last year hold out the possibility of making much more substantial progress on health once again. I look forward to hearing hon. Members' comments on how we might make the progress that I think we all want.

2.59 pm

Mark Simmonds (Boston and Skegness) (Con): May I say how pleased I am to be under your watchful eye in this important debate, Lady Winterton? I congratulate the Minister on applying for this debate on an important area of international development policy, and Mr. Speaker on granting it.

The Minister mentioned the Government's policy of spending 0.7 per cent. of our gross national income on development aid, which he knows we support. We

support the millennium development goals, including the three that are specifically relevant to the debate this afternoon, which the Minister outlined in his introductory remarks. We also support the Global Fund to Fight AIDS, TB and malaria, although we are disappointed that other countries and private organisations do not, perhaps, share the UK Government's enthusiasm, and ours, for that fund, or accord it as much importance as we do.

We also share the aspirations that were set out at G8 on the international finance facility for immunisation, which could make a significant impact on health care provision in the developing world. There have been past successes with regard to health in a global context. Smallpox is a good example, and we all hope that polio will be eradicated shortly.

It is only fair to put it on the record that since 1997, the Department for International Development has provided £1.5 billion for strengthening heath care systems in developing countries, which is worth while and admirable, and we support it. The UK was the prime mover in setting up the high-level forum on the millennium development goals on health in Geneva in January 2004, at which developing and donor countries discussed concrete actions to increase health service capacity to meet development goals. Again, we applaud that.

We welcome the G8 Africa communiqué, which said that people should have access to basic health care and encouraged countries to drop user fees, but recognised that that decision can be made only by the Governments of developing countries. I shall say more about that later.

I should like to sum up the current situation. We must prioritise the provision of basic health care services in the developing world. As the Minister rightly said, one third of the world's poorest people—about 2 billion of them—do not have access to essential health care services and medicine. Sadly, that enormous problem cannot be solved in a short time.

The disease crisis in the poorest countries is staggering. The approximate numbers of deaths per year are as follows: malaria, 1 million; TB, 2 million; HIV/AIDS, 3 million. Infection and death rates for those three diseases are continuing to grow. Approximately every minute, a woman dies as a result of pregnancy and childbirth.

3.2 pm

Sitting suspended for a Division in the House.

3.17 pm

On resuming—

Mark Simmonds: I was speaking about the number of women in the developing world who die as a result of pregnancy and childbirth; it is one every minute, or 529,000 a year. As the Minister said, 99 per cent. of those deaths occur in developing countries. The World Health Organisation estimates that more than 10.5 million lives a year could be saved by 2015 by expanding health care intervention for infectious diseases, maternal and child health, and non-communicable diseases.

Sadly, some recent initiatives have failed to meet their targets, and I would argue that the "3 by 5" initiative failed significantly. It was stated yesterday morning at International Development questions that of the 40 million people with HIV/AIDS in sub-Saharan Africa, only 550,000 are taking retroviral drugs and receiving retroviral treatment, rather than the 3 million anticipated in the target. That is a significant disappointment. The G8 aspirations on HIV/AIDS seem a long way adrift. Initiatives such as "3 by 5" require strong health care systems to be put in place to ensure that antiretroviral drugs can be delivered. The lack of such systems is often the main reason why targets have not been met.

Like the health care burden, the economic burden of epidemics such as TB, malaria and HIV is enormous. Those diseases are crippling economies, devastating key sectors of workers and reducing investment that could be used to stimulate economies and alleviate poverty. The World Bank estimates that TB costs the average patient three or four months of lost earnings. Malaria slows economic growth in Africa by about 1.3 per cent. a year. When the prevalence of HIV/AIDS reaches 8 per cent., the cost in growth for sub-Saharan Africa will be about 1 per cent. a year.

Good health care systems would go a long way to meeting many of the millennium development goals, including improving maternal health and child health, and meeting targets on disease. Good health care systems would also contribute to the achievement of other millennium development goals, such as access to education, as fewer children would be required to drop out of school to care for sick or dying relatives, or to care for siblings because both parents had died. There will also be more teachers. It is a staggering statistic, but in 1999 in sub-Saharan Africa nearly 1 million children lost their teachers to HIV/AIDS.

The links between pandemic diseases and national security must not be overlooked. The Minister has recently been to Malawi. He will therefore be aware that because of HIV/AIDS, troop strength in Malawi has fallen to 50 per cent. of the minimum capacity needed to guarantee state security. In Mozambique, police recruits cannot be trained fast enough to replace those who are dying of AIDS. Strong health care systems are essential to ensure that law and order can be maintained. I saw that for myself in Mozambique last year.

We are greatly concerned about some specific problems with regard to the provision of health care in the developing world. Of course I understand that the Minister cannot give answers on those problems today. Of course I understand that the issues are immensely complex and that the Minister, the Secretary of State and the Department for International Development alone cannot solve the problems. There must be international consensus and co-operation to reverse the trends, particularly in many parts of Africa.

The first issue is health care fees in the developing world. The British Medical Association has calculated that abolishing user fees for health care facilities could prevent approximately 233,000 child deaths annually across 20 African countries. User fees are in place across most sub-Saharan African countries. Initially, they were introduced to tackle severe underfunding, but clear evidence now demonstrates that such fees do not generate much revenue, significantly deter people from

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seeking access to health care, are unlikely to improve efficiency and disproportionately affect poor people who require health care most. Will the Minister explain what steps the Government are taking to encourage developing countries to abolish their fees? I am aware that there have been successes, but further work needs to be done to ensure that basic health care will be free at the point of delivery for all those who require it.

The second issue is drug availability. The Department for International Development needs to do more to encourage the pharmaceutical industry to allow the manufacture of generic drugs for use in the developing world. The former director general of the World Health Organisation's HIV programme suggested the designation of a humanitarian corridor within which leading drug manufacturers would allow rivals to produce drugs at low prices for modest royalties. Does the Department support that suggestion? If not, why not, and if so, what is it is doing to encourage the proposal?

There is also great concern about the number of medicines being developed to tackle diseases that predominantly affect poor people. The drugs for neglected diseases initiative has estimated that less than 1 per cent. of new drugs coming on to the market are related to tropical diseases. Does the Minister think that the Department can do anything to increase that percentage, to ensure that there will be more of the research and development that is required to increase the number of generic drugs available to the vast populations who suffer from those diseases? This is not just a matter of the availability of drugs. Once the drugs arrive in the developing world, there must be adequate facilities for transporting, storing and distributing them, including reliable refrigeration, transport and sufficiently trained staff. All those areas are currently lacking.

The hon. Member for North-West Leicestershire (David Taylor) made a point about drug resistance, which is becoming prevalent, particularly with malaria. There is concern that malaria parasites have developed resistance to the cheapest and most common drugs used to treat the disease. Resistance to treatment can be delayed by using therapies that combine different medications. However, 18 pharmaceutical companies are producing and distributing drugs that risk exacerbating drug resistance and jeopardising the fight against malaria. That needs to be dealt with, or the problem will only get worse. I understand that that problem is more prevalent in Asia than in Africa.

There are also problems with tariffs—internal tariffs between African countries as well as tariffs that raise taxes on imports to Africa. Those, unbelievably, still apply in some instances to basic health care products such as malarial bed nets, which can significantly reduce the transmission of malaria, in particular, by as much as 63 per cent. As of 2003, 18 countries have reduced or eliminated the taxes and tariffs on bed nets. I urge the Government to encourage Governments in the developing countries to go further and introduce legislation, if not wipe out tariffs on health care products altogether—particularly the bed nets in my example. More people would then have access to the health care that they deserve and require.

The Minister also mentioned staffing, which we think is a major issue. We welcome the fact that the Government have signed up to the code of practice for the international recruitment of health care professionals, under which the public and private sectors make it a policy not to recruit actively in the developing world. However, that does not prevent doctors, nurses and other clinical staff from leaving Africa and other poor countries. About 23,000 leave Africa each year, not necessarily through active recruitment but through what is termed the "vacuum effect". They are pulled to the developed world—to the prospect of better conditions and better earnings, and we can all understand that. Malawi has just 100 doctors and 2,000 nurses for a population of 12 million people, 15 per cent. of whom suffer from HIV/AIDS.

However, we must balance such facts by understanding remittances and the important role that they play in alleviating some severe economic problems in poor countries. In the British NHS over the past three years, the number of full-time clinical academics has been reduced by 14 per cent. That will further increase the national health service's dependence on overseas recruitment in forthcoming years. I hope that the Minister and his counterpart in the Department of Health will put that at the forefront of their discussions.

It is essential that all groups in the community have access to health care, especially women and the poor. For that to happen, however, there must be better co-operation and co-ordination between public, private and NGO initiatives. As the Minister rightly pointed out, there needs to be a degree of certainty that the money is going where it is intended to go, and much greater control over duplication, as well as cross-country and cross-organisational co-ordination to ensure the best use of the money available. For example, TB is responsible for up to half of all AIDS deaths in Africa, so there needs to be greater collaboration and co-ordination between TB and AIDS programmes. As we heard earlier, a strong civil society is also essential to the maintenance of good health care.

I have a few final questions for the Minister. I do not necessarily expect him to answer them today, but I should be grateful if he gave them some thought. If he does not respond within a certain time scale, I shall fire off a letter in the usual way just to nudge him. Although aid and debt relief are necessary, economic development and international trade offer the best hope of sustainable solutions to poverty in Africa and elsewhere in the developing world. Like everyone else, we were disappointed by the outcome of the World Trade Organisation meeting in Hong Kong, particularly because a key commitment of the millennium development goals is to create an open and non-discriminatory multilateral trading system. At the moment, we are a very long way from that.

The reform of trade rules is essential if Africa is to trade its way out of poverty and to create the capital necessary to invest in its health care systems itself, through its own Governments. We urge the Government and DFID to continue to work for a resolution to the Doha round of trade talks. They must strike a balance to ensure that freeing up trade does not necessarily exclude African and other developing nations from generating revenue through modest tariff

barriers. Those nations can then spend that on public services, particularly health care, so that they move away from dependency on aid, donations from the developing world and direct budgetary support.

On budgetary support, there is a balance between maintaining the continuity of funding necessary for recipient Governments to guarantee income flows, and thus the provision of services, and ensuring that British taxpayers' money goes where it is intended to go. As the Minister is aware, the Conservative party is concerned that, at the moment, quite a lot of anecdotal evidence—I shall not put the percentages on the record—suggests that a significant percentage of budgetary support money is unaccounted for and does not end up where it is intended to go.

I would like the Minister to think about putting in place more stringent transparency and accountability procedures, to ensure that direct budgetary support from the British taxpayer goes where it is intended to go. Of course we understand that there is a balance to strike between ensuring both that there is transparency and accountability and British taxpayers get value for money, and that the recipient Government are democratically accountable for the money that they get. At the moment, that balance is not necessarily correct.

On debt relief, we welcome the heavily indebted poor countries initiative, which has benefited a number of countries so far, although we believe that it could go wider and deeper. However, the G8 debt deal will provide less than $1 billion extra this year for vital services such as health care. Will the Minister tell us what percentage of the debt relief agreed at G8 will be spent on the provision of health care in developing countries? Serious questions are now being asked about whether the promises that were made will be delivered on. Germany has gone on record as saying that it is highly unlikely that it will meet the targets that it thought that it would. What impact will that have on health care in the developing world? What steps is the Minister taking to ensure that money from debt relief is used in the recipient countries specifically to alleviate poverty and on health care, in the context that we are debating?

The Minister gave a fair and articulate introduction to the debate. As he said, Africa is struggling with many diseases, not just the three big killers that I have talked about, and may prove to be the weak link in preventing bird flu, especially as the Rift valley, which runs 9,000 km from Syria in the north to Mozambique in southern Africa, attracts millions of birds each year. Indeed, Tanzania has gone on record as saying that it has only $120,000 to spend on strategies to prevent bird flu. Have the Minister and his Department made any assessment of the risk caused by Africa's inability to finance prevention measures, particularly against bird flu? If, so, what is their reaction? Will funds be allocated specifically to allow African countries to prepare for the potential global pandemic? I accept that there is a degree of uncertainty about that.

Economic growth is impossible if a country's population is dying, so strengthening the provision of health services must be a focus for all our efforts. Tomorrow, I am travelling to Yemen to discover how Oxfam has improved basic health care services in a district there by enhancing community participation, piloting community financing and strengthening district health services. Schemes such as those, which include civil society, NGOs, regional government and donor country Governments, must be replicated where appropriate if we are to see lasting improvements in the health care services of developing nations, which all of us, across the House, want to see, as those are essential building blocks for alleviating poverty and improving lives in developing countries.

3.33 pm

Greg Mulholland (Leeds, North-West) (LD): I might not be able to stay for the winding-up speeches, as I promised to attend an event in Leeds. If that turns out to be the case, I apologise and assure hon. Members that I will read the speeches in *Hansard*.

I want to talk about the recruitment of health professionals from developing nations, which the Minister and the hon. Member for Boston and Skegness (Mark Simmonds) mentioned. The code has been tightened up, but there is clearly a loophole that needs to be closed. Private agencies can still perfectly legally recruit health professionals from countries on the banned list if they do not work in the NHS in the first instance. They often work in private nursing homes and care homes instead, and frequently do not do the jobs for which they were trained. Their skills are entirely wasted, never mind not being utilised in their country of origin, where we all agree they should be. Private homes sometimes make money from the practice, which is scandalous. They charge a fee so that they can put the health professionals through the process and then, after the allotted period, people are naturalised, live here and are eligible to work in the NHS. It is clearly recruitment from banned countries by the back door, and we need to hear more about that from the Minister.

Why does the Department of Health still leave it to NHS employers to monitor the code rather than do that itself? I realise that that question is not directed at the Minister's Department, but I hope that it will be considered jointly by the two Departments. The Department of Health should monitor the code and not leave it to self-regulation, which could lead to a conflict of interest among NHS employers. As for figures in connection with the loophole, I am sure the Minister accepts that between 2004 and 2005, 3,301 health professionals joined the UK register who were from banned countries. Although the code is welcome and has made the position better, it is not working sufficiently. I hope that the Government will give it serious consideration.

There is a more complex problem, and I am not suggesting that we have a solution to it. It is creditable that the Government are investing in Malawi. It is hugely welcome work and we thoroughly support it, but what is the Department's assessment of the effect that it is having on attracting health professionals from neighbouring countries? I am not criticising the work, but Malawi is the focus of DFID funding, which is likely to suck in health professionals from neighbouring countries. The Department and the Government need to deal with that and the situation needs to be monitored. That is not simply a theory. It happened in Botswana, where the Bill and Melinda Gates Foundation put a lot of money into services. It attracted health workers from neighbouring countries, such as Angola, where there is a crisis in the health service. We must accept that the

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impact of development is often more complicated than we would expect it to be. Sometimes, development work distorts local labour markets. We must be aware of that and do whatever we can to ameliorate the position.

We welcome the overall thrust of the debate. We are all happy to be involved in it. We shall support any action that the Government take to strengthen health services and will assist them in finding solutions to the problems.

3.39 pm

Ms Sally Keeble (Northampton, North) (Lab): I am pleased to take part in the debate. Although my remarks might seem critical, I support the Government's action. I recognise the enormous financial commitment that has been made and the expertise and thought that have been put in. It is partly because the United Kingdom Government have been so active in such matters that the debate is developing. One reason we are pressing the Government is that they can make a difference and affect what happens in the countries that many of us care so passionately about.

I shall discuss three issues. The first is the need to make sure that when we consider health care systems in developing countries, we look into both acute care systems and community health care systems. Secondly, we need to track funding from the Global Fund down to community-based clinics. I have spoken to my hon. Friend the Minister about that and today I shall talk about one project in which I have a particular interest. I do not mean a financial interest; I mean that I have seen the project's work and am very much committed to it. Thirdly, I shall talk about maternal and infant mortality, because that is the subject of one of the millennium development goals on which the international community is lagging. We are also lagging on the MDGs on infectious diseases and HIV/AIDS reduction.

On primary care systems, I thought that rather than talk about statistics, I might recount what I saw when I went to Africa with my Schools for Africa project before Christmas. I went to see the distribution of boxes for children in a slum called Kiandutu, just outside Nairobi. "Kiandutu" means jiggers, which are horrible little biting things, and if hon. Members saw the slum, they would know why it was called that; it is a truly appalling place. I went with my friends from KENWA—Kenya Network of Women with AIDS—to the house of a woman called Tabitha, who had a three-week old baby.

Tabitha is HIV-positive and is on antiretrovirals. It was thought that her baby was probably okay, as far as anyone could tell, because the birth had been made as safe as possible, but one of Tabitha's other children was very ill. One of the main routes of transmission is mother to child, and there is a big need to block off that type of transmission. Once the birth has been made safe, the next thing is to make sure that the mother does not breastfeed, so a lot of effort was being put into making sure that Tabitha did not breastfeed her child. She was keen to avoid doing so, because she obviously wanted to make sure that the baby lived.

KENWA, which, as my hon. Friend the Minister knows, is connected to the Global Fund, gave the woman some powdered milk. KENWA had to give the baby ordinary powdered milk because there is no powdered infant formula available. Kenya, which is a big, sophisticated country, is not the only country affected by that lack of supply. HIV-positive women who are trying to avoid breastfeeding their babies in order to save their lives do not have access to supplies of powdered infant formula. It is available only in westernised shops, and it is too expensive for them.

Another problem was that there was no water. Supplies of water were being sold, but they were expensive and Tabitha did not have any money. In addition, the water was not safe for a small baby, so KENWA gave her bottles of sterilised water. However, there was no fuel, either, so nothing could be heated up and the mother could not sterilise the bottle. Although KENWA told Tabitha to feed the baby with a cup and spoon—one can do that with a little baby—she thought that it was proper to feed the baby with a bottle, even though it was an unsterilised bottle left all day in a filthy little hut. At least clean water was used—we hope—but there was no proper nutrition.

KENWA put massive effort into trying to make sure that that woman fed her baby safely. It supplied the powdered milk, which it had difficulty getting, and the water, and it tried to help her to manage the sterilisation issue. The woman, who is on antiretrovirals, had to struggle because she had three other children to look after, including one who was very sick. She had to cope with all the difficulties that I have described to do something that we do quite routinely.

I was struck by the fact that it is well within the capability of the donor community to make sure that such problems are dealt with. I thought back to when I had my own children in Guy's hospital just across the river. Because it is expensive to sterilise bottles, the hospital provides women who choose not to breastfeed their babies with little disposable bottles with the formula already made up. You may have seen them, Lady Winterton. They have a disposable teat, so the whole lot is thrown away after one feed. Of course, there must be an agreement with the producers that they do not sell them in supermarkets, or any efforts to encourage women to breastfeed their babies will be completely on the skids because those little things are so convenient. Instead, if one so chooses, one can buy small one-feed cartons of ready made-up formula in supermarkets and chemists. They are completely sterile: one simply opens them and put the contents into a bottle and away you go.

I described them to my friends from KENWA and asked whether they had seen them and whether it would help to solve part of the challenge of persuading a woman not to give up the unequal struggle—persuading her not to breastfeed her baby and risk finding that the baby is HIV-positive. They did not even know that such products existed—they had never seen or heard of them. They did not know that they were available.

I know that there are all sorts of debates about Nestlé milk. We talk about giving mothers antiretrovirals, making childbirth safe and trying to block transmission, which is the biggest problem, but unfortunately everything comes down to what was happening in that little hut and the woman who was facing the problem of how to feed her baby safely and avoid the baby becoming HIV-positive.

Real thought must be given to how we draw the lines that need to be drawn between acute services, primary services and community-based services. That is as much an issue for this country as it is for the developing world. It is extremely problematic for us to deal with. It is just as important for us in this country, when we talk about improving health and health care systems, to consider the areas that produce the biggest change in health care.

I turn to the problem of tracking the money. KENWA was running a project in that slum, as well as seven others in Nairobi and the surrounding area. The Global Fund considers KENWA a model organisation. If one asks the Global Fund about its work on community-based projects, it will hold KENWA up as an example. KENWA does not receive money from the Global Fund, although it did for a few years. I pay great tribute to the DFID office in Nairobi for helping KENWA through a difficult patch by providing it with funds, but it worries me that we pay a vast amount of money—I forget the exact amount, but the Government are rightly proud of it—into the Global Fund and the money is not tracked. After a great deal of unpicking, I finally found out what had happened.

The Global Fund provided the funds for KENWA for three years. Then, because the Kenyan Government had their own plan, the fund was supposed to go through the Kenyan Government, who were to decide where the money should go. In fact, the money went to the Kenyan Government and stopped. I understand that it is not known what will happen now, because of the problems in which the Kenyan Government find themselves. Meanwhile, the staff at KENWA have not been paid for several months, and the organisation is in crisis.

My hon. Friend the Minister might say, quite rightly, that KENWA is one organisation among many and that it is not right to use an Adjournment debate to lobby for one organisation, but let me explain why this particular organisation is so important. I did not realise until quite recently that KENWA provided support for 2 per cent. of all the people in Kenya who are on antiretrovirals. Because of the horrors that await those people if the funding comes to an end and they have no antiretrovirals, the organisation has been trying to find other programmes in which to put them. Some have migrated to the Government hospitals, which cannot do the outreach work that KENWA does. KENWA works in the slums, and is good at doing such work. Although the Kenyan Government figures for treating people with antiretrovirals might look good, the reality is that that great capacity is at risk of being lost as a result of the basic problem of getting the money from the donors—all credit to them—to those who spend the money and deliver the services.

Secondly, in addition to those on antiretrovirals, KENWA supports and feeds 1,400 orphans, and arrangements have not yet been made for the future feeding of those children. As my hon. Friend the Minister knows, caring for HIV/AIDS orphans is a major problem. I have been extremely concerned for some time about what will happen to such children, particularly given the risk of infection with HIV/AIDS and other health problems if they are not properly supported and maintained.

The hon. Member for Boston and Skegness (Mark Simmonds) spoke about tracking the money through the system and ensuring that all the benefits that the UK taxpayer and the individual donors who provide support expect are delivered. I do not blame the Global Fund for the problems—they are the result of a series of circumstances—but the problems certainly need to be unpicked. That story is a reminder of the vulnerability of health care systems in countries where governance is fragile.

My hon. Friend the Minister was right to say that that things have improved in many health sectors. The Government, DFID, NGOs and donors can take great credit for the amount of work that has been done and the outstanding progress that has been achieved. However, as my hon. Friend said, in some areas things have not improved, and in some they are getting worse, particularly infant and maternal mortality rates.

I am greatly concerned that although it is recognised that things are getting worse, the attention of the international community has not focused clearly enough on those indicators and on what health care is needed to tackle them. There are a number reasons for that. One that springs to mind immediately is the problems of women. Women come very low in the pecking order under many Governments, especially those of developing countries. Women and children are treated as a job lot. If the health care for women is not good, you can bet your last dollar that the health care systems for the children will not be good. I remember hearing a doctor in Soweto saying that the failure of the mother predicates the failure of the child. It is that simple.

In Kenya, the women are fed well because doing that means that they will be able to look after their children. I puzzled long and hard about the practice, which I have seen in a number of countries, of putting people on antiretrovirals for six months. It was done for only six months because after that there were no more drugs, but people said that it was terrible and asked what was to happen then; if people have a second course, the reaction is even worse. The response is, "If we can keep the mothers alive for a year or two, that will give the children protection for that much longer and a better chance later." It was as simple as that.

The professionals in developing countries and the UK who have to deal with such problems often say, "We know what has to be done and about the interventions needed to make a birth safe. We know what kind of facilities we need. That stuff can be done, but it is a question of will." The UK Government can make a real difference; they can make the arguments and encourage and cajole the rest of the international community, including the Governments of developing countries, to give such issues a higher priority.

Some things are making the situation worse. One is HIV/AIDS: we know that the disease has a female face and, increasingly, it is a young female face. We also know that the biggest form of transmission in many areas is now said to be from mother to child. There is also the issue of the number of orphans and what happens to them. I have often spoken to my hon. Friend the Minister about such issues; the figures are truly shocking. Just before Christmas, I went to Zimbabwe as well as Kenya. I had always thought that there were about 900,000 orphans, mostly HIV/AIDS orphans, in

[Ms Sally Keeble]

Zimbabwe, but I learned from a UNICEF book that the number of orphans in Zimbabwe is now 1.2 million, and the person at the UNICEF mission in Harare responsible for child health said that the figure was closer to 1.5 million, out of a population of about 12 million or 13 million. The implications of providing care for those children in years to come are startling. The hon. Member for Boston and Skegness has already pointed to the economic cost of HIV/AIDS—the costs incurred if health care systems are provided.

We must also consider the profound impact of conflict on the health of women and children because of their position as refugees and as victims of abuse by combatants, and because of the destruction that conflict causes to whatever health systems already exist. Changing sociological factors—changing patterns in child care, adult lives and family structures—have left children more vulnerable at different stages of life. Previously, birth was particularly dangerous; later, weaning becomes so.

Finally, there is the unresolved problem of the status of women. The UK Government have pressed on that issue, but the message needs constant reinforcement. I have seen women in Bangladesh who had to wait several days in labour until their husbands came to give permission for them to be taken to hospital because of complications during birth. That can simply be too late.

This is a slight diversion, but my hon. Friend the Minister talked about the improvements in Mozambique and seemed to link them with the need to make sure that there is work with community-based care workers. He is absolutely right to say that community-based care is important—not just the community care centres of the type that I saw in Kenya, but home visiting services, which are desperately important, especially for supporting HIV/AIDS victims in the community. It is important that the people who go out are properly equipped. In quite a few countries, I have seen people go into the community to provide care without the equipment they need. I met some midwives in a very rural area of Sudan, who had been given training and care packs by the DFID, but a couple of years on, all that was left was the drum for hearing babies' heartbeats—they had lost everything else and had one of those between them. The supplies need continually to be sent down the supply chain.

In Mozambique, I walked with a community care worker around some of the semi-rural slums in a town called Xai-Xai in Gaza province, just north of the capital. There were good roads, so there should have been good access for people to get in. I walked up a path to a hut from which the most awful moaning was coming. Inside, a woman was dying of AIDS. She was simply lying on the floor, because everything else had gone. All her family was dead. Her child was dead. There was just her and a care worker from Kuvumbana, the organisation that I was working with. The carer was there just to comfort the woman; she did not even have any basic painkillers.

If we are serious about providing care in the community, we need to ensure that people are properly trained and have proper supplies that are replenished. We also need to make sure that there is some joining up of provision. Not only did the carer in Xai-Xai not have painkillers, but the project had only intermittent supplies even of food. The supplies that were needed to make care in the community effective were not there. All the structures were in place, including a storage room to keep the stuff in, but things were simply not joined up.

I should just like to say something relating to what is specifically needed for health care services. We are focusing on things that are normally bottom of the pile, as it were, in terms of focus for Government attention. I fundamentally disagree with the hon. Member for Boston and Skegness on one point. He said that he thinks that economic growth and trade is a way to resolve sub-Saharan Africa's problems. Of course, economic growth and trade are needed, but sound policies for redistribution of wealth and service development have to be developed along with that if we are to tackle the kind of problems that the Minister talked about, which we all know exist in sub-Saharan Africa.

I have to say that thinking there is some simple solution sells the problem short. If the hon. Member for Boston and Skegness wants one example of why this is not just a matter of economic growth, he need only look at China, which has the fastest economic growth anywhere in the world, by a long shot, and is recognised as a future economic superpower.

Mark Simmonds: Let me clarify. That is not the point that I made. Economic growth through trade can make a serious contribution, but that alone cannot alleviate all the many problems that exist in sub-Saharan Africa.

The hon. Lady is right to mention China, where there has been extraordinary economic growth, but not all the population of China have been dragged out of poverty. Many rural parts of the far west of China have the same economic affluence—or lack of affluence—as Burma.

Ms Keeble: I shall press this matter a little further, because the details have to be spelled out. It is no accident that that is happening in China. It is happening because China does not have any policies to redistribute wealth, for example, in terms of sensible tax policy, and it does not have a regional development policy, so it has no means of getting proper transfers from the overdeveloped east of the country to the underdeveloped inland areas of the west. There are major difficulties there. We see China taking jobs from this country, while we have to support and develop its health care systems, particularly on HIV/AIDS.

Mark Simmonds: I do not agree with that last point. That is not the reason for disparity of economic growth in China. The fundamental reason is that in the east of the country there is a free market and free trade, and in the west there is still communist control. That is the fundamental reason for the disparity in economic growth.

Ms Keeble: If the hon. Gentleman asks the Chinese Government what regional and economic development policies they have and how they plan to tackle the unequal growth in different areas, they will say that they cannot do that. The same is true of the way their economy is growing and the way they develop their services. There are gaps in their policy development.

That is why it is so important that when we talk about strengthening health care services in sub-Saharan Africa we consider the problem in terms of the policies that are being developed and how those countries will be able to effect change.

We cannot apply simplistic solutions—we cannot think, "One, two, three: economic growth leads to an end to poverty," although of course the one is not possible without the other. We must also consider the areas that will not be touched in hundreds of years by trickle down.

Infant and maternal mortality have been shown to be the most difficult problems to solve. Tackling them involves looking at some of the most complex policy areas and prioritising them. Will my hon. Friend the Minister ensure that those areas receive the attention that they need? In particular, will he study the problem of tracking funding, and ensure that the UK Government's enormous financial, policy and service delivery contribution includes giving proper priority to attention to services on the ground?

4.7 pm

John Barrett (Edinburgh, West) (LD): The hon. Member for Northampton, North (Ms Keeble) made an interesting speech and gave us a good reason for strengthening the health services of developing countries. We need only look at facilities in this country to see what could be. Some people say that our facilities could be improved, but we should compare what we have across the road and in my city of Edinburgh with what some of us have seen first hand in developing countries.

Like the hon. Lady, I had first-hand experience in the Sudan, where I spoke to nurses who worked for Médecins sans Frontières. They said that they often had to put young mothers back together again after they gave birth, following Caesarean operations done with a spear. That can be compared with what I saw recently in the Edinburgh Royal infirmary, where my daughter, who now has a young baby—I am a proud grandfather—had first-class facilities. There were problems, but the care was expert. Why, through bad luck, should there be two patients to a bed in children's wards in some parts of the world—sometimes with a child under the bed on the floor—while we have expert staff and equipment in spotless hospitals? It is simply because those children live in some of the poorest countries of the world.

The health services of the poorest countries are overstretched, underfunded and understaffed. HIV/AIDs, TB and malaria were mentioned by the Minister, the hon. Member for Boston and Skegness (Mark Simmonds) and my hon. Friend the Member for Leeds, North-West (Greg Mulholland). They have left huge scars on the world. However, the poorest countries, which are least equipped to deal with the problems, have suffered the most. The problems are well documented, and the challenge for us is what we—the Department for International Development, the Government, and the people of this country—can do to help.

Improving access to retroviral drugs, for example, has an enormous impact on the health of people in developing countries. Current estimates suggest that there are 16,000 preventable deaths a day from HIV/AIDS, TB and malaria. The impact of HIV/AIDS, in particular, is well documented. The harsh reality is that we are losing the fight against the disease, with 4.9 million people newly infected last year, the highest number in the history of the disease. Improving access to antiretroviral drugs is currently making a real difference. It is helping to turn the tide in the fight against the disease.

TB is also making a comeback in several nations and in certain parts of the United Kingdom. I have witnessed how the fight against the disease is increasingly undermined by poverty, the breakdown of communities and social problems, such as drug abuse. The highly effective direct observation of treatment that was devised by TB pioneer Sir John Crofton, one of Edinburgh's most famous sons, has been adopted universally, but more must be done to ensure that it is implemented effectively. I am sure that there is a greater role for the international community in that regard. A year or so ago, I saw at first hand the excellent work that DFID is doing in the fight against TB in India.

However, there is only so much that the international community can do without the co-operation of those in charge on the ground, where the problems are worse. It is hard for the international community to help developing countries improve their health services when some refuse even to acknowledge the difficulties that they face on their doorsteps. The slums of Kibera on the outskirts of Nairobi were well publicised recently in the film "The Constant Gardener", which dealt with the problem of drug testing in developing countries. About 1 million people—the population of Edinburgh and Glasgow combined—live in those slums, yet the Nairobi Government did not even accept the existence of what was happening. Such matters did not feature in plans, and the area does not have a fresh water supply or sanitation. We must press the Governments of developing countries to accept that they have a key role to play in the fight against diseases and in the development of good health services.

I visited an excellent clinic in Nairobi at which the staff and health workers were doing a great job. However, they wanted to move to better facilities across the road. A building existed, but the Nairobi local authorities had not connected water or electricity supplies. The doctors told us that they had been waiting eight years for the building to be connected to supplies. One of the reasons they were told why they could not be connected was because new hotel developments were being built in the city centre and needed the water supply for bedrooms and swimming pools. There must be an acceptance by the Government that, if they work with other Governments, certain advances can be made.

I am sure that the Minister will agree that part of our struggle is forcing those Governments to do more to help their countries. The international community and NGOs will be fighting a losing battle for ever if Governments show a disregard for the well-being of their citizens. I urge DFID to step up the pressure on those Governments, to force them to help their own people whenever possible.

Mention has been made of the importance of Governments recognising their role in recruiting staff. Such practice has often been described as poaching nurses and doctors from abroad. I had a similar experience to my hon. Friend the Member for Leeds,

[John Barrett]

North-West when I visited a care home in my constituency. The care assistants were fully qualified nurses and I was told that a fully qualified doctor had worked there for a next-to-nothing wage as a care assistant, until his qualifications were recognised in this country. Clearly, there is a long way to go. However, given that such matters have been mentioned by previous speakers, I shall not dwell on them.

I am sure that many hon. Members will be familiar with the work of Dr. Gbary of the World Health Organisation. He is the adviser on human health resources. His research estimated that 23,000 of the best trained medical staff leave Africa each year for the developed world. It is a particularly frightening statistic when we consider that there are only about 800,000 medical staff in the whole of Africa. The hon. Member for Boston and Skegness referred to Malawi and said that, out of 12 million people, there were 100 doctors and an estimated 2,000 nurses.

To put such matters into perspective, almost half of the recent 16,000 staff expansion of the NHS came from the recruitment of health professionals who were trained outside the United Kingdom and Europe. My hon. Friend the Member for St. Ives (Andrew George) raised the extreme case of Swaziland, where, in the past two years, 200 nurses have been trained, and 150 of them have since moved to the UK. I am sure that the Minister will agree that those are sobering statistics.

Hon. Members may be aware of the recent study by the university of London. It noted that although the serious consequences of a brain drain are increasingly recognised, the UK's demand for health professionals has affected the countries of sub-Saharan Africa more than any other part of the world. That has not been fully appreciated. We cannot hide the shameful fact that we have played a particularly prominent part in the process, with an estimated 31 per cent. of our practising doctors having been trained overseas. That compares unfavourably with rates in other European countries of a similar size. In France and Germany, for example, the proportion of practising doctors trained overseas is only about 5 per cent. I hope the Minister agrees that we have a responsibility to take a lead in tackling the problem.

We cannot be surprised that skilled people will want to move in search of a better-paid job. However, the tragedy is not only that we employ many skilled medical professionals from countries that desperately need them, but that when they arrive in this country they often end up working in lower-paid, lower-skilled jobs.

I do not want to be unfair to the Government, because they and the Department for International Development have done an awful lot of good work on the problem, which is very complex. I acknowledge that efforts to prevent doctors and nurses from coming to the UK will not necessarily prevent them from going elsewhere. The point is that it is our responsibility, as a major beneficiary of that medical brain drain, to take the lead in addressing the problem. The real challenge is to improve conditions back home so that medical professionals want to, and can, stay in their own country, where they are most needed and will make most difference. So far we have not done enough, and what we have done has not had maximum impact. However, I compliment DFID on its work in Malawi. The £100 million pledged for better health services, better training and higher salaries for doctors, nurses and other health workers in Malawi has been a great success.

It is important to improve awareness and understanding of health issues in the poorest parts of the world. In just over a week's time, I, along with a few other members of the International Development Committee, will visit Sierra Leone to see how a post-conflict country can develop, and develop its health service, too. That country currently has the highest risk of maternal death in the world. The vast majority of cases have easily preventable causes, including infection and obstructed labour. In Sierra Leone, as elsewhere, part of the problem is the lack of basic health education. In some areas there is a history of beliefs that it is natural that some women will die during childbirth. The idea that that is somehow the price that is paid is clearly outdated and simply not true. The price is far too high.

In many areas of Sierra Leone, lack of basic health education results in pregnant women shunning medical facilities and choosing instead to give birth at home with the help of a traditional birth attendant. Consequently, infection, disease and serious complications during birth are commonplace. There is little point in providing health services if people do not want to use them or do not understand why they should use them. Improving the basic understanding of health issues is another thing that we must address if we are to improve the effectiveness of health services in the poorest countries.

The challenge is to improve health services in such countries, and action must be twofold. We must do all that we can to tackle the serious problems that the countries face. Antiretroviral drugs, more hospitals, more staff and better education will all play their part. However, we must not pretend that we can treat those problems as we would do health issues in this country. We can spend money on drugs, we can help to halt the exodus of trained medical staff, and we can help to fund hospitals, but if the underlying reasons for the poor health of a country are not dealt with, we will for ever be firefighting.

Hon. Members will be aware that the greatest advance in health provision in this country was the advent of universal access to safe, reliable drinking water supplies. In the long term, no one single thing will do more to improve the health of people in developing countries than securing a clean drinking water supply. That would make a huge difference across sub-Saharan Africa and beyond. I often hear talk about targeting aid where it will be most effective, and securing that drinking water supply would be as effective an outcome as we could hope for.

The basics required for a healthy population are still missing in many parts of the world. Until we get to grips with such basic problems, we can only do so much with hi-tech medical equipment and the latest drugs. Crippling poverty, poor sanitation and lack of clean drinking water are not problems that can be solved in the hospitals and medical centres.

As well as support from outside, there must be political will and determination within developing countries. How often do we see desperate conditions and non-existent health services in countries with natural resources, corrupt Governments and high spending on the military and small arms? Sudan is just

one example that comes to mind. We must keep up the pressure on such Governments so that the good work done out in the field by DFID, NGOs and many others is not cancelled out by the actions of the very Governments with whom they should be working.

4.21 pm

David Taylor (North-West Leicestershire) (Lab/Co-op): I am grateful to be able to make a brief contribution to the debate, in which I shall flesh out the points that I made in my interventions.

Here we are in 2006, 100 years on from the formation of the Labour party, whose presence in Government we now enjoy. I have been a member of that party for well over a third of its life. Could its founding fathers and the other people in that upper room ever have envisaged that we would reach the present position in international development from what was then the empire of Great Britain in Africa, Asia and elsewhere? Could they have envisaged that 100 years later there would be a Labour Government with a solid and substantial majority and a good track record over nine years on international development issues? That is a serious achievement. Two of our most talented colleagues have been Secretaries of State for International Development: my right hon. Friends the Members for Birmingham, Ladywood (Clare Short) and for Leeds, Central (Hilary Benn).

The target of 0.7 per cent. of GDP is substantially within reach. The debate is about strengthening health services in developing countries, and part of the money will be used in just that way. Our economy is worth about £1,200 billion at the moment; 0.7 per cent. of that is about £8.4 billion. We are not there yet, but we are heading in the right direction. I hope to live long enough to see resources developed and allocated to health services, education, and all that comes with that, at 1 per cent. and beyond; who knows? We have played a big part in moving toward that objective.

I intervened earlier because our debates on international development are rightly sometimes dominated by the potential and activities of big government—national Governments and international organisations such the United Nations and the European Union. They are sometimes devoted to the activities of large multinationals such as the pharmaceutical companies and large charities such as Médecins sans Frontières, Save the Children and Oxfam. That is fine—of course the great bulk of development work and the contribution made by countries such as ours is through such channels. That will always be the case, but it does not tell the full story.

There are many small organisations that could play a part and tap into previously unused resources. They can use energy and ideas, they are quicker on their feet and more flexible, and they can target their support effectively. That is why I mentioned the work of Inter Care, based in Syston, Leicestershire, which I think is in the constituency of the former Secretary of State for Health, the right hon. Member for Charnwood (Mr. Dorrell). It is a few miles away from my constituency and some of its volunteers live in north-west Leicestershire.

Inter Care is not some informal organisation that does not work within proper professional guidelines with high standards. The people working in it are qualified pharmacists who have taken a career break or retired early and who have worked in Africa and Asia. The purpose of my contribution is to persuade the Minister, and through him the Secretaries of State for International Development and for Health, that there is considerable scope for activities such as those provided by Inter Care.

Inter Care can contribute simple medicines, equipment and educational materials to health centres in the six English-speaking countries in sub-Saharan Africa that I listed earlier. I am talking not of some scattershot approach, but a targeted one. Each donation is sent directly to specific clinics whose staff and medical needs are known personally to the Inter Care team in the UK.

Although organisations such as Inter Care are not in a position to respond to or donate medicines for emergency or disaster situations, they are able to help significantly. They support the basic health care provided by local African medical staff as they try to develop their national health provision.

Earlier, we talked about the nature of the countries that receive help. They are often the poorest countries on the planet—the poorest countries in Africa, Africa being the poorest continent on the globe. If organisations such as Inter Care were not active, the poorest people in the poorest country on the planet would have no health care or pharmaceuticals at all. Those have to be given free, because such people do not have even the necessary income to acquire medicines.

Where do the resources come from? They are unused, unwanted but in-date quality medicines that are returned every day to GPs' surgeries throughout our land of 60 million people. Inter Care is tapping into only a tiny proportion of that, but is able to help 2.5 million rural people in the six countries that I listed. I am trying to encourage the expansion of such activity, rather than to allow such medicines to be wasted and destroyed.

Ms Keeble: Does my hon. Friend agree that stocks that have to be held by GP practices and are often disposed of—not necessarily because they are out of date—are available in addition to those returned drugs? They represent a huge loss for the NHS, but can be recycled as my hon. Friend describes.

David Taylor: My hon. Friend is right; enormous amounts of medicines in this country are incinerated or disposed of in safe ways. What a waste—not only of the production costs, but mainly of the benefits that would come from their use elsewhere on the planet. Sample packs unused by GPs are destroyed every day along with pharmaceutical waste. The small pack sizes that typify those trials are ideal for the small rural health units supported by Inter Care, which also benefit from gloves, stethoscopes, face masks and other items that reps leave with GPs in the UK.

My hon. Friend mentioned other sources such as batch orders, cancelled orders and so on. A large pool of material is being wasted, incinerated and set aside, but it could be used, given the will and the means. What sorts of medicines? Like us, a poor African patient is entitled to appropriate medicines of appropriate quality. No one is suggesting that any other category be utilised.

[David Taylor]

The choice of which medicines are sent is made during careful consultation between the qualified pharmacists at Inter Care and the medical staff at each clinic. The medicines sent are appropriate to particular needs and resources and are specifically requested by the clinic concerned. They must meet high standards, must not be damaged or out of date, and must be legally recognised as safe and effective in a recipient country. There may be different standards in operation in other parts of the world.

Of course, World Health Organisation guidelines are observed at all stages. They are observed when assembling consignments bound for rural parts of Africa. There will be up-to-date information on the dosages, contra-indications and side-effects and all the things that we in the west would expect as routine.

I have made a brief contribution to highlight the work of my constituents and others in Leicestershire and show that, through partnerships with local health providers, they are about the regular supplies of essential, basic medicines to nearly 100 hospitals, clinics, health centres and dispensaries in six of the poorest countries in Africa. Almost half those units receive additional support with essential drugs in the palliative care of patients with HIV/AIDS, about whom we have talked. Inter Care is active in that area as well. Like the regular consignments, those drugs are sent by Inter Care in response to specific requests, for as long as its help is needed.

I shall conclude with one quote from Sister Rosemary, who works at Matai health centre in Tanzania:

> "Inter Care has helped me for very many years as I have moved about from place to place in Zambia and Tanzania. All the places have been very short of supplies . . . but I have always been able to write to Inter Care and ask for help . . . Even if they do not have exactly what I need, they have never let me down."

That is as good a testimony as there can be for a smallish voluntary organisation, working in a rural part of an east midlands county in the United Kingdom. That work can be replicated, and more work can be done. We are just pump-priming at the moment. To be part of that in a tiny way—to be part of a Government, as a Back Bencher, that is achieving so much in terms of the development goals that we have played a large part in shaping—fills me full of pride.

A remote member of my family, Arthur Henderson, was once leader of our great party. He would have been tremendously thrilled and excited by the progress made by our Government, elected in 1997 and hopefully re-electable in 2009–10. We will be happy to carry forward the goals and improve them. Some of the greatest achievements that political historians will be able to identify, looking back on this era in 20, 30 or 40 years time, are the changes that we have made. We all came into politics to make changes for our communities, our countries and, in some cases, our globe. This area, along with others, will stick in the memory of future generations in this land and others. We can rightly be proud, without being complacent, of the successes that we have achieved in international development.

4.33 pm

Mr. Thomas: With permission, Lady Winterton, I should like to reply to the many points made by hon. Members from all parties.

Given the propensity of the hon. Member for Boston and Skegness (Mark Simmonds) to write letters requiring a considerable amount of reflection, I thought that I would start by dealing with the points that he made. He rightly talked about the importance of the Global Fund and highlighted the fact that as a Government we have doubled our funding to £100 million for both 2006 and 2007.

Nevertheless, the global fund needs more resources than were pledged at the September replenishment conference that we held in the UK. Since then, the American Government have approved more money than had been anticipated for the Global Fund, which is enormously important. A further mid-term review of the Global Fund will assess its performance and provide the opportunity to mobilise additional funds. One donor that has not yet pledged resources is the European Community. Because its budget has only just been agreed, the details have yet to be worked out, but we hope that the Community will pledge substantial funding at the mid-term review to allow the Global Fund to do even more.

The hon. Member for Boston and Skegness suggested that "3 by 5", the WHO initiative, had been a failure. I accept that it did not achieve its headline ambition by the set date, but I do not see it in those same gloomy terms. The initiative has catalysed people's focus on a treatment that is beginning to make a significant difference in sub-Saharan Africa. In 12 months we saw a trebling of the numbers having access to antiretroviral treatment, which is important progress. The international attention that has been given to such treatment, and to what needs to be done to extend access to it, is hugely important. I accept that the ambitious target of getting 3 million on treatment by the end of last year was not achieved, but there is more to do on that front, and I shall return to the subject in a moment.

The hon. Gentleman rightly touched on the importance of continuing to focus on TB. A proportion of the Global Fund's resources are directed at TB. We are also contributing £5 million over the next three years to the Stop TB Partnership. The latest international global plan for tackling tuberculosis will be released tomorrow at the world economic forum in Dallas. That, too, will give the subject the international attention that, as the hon. Member for Edinburgh, West (John Barrett) said, is so important.

The hon. Member for Boston and Skegness also spoke about user fees. We want to see them abolished. I absolutely accept that they are a huge deterrent, particularly for poor people, by preventing access to health services. We need to help developing countries with the resources that will be lost as a result of abolishing user fees, and help them to go beyond the size of their budgets so that they can expand significantly the services that they make available to all those who will want to use the health care provisions once the fees have been abolished.

The hon. Gentleman raised a number of points about drugs, and cited some statistics about their availability. Our understanding is that the market for new drugs is

horribly skewed towards the developed world and away from the developing world. Indeed, some 50 per cent. of the world's drugs market is located in the Americas and 25 per cent. in Europe—but only 1 per cent. in Africa. Those bald and stark statistics give a clear indication of the need to rebalance the international drugs business towards the needs of developing countries.

I hope that the flexibilities in TRIPS—the trade-related aspects of intellectual property rights—will help developing countries to gain access to the generic drugs that they need. We accept that we have a responsibility to help the trade and health Ministries in developing countries to take advantage of those flexibilities. Indeed, we are helping the Ministry of Trade in Ghana to develop manufacturing capacity for drugs, and to take advantage of the TRIPS flexibilities.

Ms Keeble: May I press my hon. Friend on the problems being experienced in Zimbabwe? Local factories cannot buy the necessary supplies, and the Government will not allow the import of drugs. There is a real risk that the drugs supply will fail and leave patients with no help.

Mr. Thomas: Zimbabwe, as the hon. Lady and indeed all hon. Members will know, poses particular challenges for those of us interested in the cause of development, for all sorts of very obvious Government-related reasons. Donors such as this country, NGOs and UN organisations operate in an extremely difficult environment, and we have to think very carefully about what we can do to try to secure the immediate humanitarian assistance needed for people who have been very adversely affected by the Zimbabwe Government's policy. Drugs are, of course, one of the problems that we must consider.

One of the ways in which we are trying to encourage the pharmaceutical companies to support access to drugs in developing countries is to pay close attention to their pricing regimes. We seek to encourage developing countries to have different levels of pricing from those of developed nations.

We also seek to extend the number of research partnerships with the pharmaceutical industry, in which huge talent resides, to develop the drugs that developing countries need. Again, we hope that advanced market commitments will help to encourage large pharmaceutical companies to invest in research, knowing that there is the possibility of a guaranteed market for the new drugs that they deliver.

David Taylor: Of course it is important for there to be appropriate research that will be effective in the treatment of illnesses and conditions that may be found in the countries that have been supported through international development, but does the Minister accept that in the absence of a substantial framework in those very poor countries to deliver pharmaceuticals to the poorest people of all in those countries, those people cannot pay any price at all for those drugs, and that there needs to be a mechanism to ensure that they can access medicines freely, even if their nation and their Government tend to charge for that type of product?

Mr. Thomas: I am grateful to my hon. Friend, because I was going to talk about the distribution of drugs, which was the last point in a series made by the hon. Member for Boston and Skegness. It will be a huge challenge to meet the goal that G8 leaders first said that they wanted to be met, and which the world summit endorsed, of almost universal access to antiretrovirals by 2010, not only in urban areas but particularly in rural areas where the greatest challenges lie.

One of the things that we will need to consider is how we scale up investments in health systems in the next few years, so that there are health workers in rural areas and other underserved areas with the necessary resources—drugs are one obvious resource, although not the only one—so that we can help to meet that target. That is one issue that DFID is considering.

Several hon. Members, including the hon. Members for Boston and Skegness, for Edinburgh, West and for Leeds, North-West (Greg Mulholland), talked about human resources, which were fundamental to the point about distribution that my hon. Friend the Member for North-West Leicestershire (David Taylor) made in an intervention. We do have a code of practice in this country. Indeed, we are the first, and I believe currently the only, OECD country to have such a code of practice. It is not a perfect solution to the problem of health workers leaving developing countries, but the debate in this country on the code of practice has not yet focused enough on the reasons why people want to leave developing countries in the first place.

When I visited Malawi in October with the Minister of State, Department of Health, my hon. Friend Member for Doncaster, Central (Ms Winterton), we began to understand clearly why many of the health workers who have left Malawi wanted to do so in the first place. Poor pay and conditions, a lack of accommodation close to where they want to work, the great unattractiveness of working in rural areas, and an occasional lack of access to training and career development are some of the reasons why people have wanted to leave developing countries in the first place.

There are often huge pools of former nurses in African countries, either working in other parts of the public sector or the economy or, indeed, doing other things. We need to find ways in which to support developing countries and make working in the health service attractive to those nurses and workers. Perhaps those here in the United Kingdom will want to return, but more importantly, we must help to attract people in developing countries into the health service. We have put funding in Malawi to help it to expand by raising pay levels and bringing in people from the United Kingdom to boost the training capacity to begin the process of doubling the number of doctors and trebling the number of nurses over the next five years. Initial signs suggest some success, although the programme has been running only since the beginning of this financial year.

However, back in October, officials from the health Ministry in Malawi said that they were beginning to see a slight increase in recruitment and certainly the drain of people out of Malawi had stopped. We must continue to discuss such issues as an international community. It is on the agenda in Europe, as a result of which I hope that

[Mr. Thomas]

a code of practice will be established. I also hope that other OECD members will similarly consider taking a more ethical approach to recruitment.

Mark Simmonds: Is the Minister aware that the code of practice needs to apply not only to OECD members but to NGOs? A specific situation has arisen in Mozambique whereby an NGO from another country—not Britain—has poached from the Mozambique Government a senior civil servant who was in charge of health care provisions, so that person had no one within the Mozambique Government with whom to discuss the money that he had received to spend. Clearly that is a ridiculous situation, and it would be helpful if the Minister could plug it into the debates that he is having.

Mr. Thomas: We must recognise that a series of organisations beyond bilateral Governments need to engage in the recruitment of health workers. Clearly, the example cited by the hon. Gentleman is scandalous. There is no other term to describe it. While NGOs in general, such as Inter Care, near the constituency of my hon. Friend the Member for North-West Leicestershire, are an example of the huge good that they can do, we need to hold them accountable for their practices on occasion.

The hon. Member for Boston and Skegness referred to trade and the importance of a good deal in the World Trade Organisation's current round of talks to help countries ultimately to boost their economic growth, so that they have the resources to fund their health service themselves. The hon. Gentleman may be aware of the Abuja declaration back in 2000, in which African countries pledged to work towards spending some 15 per cent. of their national budgets on health. Several countries are getting closer to that, while some are still a long way from the target. He will be pleased to know that they also pledged in that declaration to abolish tax on insecticide-treated nets. Again, some have done so, while others have not. We must continue to engage in the dialogue.

I recognise the essential difference of emphasis between the hon. Gentleman and me on budget support, but we cannot make progress on strengthening health services in developing countries without budget support, or at least, without support to the health sector in the budget within the Government. I accept that we need to make sure that the most stringent financial management practices are being pushed and adopted in developing countries, and that is why extensive external reviews are being undertaken by organisations such as the World Bank, the International Monetary Fund and regional development banks, as well as undertaking our own stringent practices before we commit to budget support. I say again that simply giving money through NGOs or UN organisations will not see the revolution in health care that we so desperately need.

The hon. Gentleman rightly says that we need to ensure that countries outside the UK deliver on aid commitments. He specifically mentioned Germany. One reason why we continue to push the international finance facility with enthusiasm is because it will help to bring forward those aid commitments. He asked how we safeguard the way in which debt relief moneys are spent. We do not give debt relief until an effective poverty reduction plan is in place, and we expect there to be stringent financial safeguards. *It would be astonishing if* an effective poverty reduction plan did not include investment in health care. That is part of the dialogue.

On bird flu, we have committed an additional £20 million to the World Health Organisation, which is leading the assessment of the preparedness of developing countries to deal with the threat of bird flu.

The hon. Member for Leeds, North-West raised specific points about the code of conduct, which I have addressed. He also talked about our investment in the health sector in Malawi, and the possibility of people from Zambia, Uganda and other nearby countries being sucked into that sector. We are working on strengthening health services in a range of sub-Saharan African countries, so we are addressing the problem that he is worried about.

My hon. Friend the Member for Northampton, North (Ms Keeble) talked about Schools for Africa: an excellent initiative, the launch of which I am privileged to have attended just before Christmas. I pay tribute to her campaigning for orphans and vulnerable children, particularly the campaign that she has persistently waged with my right hon. Friend the Secretary of State and me to ensure that we track the way in which money is getting to the grass roots in developing countries, so that organisations such as KENWA, which she mentioned, have the resources that they need. They are a fundamental part of the capacity required to support orphans and vulnerable children.

The next meeting of UNICEF's annual global partners forum is approaching fast and will be in the UK. My hon. Friend will know from our discussions that on its agenda is the issue of getting money to the grass roots and what we should do about the blockages in some countries that stop money getting to organisations such those that she mentioned. She went into some detail about the problems faced by KENWA. I already have a commitment to write to her as a result of our correspondence, and I repeat that commitment. I will look into the problems faced by KENWA and come back to her.

My hon. Friend was right to remind my Department and the Government of the need to focus on the health of infants and women. We are increasing investment in safe motherhood programmes in several countries including Malawi, Pakistan, Bangladesh, Kenya and Nepal, which I visited in July 2004. Simple things such as bicycle ambulances have made a huge difference there in helping to get women who are having complications with their pregnancies into local health facilities. The programme is helping to fund investments in better equipment and training, so that when mothers and would-be mothers get to the hospitals concerned, they have access to the necessary services.

I come back to the point about the need to scale up, which we as a Department accept absolutely. That plays a part in our conversations on the comprehensive spending review, and I am sure that there will be further discussions on it in the coming months.

The hon. Member for Edinburgh, West made several points, which I have broadly covered already. The one that I have not covered is his point about the need to

continue to encourage the international community outside the UK to focus on investment in basic health services. The focus of the World Health Assembly and the UN summit on these issues is hugely important and must continue.

In reminding us of that great day in history when the Labour party was formed, my hon. Friend the Member for North-West Leicestershire rightly paid tribute, by implication, to the leadership of my right hon. Friends the Prime Minister, the Chancellor of the Exchequer and the Secretary of State for International Development for the way in which they have championed investment in international development and health services. He also rightly paid tribute to the excellent work done by many NGOs in sub-Saharan Africa, in particular, in the absence of any other support. He talked about Inter Care, too, and I commend him and that organisation on their work.

I hope that hon. Members feel that I have done justice to the points that they raised. This is a debate that we will return to, and we should continue to do so.

Question put and agreed to.

Adjourned accordingly at four minutes to Five o'clock.